

**CONTRACT FOR  
PROFESSIONAL SERVICES ASSISTANCE  
HAYWOOD COUNTY NORTH CAROLINA  
2011 REAPPRAISAL PROJECT**

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## **SECTION I**

### **SCOPE OF SERVICES**

These specifications cover the furnishing of labor; appraisal assistance, consultation and technical assistance by RS&M Appraisal Services, Inc. (COMPANY) to Haywood County, North Carolina (COUNTY) to aid in the completion of a computer assisted reappraisal of real property as specified herein and as directed by the COUNTY through its duly authorized agent, the Haywood County Tax Assessor.

#### **1.1 Consultation**

The COMPANY will provide consulting services, appraisal assistance, training and project management to the COUNTY Tax Assessor for a period beginning October 1, 2009 through June 30, 2011. These services will include assistance with all field activities necessary for completion of the 2011 Reappraisal Project, including; project planning and progress reporting, preliminary residential neighborhood identification, commercial data collection, preliminary residential land pricing, residential and commercial cost studies, residential value review and informal appeals.

#### **1.2 Real Property Appraisal**

The COMPANY shall provide appraisal expertise in the market value appraisal of approximately two thousand five hundred (2,500) commercial and industrial properties located within Haywood County, North Carolina.

In determining the market value of the above referenced properties, the COMPANY will consider at least the location, type of construction, age, replacement cost, condition, present and future income, adaptability to other uses, and all other factors that may affect market value.

The COMPANY will complete neighborhood delineation for the purpose of identifying commercial and industrial neighborhoods and valuation areas.

The COMPANY will complete an analysis of sales transactions of commercial and industrial vacant land and will develop final commercial and industrial Computer Assisted Land pricing (CALP) tables for commercial and industrial neighborhoods.

The COMPANY will analyze income and expense information collected by the COUNTY for use in support of the Market Value Appraisals. This information will be considered confidential and will only be used within guidelines established by the COUNTY.

The COMPANY will complete a data verification and market value review for each parcel of commercial and industrial real property through an on-site visit. The COMPANY will inventory all data pertinent to each parcel being appraised and will advise the COUNTY of significant data errors or omissions. The COUNTY will provide staff to collect the data necessary to correct these errors. The COUNTY will enter the data and recalculate values to allow for final valuation by COMPANY staff.

The COMPANY will provide appraisal staff to hear all informal appeals arising from the valuation of commercial and industrial properties. The COMPANY will provide appraisal staff to assist with commercial and industrial appeals before the Haywood County Board of Equalization and Review arising from the 2011 Revaluation.

### **1.3 Training**

The COMPANY will train the COUNTY Tax Assessor in all phases of the Reappraisal Project and will assist in the training of COUNTY staff in all activities listed in paragraph 1.1 and 1.2 of this section.

### **1.4 Schedule of Values**

The COMPANY will assist the COUNTY Tax Assessor in completion and preparation of the Uniform Schedule of Values, Standards and Rules in accordance with Article 19 Section 105-317 of the Machinery Act of North Carolina.

The COMPANY will advise and assist the COUNTY Tax Assessor during the process of presentation to, and subsequent adoption by, the Haywood County Board of County Commissioners, of the Schedule of Values, Standards and Rules for use in the 2011 Reappraisal.

### **1.5 Appraisal Personnel**

The COMPANY shall use competent employees of good character having sufficient skills and experience to properly perform the work outlined in this agreement. Ten (10) days prior to assigning any employee to the project the COMPANY will furnish to the COUNTY a detailed resume specifying the employee's qualifications, experience and prior work location. COMPANY employees shall be certified by the North Carolina Department of Revenue per North Carolina General Statute 105-299.

## **1.6 Clerical Personnel**

The COUNTY will provide clerical assistance to aid in completion of all 2011 Reappraisal clerical activities, including; data entry of property characteristics, preparation of tax maps, printing and sorting of property record cards, scheduling of informal appeals, and scheduling of Board of Equalization and Review hearings.

## **1.7 Employment Relationship**

No employee of the COMPANY is to be deemed an employee or agent of the COUNTY and is not entitled to any benefits from the COUNTY. The COUNTY has the right to approve or reject any or all COMPANY personnel assigned to the project.

## **1.8 OSHA**

The COMPANY and its employees will comply with all occupational safety and health standards, rules, regulations and orders issued under the Occupational Safety and Health Act (OSHA) of 1970, as administered by the North Carolina Department of Labor Division of Occupational Safety and Health (OSHNC).

## **SECTION II**

### **GENERAL INSTRUCTIONS**

#### **2.1 Project Direction**

All decisions regarding project planning, procedures to be followed, and forms used in this process shall be made by the Haywood County Tax Assessor.

