

FRANKLIN COUNTY BOARD OF COMMISSIONERS
MINUTES OF A CLOSED SESSION

DATE: January 22, 2013 (B)

STATUTORY REFERENCE/PURPOSE: North Carolina General Statute 143-318.11 (a)(3), to consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged.

MEMBERS OF BOARD OF COMMISSIONER PRESENT: Chair E. Shane Mitchell, Vice-Chairman Sidney E. Dunston, Cedric K. Jones, John M. May, Harry L. Foy, Jr., Donald C. Lancaster and David T. Bunn

STAFF PRESENT: County Manager Angela L. Harris, County Clerk Kristen G. King, County Attorney Pete Tomlinson, Interim Tax Administrator Gene Rountree, Tax Systems Analyst Daniel Williams and Finance Director Chuck Murray.

SUMMARY: Following closed session, the Board was scheduled to receive a report and consider a final settlement of contract with Tim Cain and Assessment Solutions, Inc., the County's revaluation/reappraisal contractor. Based upon expressed dissatisfaction with Mr. Cain during the revaluation process, the final payment came into question. County Attorney Pete Tomlinson advised the Board on how he felt the Board could move forward.

Regarding Board comments in past open sessions to deny further payment, Mr. Tomlinson said he found no legal ground in which the Board could do so and prevail legally. He stated revaluation should have concluded in 2010 and that Mr. Cain continued the process without asking for additional payment for extra time spent. To his knowledge, Mr. Tomlinson said no demand letters were sent to the company by former Tax Administrator Jimmy Tanner. According to the contract, Mr. Tomlinson stated the values had to be correct 80% of the time and said they were. He said the revaluation contractor acts as an advisor to the Tax Administrator who is responsible for setting values. Mr. Tomlinson concluded the system worked properly. He said Mr. Cain created and applied the schedule of values and that there were only 10% to 12% of appeals which is a normal rate under good economic conditions. Mr. Tomlinson stated there was only one appeal from Franklin County made to the Property Tax Commission and said in that case the property owner felt his/her value was not set high enough. Mr. Tomlinson said he felt the only way to deny payment and prevail in court is to prove Mr. Cain's formulas were incorrect. He said the formulas were not incorrect and felt Mr. Cain could adequately prove and support the values he set. After staff review of the contract, it could not be proven that Mr. Cain did not deliver the terms of the agreement. Mr. Rountree agreed and said he found no reason why the County should not pay the \$36,267 balance owed.

Date Approved by the Board: 2/18/2013

The Board directed Mr. Tomlinson to attempt to negotiate a lower settlement with the intent to delay action in open session to the Board's February 18, 2013 meeting.

Kristen G. King

Kristen G. King, Clerk to the Board



E. Shane Mitchell

E. Shane Mitchell, Chairman

Date Approved by the Board: 2/18/2013

**CLOSED SESSION MINUTES
FRANKLIN COUNTY BOARD OF COMMISSIONERS**

MEETING DATE: January 22, 2013 (13)

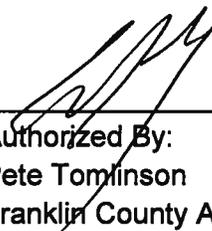
PUBLIC INSPECTION STATUS

A. Must Remain Confidential Permanently:

Authorized By:
Pete Tomlinson
Franklin County Attorney

Date

B. Released for Public Inspection:



Authorized By:
Pete Tomlinson
Franklin County Attorney

7-1-13
Date

C. Pending Further Review:



Authorized By:
Pete Tomlinson
Franklin County Attorney

2-4-13
Date

The Franklin County Board of Commissioners met for a Closed Session in the Commissioner's Meeting Room of the Franklin County Administration Building, 113 Market Street, Louisburg, NC, on the date indicated above.

The purpose of the meeting was to discuss matters relating to:

- | | | |
|-------------------------------------|-------------------------|--|
| <input type="checkbox"/> | G.S. 143-318.11 (a) (1) | Not a Public Record |
| <input type="checkbox"/> | G.S. 143-318.11 (a) (2) | Scholarship/Academic |
| <input checked="" type="checkbox"/> | G.S. 143-318.11 (a) (3) | Attorney-Client Privileged Communication |
| <input type="checkbox"/> | G.S. 143-318.11 (a) (4) | Industry/Economic Development |
| <input type="checkbox"/> | G.S. 143-318.11 (a) (5) | Real Property Purchase/Contracts/Leases |
| <input type="checkbox"/> | G.S. 143-318.11 (a) (6) | Personnel |
| <input type="checkbox"/> | G.S. 143-318.11 (a) (7) | Criminal Investigation |
| <input type="checkbox"/> | G.S. 143-318.11 (a) (8) | Board of Education Emergency Response |
| <input type="checkbox"/> | G.S. 143-318.11 (a) (9) | Public Safety (Act of Terrorism) |

