



CORCORAN CONSULTING ASSOCIATES, INC.

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**Prepared for:
City of Berlin
168 Main Street
Berlin, NH 03570**

**Jim Wheeler, City Manager
603-752-7532**

**Agreement for Statistical Update
To the Assessed Values 2020**

June 1, 2020 – July 1, 2021

**Contractual Agreement between the City of Berlin, NH
And
Corcoran Consulting Associates, Inc.**

Section 1. Functions/Responsibilities:

The City of Berlin agrees to retain Corcoran Consulting Associates, Inc. (Contractor) of Wolfeboro, NH to perform a City-Wide Statistical Update as provided for in this Agreement. A Statistical Update as defined by Rev 601.25: means the process of a revaluation of all taxable and nontaxable properties in a municipality, using existing property data, to arrive at full and true value as of April 1. This term includes “statistical update” and “statistical reassessment”.

(“Measure and Listing” was performed by way of cycled inspections between 2015 and 2019 and not completed by the Contractor listed in this agreement. It is assumed by the Contractor and the Municipality that this data is accurate.)

Section 2. Term:

The term of this Agreement shall be for a period of 13 months from June 1, 2020 through July 1, 2021.

Date of new values: As of April 1, 2020. Term includes period of informal abatement process for 2020 values to the due date of municipality response of July 1, 2021.

Section 3. Termination/Resignation:

Nothing in this Agreement shall prevent, limit or otherwise interfere with the rights of either party to terminate this Agreement subject to the terminating party giving sixty (60) days written notice to the other party, prior to the effective date of separation.

The City Manager retains the right to dismiss unsuitable personnel employed by the Contractor in connection with the services under this Agreement for any reason. The Contractor shall replace any dismissed employees of the firm with a professional of commensurate qualifications and experience of the dismissed employee. In the event that any person assigned to the Berlin project is convicted of any act resulting in personal gain, then the City shall have no obligation of prior notice and may immediately terminate this Agreement.

Section 4. Compensation:

The Contractor shall be compensated as an independent contractor under this Agreement. As such, the Contractor shall be responsible for providing F.I.C.A., Workmen’s Compensation, Unemployment Compensation & Liability to all employees assigned to the Berlin project. The Contractor shall file appropriate Certificates of Insurance with the City upon request.

This contract is for June 1, 2020 through July 1, 2021.

The total amount of the contract is for: \$58,000

Compensation is paid based on a monthly payment divided by four months of June 1, July 1, August 1 and September 1. 10% of the contract will be withheld by the City of Berlin to be paid at the conclusion of the informal abatement process on July 1, 2021.

To be paid out as stated below:

Date	Payment
June 1, 2020	\$14,500-(\$1,450)=\$13,050
July 1, 2020	\$14,500-(\$1,450)=\$13,050
August 1, 2020	\$14,500-(\$1,450)=\$13,050
September 1, 2020	\$14,500-(\$1,450)=\$13,050
July 1, 2020	\$5,800
Total	\$58,000

The Contractor shall submit invoices on a monthly basis according to the foregoing rate schedule. The City shall issue payment no later than twenty (30) days after receipt of invoices from the previous month's activities.

Section 5. Work Schedule/Key Personnel Assignment:

By mutual agreement between the Contractor and the City the following personnel and tentative work schedule is hereby established:

5.1 The following activities outline a general guideline for scheduling and costs:

June: In conjunction with City personnel:

1. Municipality will provide remote access to Vision database as well as dedicated desktop to access database.
2. Municipality will provide excel spreadsheet of database to include: Map/Block/Lot/Unit; Location/Vision PID#/Owner Name/Owner Mailing Address/Land Use Code/Assessment/Most recent sale transaction/Acres/Style Code/Sale date/Sale Price/Sale Code.
3. Municipality to provide three (3) sets of 8 ½ x 14 current tax maps.
4. Contractor to mail sales questionnaires to all presumptive qualified sales (not to family transfers or transfers from family into trust). Mailer letter and envelope provided by Contractor and Municipality to pay for postage on City's postal service.
5. Contractor to Measure and List all qualified sales.
6. Contractor to data enter all results of sale visits.
7. Contractor's supervisor to field review all sales.
8. Contractor to complete sales analysis and recalibration of tables.
9. Contractor to Re-price database.