The COMPANY will provide consulting services, appraisal assistance, training and project management to the COUNTY Tax Assessor for a period beginning October 1, 2009 through June 30, 2011. These services will include assistance with all field activities necessary for completion of the 2011 Reappraisal Project, including; project planning and progress reporting, preliminary residential neighborhood identification, commercial data collection, preliminary residential land pricing, residential and commercial cost studies, residential value review and informal appeals.

The COMPANY will provide appraisal expertise in the market value appraisal of approximately two thousand five hundred (2,500) commercial and industrial properties located within Haywood County, North Carolina.

In determining the market value of the above referenced properties, the COMPANY will consider at least the location, type of construction, age, replacement cost, condition, present and future income, adaptability to other uses, and all other factors that may affect market value.

The COMPANY will complete neighborhood delineation for the purpose of identifying commercial and industrial neighborhoods and valuation areas.

The COMPANY will complete an analysis of sales transactions of commercial and industrial vacant land and will develop final commercial and industrial Computer Assisted Land Pricing (CALP) tables for commercial and industrial neighborhoods.

The COMPANY will analyze income and expense information collected by the COUNTY for use in support of the Market Value Appraisals. This information will be considered confidential and will only be used within guidelines established by the COUNTY.

The COMPANY will complete a data verification and market value review for each parcel of commercial and industrial real property through an on-site visit. The COMPANY will inventory all data pertinent to each parcel being appraised and will advise the COUNTY of significant data errors or omissions. The COUNTY will provide staff to collect the data necessary to correct these errors. The COUNTY will enter the data and recalculate values to allow for final valuation by COMPANY staff.

The COMPANY will provide appraisal staff to hear all informal appeals arising from the valuation of commercial and industrial properties. The COMPANY will provide appraisal staff to hear all commercial and industrial appeals before the Haywood County Board of Equalization and Review arising from the 2011 Revaluation.

The COMPANY will train the COUNTY Tax Assessor in all phases of the Reappraisal Project and will assist in the training of COUNTY staff in all activities listed in paragraph 1.1 and 1.2 of the Scope of Services.

The COMPANY will assist the COUNTY Tax Assessor in completion and preparation of the Uniform Schedule of Values, Standards and Rules in accordance with Article 19 Section 105-317 of the Machinery Act of North Carolina.

The COMPANY will advise and assist the COUNTY Tax Assessor during the process of presentation to, and subsequent adoption by, the Haywood County Board of County Commissioners, of the Schedule of Values, Standards and Rules for use in the 2011 Reappraisal.

The entire procedure will be in accordance with all applicable statutes of North Carolina relating to the appraisal of real property for Ad Valorem Taxation.

## **SECTION III**

### **COUNTY RESPONSIBILITIES**

#### **3.1 Office Arrangements**

The COUNTY will provide office space for the COMPANY'S use during this project. The COUNTY will provide office furniture, forms, binders, office supplies and local telephone service.

#### **3.2 Use of Records and Maps**

Subject to schedules and procedures approved by the COUNTY, all maps, tax records, appraisal data and information pertinent to the performance of the activities outlined in this agreement will be made available to the COMPANY.

#### **3.3 Design of Required Forms**

The COMPANY and COUNTY will design and develop the forms necessary for completion of the activities outlined in this agreement. The COUNTY will bear the cost of all forms used during this project.

#### **3.4 Postage**

The COUNTY will be responsible for all project related postage and mailings.

#### **3.5 Sales File**

The COUNTY will make available a file of all real property transactions for use in analysis of sales for valuation activities.

#### **3.6 Computer Access & Software**

The COUNTY will provide the COMPANY access to at least one computer terminal to allow for analysis of existing records and sales files. The COMPANY will complete all appraisal work in a format acceptable for use on the COUNTY'S existing KEYSTONE appraisal software.

### **3.7 Clerical Assistance**

The COUNTY will provide clerical assistance to aid in completion of all 2011 Reappraisal clerical activities, including; data entry of property characteristics, preparation of tax maps, printing and sorting of property record cards, scheduling of informal appeals, and scheduling of Board of Equalization and Review hearings.

## **SECTION IV**

### **COMPANY RESPONSIBILITIES**

#### **4.1 Responsibilities**

The COMPANY'S responsibilities are specifically limited to those set forth in this document.

The COMPANY'S performance of this Agreement is conditioned upon the nonoccurrence of an act of God or other cause or causes beyond the COMPANY'S control. Occurrence of any such event shall entitle the COMPANY to reasonable extension of project completion dates and/or reasonable increase in fees should such occurrence materially increase the degree of difficulty of project execution.

#### **4.2 Indemnification and Insurance**

The COMPANY shall carry Professional Liability Insurance in the amount of \$1,000,000 including protection for errors and omissions with a combined single limit of \$1,000,000.