Franklin County
ASSESSMENT SOLUTIONS INC
Payment History

Vendor Number : 32479

Remittance Address : 12450 CLEVELAND ROAD
GARNER NC 27529

Invoice #	Invoice Description	Due Date	Check #	Check Date	PO #	1099	Invoice Amt.	Check Amt.
1,2	REVAL. APRIL	06/11/08	320662	06/13/08		0	\$76,018.00	\$76,018.00
3,4	REVAL	08/05/08	322631	08/05/08		0	\$75,822.00	\$75,822.00
5		09/17/08	324889	09/19/08		0	\$42,480.00	\$42,480.00
6,17	OCT	11/04/08	326743	11/06/08		0	\$74,500.00	\$74,500.00
8,9		01/15/09	329584	01/16/09		0	\$81,865.00	\$81,865.00
10		04/07/09	332699	04/08/09		0	\$33,750.00	\$33,750.00
11	REVAL BILLING	07/13/09	336273	07/15/09		0	\$33,750.00	\$33,750.00
12		11/09/09	340838	11/12/09		0	\$40,500.00	\$40,500.00
13		05/03/10	346755	05/06/10		0	\$39,420.00	\$39,420.00
14		04/11/11	360551	04/14/11		0	\$38,126.00	\$38,126.00
15, 16		07/11/11	363431	07/13/11		0	\$56,459.00	\$56,459.00
17, 18		02/20/12	371553	02/23/12		0	\$53,756.00	\$53,756.00
	Inv. Count		12		Total -		\$646,446.00	

Franklin County 2010 Revaluation Vendor Recommendation



General Scope of Project

- Specifications cover furnishing of labor, materials, supplies and performance of work for completion of a computerized revaluation of all Franklin County real property at it's true value as of January 1, 2010 and providing;
 - Digital Structural imagery as specified
 - Detailed Property Record cards
 - Assistance to Tax Office staff and Board of Equalization & Review
- Entire procedure must be performed in accordance with all applicable statutes of North Carolina
- Potential Contractors to submit pricing based on a Walk Around Appraisal method
 - Requires that each parcel be visited and improvements will be walked around and compared to current property record card
 - If any discrepancies exist, contractor is required to measure and list the changes accordingly

Project Timeline

- Oct 2007 – Mail out RFP to potential vendors
- Nov 12, 2007 – Open Bid Proposals
- Dec 3, 2007 – Commissioners select vendor
- Jan 2008 – Vendor proposes work schedule details
- Jul 2009 – Proposed Schedule of Values presented to Board placed in Assessor's office for public inspection
Publish Notice of Public Hearing
- Aug 2009 – Public Hearing & Adoption of Schedule of Values (4 notices – 4 weeks)
Public has 30 day window to challenge validity of schedules to PTC
- Oct 2009 – Reval completed with stipulated exceptions
- Nov 2009 – Value notices mailed
- Mar 2010 – Completion of new construction appraisals
- Jul 2010 – Completion of Board of E&R and PTC appeals

Bid Proposal Comparison

(Based on 40,000 parcels & 24,000 images)

Vendor	Price Per Parcel	Total Bid
Pearson Appraisal Richmond, Va.	\$28.60	\$1,144,000
Tyler Technologies / Dayton, OH.	\$26.39	\$1,055,600
Assessment Solutions / Garner, NC	\$17.70	\$ 708,000

Vendor Exceptions to RFP

- Pearson Exceptions-
 - Income analysis to be considered only when owner supplies income and expense information
- Tyler Exceptions-
 - They place a 60 day limit on informal hearings and a fee of \$650 per additional days
 - Limit of 20 days at no additional cost on PTC hearings
- Assessment Solutions – No exceptions noted

How does this compare to other projects?

- Per N.C. Department of Revenue
 - Most recent median vendored per parcel cost all counties:
 - \$19.63 / 38000 median parcel count
 - Some actual recent costs paid by other counties;

■ Duplin	2009	\$18.50 w/photo
■ Edgecombe	2009	\$19.35 w/photo
■ Wilson	2008	\$17.76 w/photo
■ Beaufort	2010	\$25.00 w/photo

Staff Recommendation

- Recommended Vendor is “Assessment Solutions”
 - Significantly lower price
 - This would be their 5th project – while experience is less than the other vendors, their experience and references appear to be adequate for the job
 - Like the others, they are certified as a qualified vendor by the NC Dept of Revenue
 - They are a North Carolina based company
 - No exceptions made to RFP
 - One staff member is cited as expert with Tyler software
 - Project manager is very strong in commercial appraisal experience which is an area that we felt was a slight weakness in 2004 project
 - Wilson County reference very strong and most recent project and is demographically very similar to Franklin
 - New company trying to build their business and who indicates they have “something to prove”

Questions?