June/July

1. Contractor will establish field review guidelines.
2. Municipality to print all property record cards after recalibration in street order.

3. Contractor to field review of all City (4800+/-) parcels (except Utility properties).
4. Contractor to data enter (either remotely or on site) all changes from field review.
5. Contractor to present new values to Board of Assessors and City. This will include impact reports showing old to new values.

August:

1. Contractor will prepare, print, fold and stuff new notices of value for all properties in the City approximately 4,800 (except Utility properties) at Contractor's cost. Municipality will pay for postage and utilize their own postage meter. Notices will include information about the update process and a phone number to schedule a hearing with the Contractor.
2. In conjunction with City personnel: schedule and hold informal hearings for taxpayers in the City.
3. At conclusion of hearings, Contractor will print second notices to all taxpayers that attended a hearing informing them of any change in value, if any. Municipality will pay for postage costs.
4. Make final changes to CAMA system based on hearing information and any new relevant sales data.
5. Finalize all values by August 15, 2020.
6. Prepare and turn over USPAP compliant Manual by September 15, 2020.

5.2 Director/Supervisor: Monica Hurley - The director will assume responsibilities for the direction of all company employees assigned to the Berlin project.

5.3 Other personnel: –

Monica Hurley-Director/Supervisor/Analysis/Field Review
 Jay Ferreira- Senior Appraiser
 Ron Doyon - Senior Appraiser
 Jared Hynes - Senior Data Collector
 Susan Henderson, Catherine Walker - Data Entry (either on or off site)
 Jannine Gemas- Researcher (off site)

Section 6. Responsibilities and Services provided by the Contractor

6.1 Contract Submission

The contract, any revised contract, and the list of personnel assigned to work under the contract, shall be submitted to the DRA for examination and written recommendations of the DRA to be made to Municipality within 10 working days of receipt by the department. No work shall begin without first submitting a copy of the executed contract or agreement to the commissioner along with the names and qualifications of all personnel to be employed under the contract or agreement.

6.2 Assessment of all Property

6.2.1 This Statistical Update shall commence in tax year 2020.

6.2.2 Contractor shall measure, list and verify all sales used to determine benchmarks for the statistical update.

6.2.3 Contractor shall data enter results from the measure and list of sale properties.

- 6.2.4 The contractor shall update the existing assessment information on the sale properties to correct errors or omissions pertaining to:
- (1) Incorrect measurements; and
 - (2) Physical changes, which may include, but not be limited to:
 - a. Additions;
 - b. Renovations;
 - c. Finished areas;
 - d. Structural alterations;
 - e. Outbuildings; or
 - f. Other site factors or improvements;
- 6.2.5 Contractor shall utilize Municipalities Vision CAMA System to appraise properties for the tax date of 4/1/2020.

6.3 Completion of Work

- 6.3.1 Contractor shall complete all work and deliver final values to the municipal assessing officials on or before August 15, 2020.
- 6.3.2 Contractor shall provide Municipality a list of all products to be delivered and dates of delivery thereof. The products include:
- (1) New values as located in Vision CAMA system;
 - (2) The USPAP Compliant Appraisal Report
 - (3) Field review guidelines from update (will be included in USPAP report)
- 6.3.3 The statistical update shall be considered satisfied and in its final form only when:
- (1) The informal review of assessments has been completed;
 - (2) Any required value adjustments are made;
 - (3) The final values are submitted to and accepted by the municipal assessing officials;
 - (4) All products required by the contract are delivered to Municipality and the DRA;
 - (5) The DRA has completed its final monitoring report;
 - (6) Values established by Contractor have been defended through the municipal abatement process, as described under RSA 76:16, for the year of the full statistical update; and,
 - (7) All other terms of the contract have been satisfied.

6.4 Personnel

- 6.4.1 For grading, classifying, appraising and data collection of all property covered by the contract, Contractor shall only employ personnel who are:
- (1) Certified by the DRA, as defined in the Asb 300 Rules and RSA 21-J:14-f for the level of work they will be performing; and,
 - (2) Approved by the municipal assessing officials.

6.4.2 Upon approval of the contract and before the statistical update begins, Contractor shall provide to the DRA and the municipal assessing officials, a list of the DRA-certified personnel assigned to work under the contract.