The COMPANY shall carry General Liability Insurance in the amount of \$1,000,000 including protection for bodily injury and property damage with a combined single limit of \$1,000,000.

The COMPANY shall carry Worker's Compensation Insurance, which provides adequate coverage under the Compensation Act of North Carolina.

The Company shall maintain Automobile Liability Insurance providing limits of \$300,000 per occurrence.

Insurance carriers licensed in the State of North Carolina shall provide insurance coverage.

Certificates of Insurance required under this section will be provided to the COUNTY within ten (10) of the approval of this contract.



### **4.3 Employment Law**

The COMPANY shall comply with all the applicable provisions of Federal and North Carolina laws, rules and regulations regarding employment and shall specifically comply with those sections related to Equal Employment Opportunity.

### **4.4 Expenses**

The COMPANY'S fee for the services outlined in this agreement will cover all COMPANY expenses related to labor costs, taxes, insurance, meals, automobile expenses, long distance calls, and all other travel related expenses.

## **SECTION V**

### **COMPENSATION**

#### **5.1 FEE**

The COMPANY'S total fees, compensation and expenses to provide the appraisal assistance described in this document is:

These total fees, compensation and expenses are allocated as follows:

The COMPANY will provide consulting services, appraisal assistance, training and project management to the COUNTY Tax Assessor for a period beginning October 1, 2009 through June 30, 2011. These services will include assistance with all field activities necessary for completion of the 2011 Reappraisal Project, including; project planning and progress reporting, preliminary residential neighborhood identification, commercial data collection, preliminary residential land pricing, residential and commercial cost studies, residential value review and informal appeals. The fee allocation for the services outlined in the paragraph above is: **\$174,000**

This fee also includes the value review and market value appraisal of two thousand five hundred (2,500) parcels of commercial, industrial real property, at a rate of \$15 per parcel. Fee allocation for services outlined in this paragraph is: **\$37,500.**

In the event the number of parcels as of January 1, 2011 exceeds two thousand five hundred (2,500); all additional parcels will be billed at a rate of \$15 per parcel. If the number of parcels as of January 1, 2011 is less than two thousand five hundred (2,500); the COMPANY will adjust its fee at a rate of \$15 per parcel.

The COUNTY will withhold an amount equal to 10% of each invoice until all appeals of specified commercial and industrial properties before the 2011 Board of Equalization and Review had been heard. The COMPANY will invoice the COUNTY for these retained earnings at such time.

## **SECTION VI**

### **OPTIONAL APPRAISAL AND CONSULTING ACTIVITIES**

The COMPANY will provide additional appraisal and consulting assistance upon request of the COUNTY Tax Director as outlined below.

#### **6.1 State Tax Commission Appeals**

The COMPANY will provide assistance with preparation of evidence and will provide expert witness testimony for appeals before the North Carolina Property Tax Commission.

Fees for Property Tax Commission Appeals will be based on a rate of \$650 per day plus travel expenses or \$3000 per week plus travel expenses.

## **CONTRACT**

This Contract made the \_\_\_\_\_ day of \_\_\_\_\_ 2009, by and between Haywood County, North Carolina (COUNTY) and RS&M Appraisal Services, Incorporated (COMPANY.)

## **WITNESSETH**

That for and in consideration of the payments and agreements contained in the proposal attached hereto and hereafter mentioned:

## **ARTICLE I**

The COMPANY will provide consulting services, appraisal assistance, training and project management to the COUNTY Tax Assessor for a period beginning October 1, 2009 through June 30, 2011. These services will include assistance with all field activities necessary for completion of the 2011 Reappraisal Project, including; project planning and progress reporting, preliminary residential neighborhood identification, commercial data collection, preliminary residential land pricing, residential and commercial cost studies, residential value review and informal appeals.

The COMPANY will provide appraisal expertise in the market value appraisal of approximately two thousand five hundred (2,500) commercial and industrial properties located within Haywood County, North Carolina.

In determining the market value of the above referenced properties, the COMPANY will consider at least the location, type of construction, age, replacement cost, condition, present and future income, adaptability to other uses, and all other factors that may affect market value.

The COMPANY will complete neighborhood delineation for the purpose of identifying commercial and industrial neighborhoods and valuation areas.

The COMPANY will complete an analysis of sales transactions of commercial and industrial vacant land and will develop final commercial and industrial Computer Assisted Land Pricing (CALP) tables for commercial and industrial neighborhoods.

The COMPANY will analyze income and expense information collected by the COUNTY for use in support of the Market Value Appraisals. This information will be considered confidential and will only be used within guidelines established by the COUNTY.

