

Item Title: Award Contract to Pearson's Appraisal Service, Inc. to Provide Qualified Contract Appraisers to Support the 2020 County-Wide Reappraisal Project

Specific Action Requested:

That the Board of Commissioners authorizes the County Manager to enter into a multi-year contract with Pearson's Appraisal Services, Inc. to provide qualified contract appraisers to assist the Revenue Department in performing the 2020 County-wide reappraisal.

Item Summary:

Wake County has historically operated on an eight-year reappraisal cycle with the last reappraisal effective date being January 1, 2016. Following the 2016 reappraisal, the Wake County Board of Commissioners shortened the reappraisal cycle to four years with the next project effective date being January 1, 2020.

Wake County currently has approximately 380,000 real estate parcels, up from 360,000 real estate parcels in 2015. Following the 2016 reappraisal, the Revenue Department developed and has been working a plan to gradually increase appraisal staff and reduce the need for more expensive contract appraisal assistance. Two real property managers were added in FY16 followed by two staff appraisers each year in FY17 and FY18. Future staffing requests will include additional appraisers and clerical support through FY21.

Presently the Revenue Department has 18 staff real estate appraisers compared to 45 staff real estate appraisers in Mecklenburg County NC, the only comparable County in the State with roughly the same parcel count. This staffing discrepancy and the field activities required to perform an accurate reappraisal creates the need for contract assistance.

Contract appraisal staff will be used to augment and replace permanent appraisal staff in listing and appraising all newly created parcels and new construction and to assist with valuation review and informal hearings while staff appraisers work on reappraisal activities. Additionally, the Revenue Department will utilize contract appraisal assistance for calculating adjustments and tuning the 2020 Schedule of Values, conducting field reviews, assisting with final review of new values, and assisting during informal and Board of Equalization and Review appeals.

The Revenue Department sought proposals to provide qualified appraisal support and received responses from three vendors; Pearson's Appraisal Services, Inc. from Wilson, NC, Tyler Technologies from Moraine, OH, and Vincent Valuations from Elizabeth City, NC. Based on staff appraisers already added and anticipated staff additions in future years, the number of contract staff requested and the overall proposed cost is \$2,000,000 less than the lowest bid received in 2014.

The estimated costs per vendor based on the daily per diem rates proposed and Revenue's estimate of staffing needs were:

Pearson's Appraisal Service:	\$2,840,000
Tyler Technologies:	\$3,098,000
Vincent Valuations:	\$3,445,000

A review team of Revenue and Budget staff reviewed the proposals and selected Pearson's Appraisal Service based on an evaluation of and references provided for the company, the credentials and experience of available staff proposed, results of prior project work performed, and cost.

Pearson's Appraisal also assisted Wake County in conducting the prior three reappraisal projects in 2000, 2008 and 2016. The prior contract with Pearson's for their assistance with the 2016 reappraisal totaled \$4,885,000.

Attachments:

None