6.4.3 Contractor shall ensure that the DRA-certified assessor supervisor is proficient in the use and calibration of the CAMA system that will be used to assess the properties.

6.4.4 Contractor shall ensure that the individual(s) assigned to perform data entry are proficient in the use of Municipality's CAMA system.

6.4.5 Contractor shall ensure that the DRA-certified assessor supervisor or Assessor will be present on site _50%_ of the time and be available off site _95___% of the time for the duration of the contract.

6.5 Public Relations

6.5.1 Contractor and the City manager or designee, during the progress of the work, shall each use their best efforts to promote full cooperation and amiable relations with taxpayers. All publicity and news releases shall be approved by the municipal assessing officials before being released to the news media. Contractor, upon request of the municipal assessing officials shall provide assistance in conjunction with the municipal assessing officials to acquaint the public with the mechanics and purpose of the statistical update.

6.6 Confidentiality

6.6.1 Contractor, municipal assessing officials or municipal employees shall not disclose any preliminary values to anyone or permit anyone to use or access any data on file during the course of the revaluation project, except the municipal assessing officials and the Commissioner of the DRA, or their respective designees, until the values have been submitted to the municipal assessing officials and made public.

6.7 Compensation and Terms

6.7.1 Municipality, in consideration of the services hereunder to be performed by Contractor, agrees to pay Contractor the sum not to exceed **\$58,000** dollars pursuant to the terms of the agreement as defined in Section 6. Payment shall be dispersed as listed under section 4.

6.7.2 The amount or terms of compensation to be paid by Municipality for assessing services to support and defend assessments that are appealed to the BTLA or superior court will include up to three (3) days or 24 hours to prepare reports and testimony. Any days and hours above will be billed at \$150 per hour.

6.7.3 The manner and time schedule in which Municipality shall make payments to Contractor is included in section 4.

6.8 Failure to meet expectation

6.8.1 If the contractor fails to meet deadlines set forth under 6.3.1: Delivery of the finalized

values, (not to include any hearings and appeals that may occur and be out of the control of the contractor), the contractor will be subject to a fine of \$50 a day, unless the deadline extension is agreed to by both parties.

7.1 Statistical Update Market Analysis

7.1.1 A DRA-certified property assessor supervisor shall conduct the market analysis.

7.1.2 A DRA-certified property assessor assistant, under the guidance of a DRA-certified property assessor or a DRA-certified property assessor supervisor, may validate or invalidate sales for the market analysis.

7.1.3 The municipal assessing officials shall provide to Contractor a copy of all property transfers for a minimum of two (2) years immediately preceding the effective date of the statistical update.

7.1.4 The market analysis shall be conducted by Contractor using accepted mass appraisal Methods in order to determine land, improvements and any other contributory values or factors including:

- (1) A review of all property transfers provided by the municipal assessing officials to Contractor;
- (2) A compilation of all unqualified property transfers into a sales list with appropriate notations for those sales not used in the analysis accompanied by:
 - (a) The parcel map and lot number;
 - (b) The disqualification code;
 - (c) The date of sale; and,
 - (d) The sale price.
- (3) A compilation of all qualified property transfers into a sales list with appropriate notations for those sales used in the analysis accompanied by:
 - (a) The parcel map and lot number;
 - (b) The date of sale;
 - (c) The sale price;
 - (d) The newly established value;
 - (e) A photocopy or printout of the property record card for each property transferred;
- (4) Estimated land values with the documented results, as follows:
 - (a) Utilizing vacant land sales whenever possible; and,
 - (b) In the absence of an adequate number of vacant land sales, the land residual method or other recognized land valuation methodologies shall be used to assist in the determination of land unit values;
- (5) The Indicated land values shall be documented as:
 - (a) Site;
 - (b) Front or square foot;
 - (c) Front acre;
 - (d) Rear acre units; and/or,
 - (e) Other appropriate units of comparison;

- (6) An analysis section to include:
 - (a) The sale price; and,
 - (b) Supporting adjustments made in sufficient detail to be understood by the municipal assessing officials and taxpayers;
- (7) The market analysis used to indicate unit values with the documentation of the method(s) employed and any special adjustment factors; and,
- (8) Tax Maps showing the locations of all qualified sales and the delineation of neighborhoods.