The COMPANY will complete a data verification and market value review for each parcel of commercial and industrial real property through an on-site visit. The COMPANY will inventory all data pertinent to each parcel being appraised and will advise the COUNTY of significant data errors or omissions. The COUNTY will provide staff to collect the data necessary to correct these errors. The COUNTY will enter the data and recalculate values to allow for final valuation by COMPANY staff.

The COMPANY will provide appraisal staff to hear all informal appeals arising from the valuation of commercial and industrial properties. The COMPANY will provide appraisal staff to assist with commercial and industrial appeals before the Haywood County Board of Equalization and Review arising from the 2011 Revaluation.

The COMPANY will train the COUNTY Tax Assessor in all phases of the Reappraisal Project and will assist in the training of COUNTY staff in all activities listed in paragraph 1.1 and 1.2 of the attached Scope of Services.

## **ARTICLE II**

The COMPANY will assist the COUNTY Tax Assessor in completion and preparation of the Uniform Schedule of Values, Standards and Rules in accordance with Article 19 Section 105-317 of the Machinery Act of North Carolina.

The COMPANY will advise and assist the COUNTY Tax Assessor during the process of presentation to, and subsequent adoption by, the Haywood County Board of County Commissioners, of the Schedule of Values, Standards and Rules for use in the 2011 Reappraisal.

### **ARTICLE III**

The COMPANY agrees that all fees and compensation paid will include the cost of all labor, social security taxes, state and federal income taxes, insurance, automobile expenses, long distance calls, meals and all other travel related expenses.

### **ARTICLE IV**

The COMPANY will invoice the COUNTY for services rendered on a monthly basis. These invoices will be documented with production records and progress reports subject to approval of the COUNTY Tax Assessor. The COUNTY will pay invoices within fifteen (15) days of approval by the Tax Assessor.

### **ARTICLE V**

The COUNTY will withhold an amount equal to ten (10%) of each monthly invoice until completion of all appeals before the 2011 Haywood County Board of Equalization and Review resulting from the appraisal of the specified Commercial, Industrial and Exempt properties. These monies will be paid in full to the COMPANY upon completion of such appeals.

### **ARTICLE VI**

The COUNTY may terminate this contract if reasonable evidence exists that the progress being made by the COMPANY is insufficient to complete the work within the specified time or, the COMPANY has failed to comply with any requirement of this agreement. Before this contract can be terminated the COUNTY must notify the COMPANY in writing, and allow the COMPANY (30) days to rectify the conditions of termination.

The COUNTY may terminate this contract without cause by giving the COMPANY sixty (60) days written notice. In event of termination the COMPANY will deliver all COUNTY records, materials and supplies prior to payment of any outstanding fees.

### **ARTICLE VII**

The COMPANY may terminate this contract without cause by giving the COUNTY sixty (60) days written notice. In event of termination the COMPANY will deliver all COUNTY records, materials and supplies prior to payment of any outstanding fees.

**ARTICLE VIII**

This contract shall be binding upon all parties hereto and their respective heirs, executors, administrators, successors and assigns.

**ARTICLE IX**

The relationship between the COMPANY and the COUNTY will be that of an independent contractor and not as an agent, servant, or employee of the COUNTY. The COMPANY shall not claim any privileges or rights applicable to officers or employees of the COUNTY.

**ARTICLE X**


This CONTRACT is anticipated to commence on October 1, 2009 and continue through June, 30, 2011, except for any Board of Equalization and Review meetings relating to appeals of commercial and industrial properties appraised by the COMPANY that may be scheduled after June 30, 2011.

**IN WITNESS WHEREOF**, the parties have executed or caused this CONTRACT to be executed by their duly authorized officers:

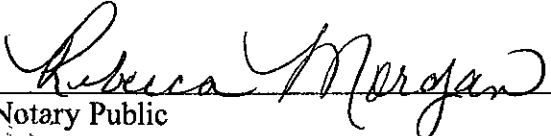
COUNTY OF HAYWOOD

COMPANY

By:   
David B. Cotton  
County Manager

By:   
Ronald S. McCarthy, President  
RS&M Appraisal Services, Inc.

This is to certify that, David B. Cotton, Haywood County Manager appeared before me this day and acknowledged the execution of the foregoing instrument for the use and purposes therein expressed, this 22nd day of September 2009.

  
Notary Public

My Commission Expires April 14, 2013

This is to certify that Ronald S. McCarthy appeared before me this day and acknowledged the execution of the foregoing instrument for the use and purposes therein expressed, this 7<sup>th</sup> day of October 2009.

MYRA M. MANEY ~~Myra M. Maney~~  
Notary Public

My Commission Expires October 27, 2010

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

\_\_\_\_\_  
Haywood County Finance Officer