7.1.5 The preliminary market analysis summary shall:

- (1) Be provided to the municipal assessing officials prior to the acceptance of the new values by the municipal assessing officials;
- (2) Be printed in its final form, and provided to the municipal assessing officials and the DRA at the completion of the statistical update as part of the USPAP compliant report; and,
- (3) Become property of Municipality.

7.1.6 Contractor shall ensure that an initial comprehensive review of the newly established property record cards, established during the conversion process, shall be performed. and a parcel-by-parcel field review of the entire Municipality will be completed in conjunction with DRA-certified property Assessor Supervisor or Assessors to:

- (1) Ensure that the updated tables and processes reflects the correct data.
- (2) All properties are valued at their highest and best use; and,
- (3) Identify and correct: any mechanical errors; inconsistencies; unusual features or value influencing factors.
- (4) Once the new values are established the contractor will ensure that a sampling of properties are visited to ensure the newly established data and values are accurate.

7.1.7 Any supporting documentation supplied, provided or utilized by Contractor in the process of compiling the market analysis, such as but not limited to sales verification sheets; rental/expense statements and questionnaires; Contractor cost estimates; sales listing sheets; final review notes; etc., shall be relinquished to and become property of Municipality.

7.2 Full Statistical Update Approaches to Value

7.2.1 The valuation of property for the statistical update shall be completed by utilizing recognized approaches to value, which may include, but not be limited to:

7.2.2 Cost Approach:

- (1) The cost approach, when utilized, shall be implemented by calibrating and applying land valuation tables, building valuation tables and unit costs as follows:
 - (a) Investigate, with documented analysis, land values for residential, commercial, industrial and any other special use properties in the area;
 - (b) Document the land valuation tables and unit costs by including statistical

- testing to compare the calculated preliminary land value to the sale properties to ensure accuracy before the land valuation tables and unit cost are implemented;
 - (c) Document the development of the units of comparison that shall be used for the base land prices, which may include, but not limited to site; front foot; square foot; front acre; rear acre; and, other appropriate units of comparison;
 - (d) Document site specific characteristic land adjustments, which may include, but not be limited to topography; view; size; location; and, access; and,
 - (e) Document the calibration of land tables and models.
- (2) In developing building cost tables, Contractor shall provide the following:
 - (a) Investigate, with documented analysis, the building costs of residential, commercial, industrial and any other special use properties in the area;
 - (b) Document the testing of Contractor's building valuation tables and unit costs by comparing the calculated preliminary building value to the sale properties, for which the building costs are known, to ensure accuracy before the building valuation tables and unit costs are implemented;
 - (c) The building cost tables shall consist of unit prices based upon relevant factors, which may include, but not be limited to: specifications for various types of improvements; the quality of construction; the building customs and practices in Municipality; various story heights and square foot areas adequate for the valuation of all types of buildings and other improvements to the land; tables for additions and deductions for variations from the base cost improvement specifications; and, tables for depreciation based upon age and condition of the improvements.
 - (d) Document the calibration of all building cost tables and models.

7.2.3 Income Approach: This approach to value may or may not be utilized by the Contractor during this statistical update. Given the short timing of this contract, Income and Expense forms and responses may not be returned in time to complete the final value presentation of July 15, 2020. Contractor will make best efforts to gain rental and expense information from local businesses.

- (1) The income approach, when utilized, shall be implemented by calibrating and applying valuation models as follows:
 - (a) Investigate and qualify, with documented analysis, market data, which may include but not be limited to rental income; expenses; vacancy; and, capitalization rates for: residential, commercial, industrial and any other special use property;
 - (b) Describe property specific characteristics;
 - (c) Document statistical testing for the income valuation models to known sales of similar properties;
 - (d) Create valuation models consisting of market data based upon:
 - (i) Defined descriptions and specifications based upon property type; and,

- (ii) Quality and size of the improvements; and,
- (e) Document the calibration of all income approach valuation tables and models.

7.2.4 Market-Sales Comparison Approach:

- (1) The market-sales comparison approach, when utilized, shall be implemented by calibrating and applying valuation models as follows:
 - (a) Contractor shall qualify, analyze, and use sales as direct units of comparison in the valuation of residential, commercial, industrial and any other special use properties;
 - (b) Investigate with documented analysis comparable sales;
 - (c) Document the adjustments for specifics, which may include, but not be limited to location; time; size; features; and, condition;
 - (d) Document how the adjustments were derived;
 - (e) Document final value reconciliation; and,
 - (f) Document calibration of all sales comparison tables and models.

7.2.5 In the utilization of the appraisal approaches to valuation, Contractor shall make, and document adjustments made to properties for depreciation factors, which may include, but not be limited to: physical; functional; and, economic conditions.

7.3 Statistical Update Value Notification and Informal Reviews

7.3.1 Contractor shall provide to the municipal assessing officials:

- (1) A list of the newly established values for review;
- (2) A preliminary value analysis; and,
- (3) The informal review schedule in advance.

7.3.2 Contractor shall provide to the City a list of the newly established values. The City shall mail, first class, to all property owners, the notification of the newly established value of their property by sending to the property owner a letter to the owner stating the newly established value of their property. (Contractor will produce, print, fold and provide envelopes for the mailers; Municipality will provide postage)

7.3.3 The notification of newly established values shall contain the details of the informal review process, instructions on scheduling an informal review; and the time frame in which informal reviews shall be scheduled.

7.3.4 The notification of newly established values shall contain instructions in regard to the appeal process for abatements pursuant to RSA 76:16, RSA 76:16-a and RSA 76:17.

7.3.5 After mailing or posting of the notification of newly established values, Contractor shall ensure that an informal review of the newly established property values is provided to all property owners who may, within the time prescribed by the contract, request such a review.

7.3.6 Notwithstanding Section 6.6 of this contract (Confidentiality), Contractor shall make

available to all property owners the property record card and market analysis related to their newly established property value(s).

- 7.3.7 The Contractor will notify all property owners addressed during the informal reviews and indicate whether or not a change in value resulted and the amount thereof. Contractor will produce, print, fold and provide envelope. Municipality will pay for postage.
- 7.3.8 All documentation utilized or obtained during the informal review process shall be relinquished to the municipal assessing officials.

7.4 Appraisal Manuals and Statistical Update Appraisal Reporting

- 7.4.1 Contractor shall provide a field review manual, to be included within the USPAP report, or as a separate document, which may include but not be limited to:
 - (1) A description of building characteristics; extra features; outbuildings; site improvements; site characteristics; road frontage; water frontage; water access; topography; and view;
 - (2) A glossary and description of all codes used within the data collection and on property record cards;
 - (3) A description of all grading factors utilized, which may include, but may not be limited to condition factors; quality; depreciation; amenity values; and other Factors or conditions; and,
 - (4) A glossary and description of the coding used for visitation history.
- 7.4.2 Contractor shall provide a USPAP compliant appraisal report pursuant to RSA 21-J: 14-b, 1, (c): The report shall comply with the most recent edition of the USPAP. The report shall contain, at a minimum, the following:
 - (1) A letter of transmittal to include a signed and dated certification statement;
 - (2) Sections detailing:
 - (a) The scope of work;
 - (b) The development of values;
 - (c) Time trending analysis;
 - (d) Land and neighborhood data;
 - (e) Improved property data;
 - (f) Statistical testing, analysis, and quality control; and,
 - (g) The development of approaches to value used in the revaluation of properties.
 - (3) Appendices which may include, but not be limited to:
 - (a) Work plan;
 - (b) Neighborhood maps;
 - (c) Names and levels of DRA-certified individuals authoring or assisting with the development of the USPAP compliant report;
 - (d) CAMA system codes;
 - (e) Identification and description of zoning districts;
 - (f) Qualified and unqualified sale codes; and,

- (g) Other useful definitions or information.
- (4) Instructions, or as a separate document, adequate instructions for the municipal assessing officials to:
 - (a) Understand the valuation methodologies employed;
 - (b) Understand the market and neighborhood adjustments; and,
 - (c) Understand the conclusions of the appraisal report.

7.4.3 Contractor shall provide a USPAP compliant report to the municipal assessing officials, to be retained by the municipal assessing officials until the next revaluation and a copy to the DRA. The Contractor shall provide this report to the Municipality and DRA on September 15, 2020.

7.5 Statistical Update Defense of Values

- 7.5.1 Contractor shall, after the final property tax bills have been mailed by Municipality, support and defend the values that were established by Contractor for the 2020 tax year through the statistical update as follows:
- (1) The cost for processing abatements will be included this contract for the review of any 2020 tax year applications.
 - (a) A review, by either a DRA-certified property assessor or a DRA-certified property assessor supervisor; and,
 - (b) The Contractor's written recommendation provided to the municipal Assessing officials which an abatement request had been received.
- 7.5.2 Contractor shall provide a qualified representative for the defense of property tax abatement appeals that are timely filed with the Board of Tax and Land Appeals (BTLA) or Superior Court pursuant to RSA 76:16-a and RSA 76:17, whose compensation has been agreed upon by the parties to the contract as stipulated in 6.7.2; and,
- 7.5.3 Appeals to the BTLA or Superior Court:
- (1) Contractor will support and defend values established by the Contractor.
- 7.5.4 All documentation utilized or obtained during the defense of assessed value process shall be relinquished to Municipality.

Section 8 Responsibilities of the Municipality.

- 8.1 The municipal assessing officials shall identify to Contractor, in writing, which properties within the taxing jurisdiction are exempt from taxation.
- 8.2 The municipal assessing officials shall furnish to Contractor information such as but not be limited to: the current ownership information of all property; the physical location of all property; property address changes within Municipality; all property transfer information; a set of current tax maps; zoning maps; plans; building permits; subdivisions; boundary line

adjustments and mergers; and, other information as specified by Contractor for the services being provided.

- 8.3 The Municipality shall provide Contractor with remote access to the City's Vision CAMA system to access off site for analysis and data entry. This shall be a dedicated computer for Contractor to utilize at any time.
- 8.4 The municipal assessing officials shall keep Contractor informed of all sales of property that occur during the progress of the statistical update.
- 8.5 The municipal assessing officials shall make corrections to tax maps as of April 1 of the Update year where lots have been subdivided, or apportioned, and notify Contractor of all ownership and name and address changes.
- 8.6 If requested, suitable office space and equipment, as specified by Contractor, for the use of Contractor's personnel in the performance of the appraisal work shall be provided.
- 8.7 The municipal assessing office will provide assistance as described in other sections of this contract.

Section 9 Indemnifications and Insurance.

- 9.1 Contractor agrees to defend and indemnify Municipality, with which it is contracting, against claims for bodily injury, death and property damage which arises in the course of the Contractor's performance of the contract and with respect to which Municipality, with which it is contracting, shall be free from negligence on the part of itself, its employees and agents.
- 9.2 Contractor shall not be responsible for consequential or compensatory damages arising from the late performance or non-performance of the agreement caused by circumstances, which are beyond Contractor's reasonable control.
- 9.3 Contractor shall maintain public liability insurance, automobile liability insurance and workmen's compensation insurance unless Contractor is not required to do so by New Hampshire state law or as otherwise agreed upon.
 - 9.3.1 The public liability insurance shall be in the form of commercial general liability with the inclusion of contractual liability coverage as follows:

Comprehensive General Liability: \$1,000,000 each occurrence, \$2,000,000 aggregate coverage; Automobile Liability: \$1,000,000 combined single limit, \$500,000 Bodily Injury/person Workers Compensation: NH Statutory Limits
- 9.4 Prior to starting the statistical update, Contractor shall provide certificates of insurance by a State of NH licensed insurer, naming the municipality as additional insured and confirming the required insurance coverage for the Municipality with which the appraisal Contractor is contracting.

9.5 Contractor shall provide Municipality and the DRA a ten (10) day advance written notice of the cancellation or material change in the required insurance coverage.

Section 10 Estimated size of Statistical Update

10.1 It is agreed between the parties that the entire revaluation consists of an estimate of 4800 parcels as defined by RSA 75:9.

Section 11 Addendums, Amendments and Appendixes

11.1 Addendums, amendments and appendixes pertaining to this contract may be added only by separate instrument in writing. All addendums, amendments and appendixes shall be sent to the DRA.

Section 12 Signature

Date: _____

Municipality of Berlin: _____

Jim Wheeler, City Manager

In the Presence of:

By Contractor:

**Marybeth G. Walker, President
Corcoran Consulting Associates, Inc.**

Witness

Date