

# Memo

**To:** Honorable Mayor and City Council  
**From:** Joe Kohlmann, City Administrator  
**Date:** July 8, 2014  
**Re:** Assessing Contract

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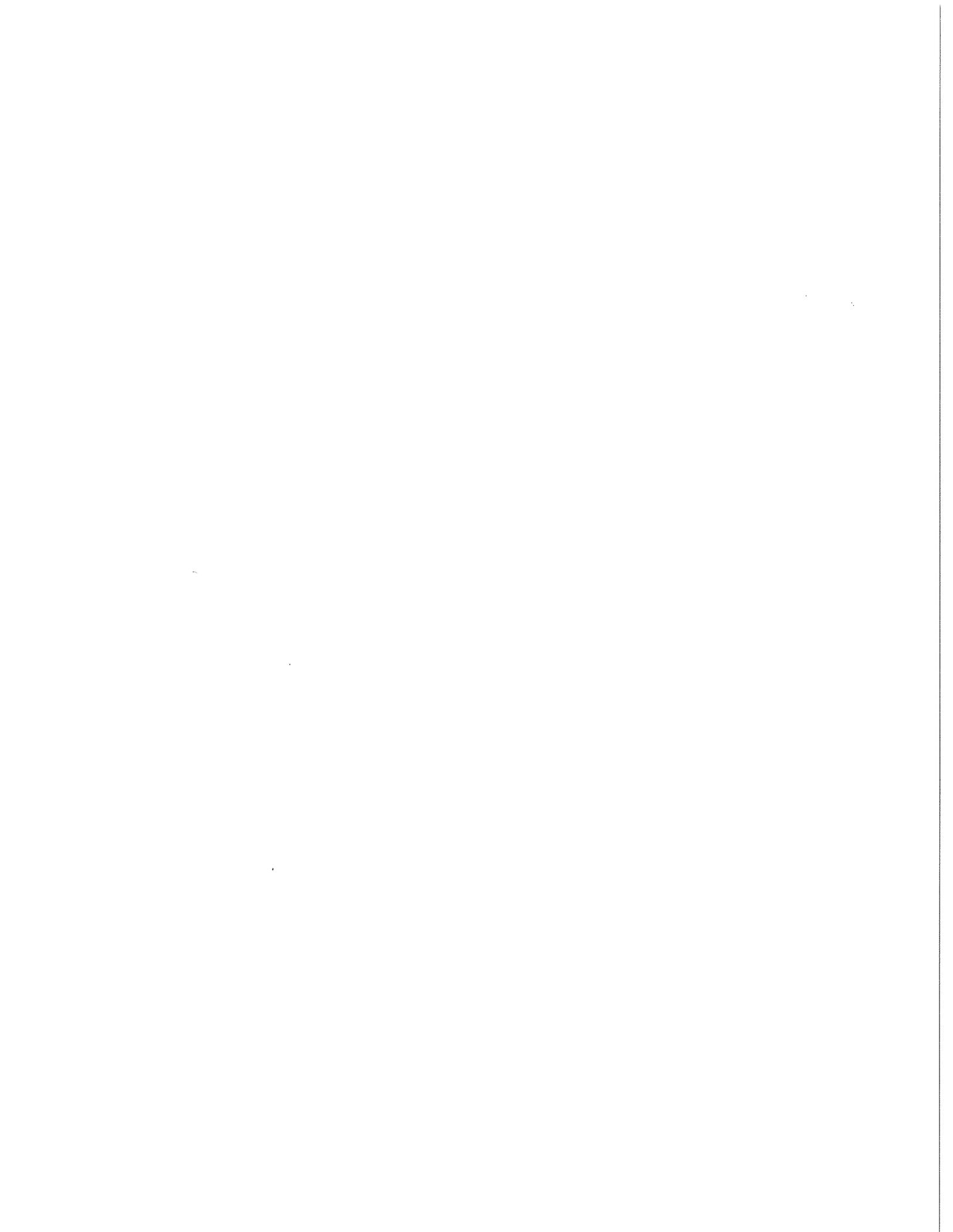
The City's contract with William Davy for assessing services will expire on July 31<sup>st</sup>, 2014.

William Davy has proposed a 2-year contract extension for \$20,000 the first year and \$21,000 the second year. He has not had an increase since 2010. This represents a 5% increase in year two of the contract.

*(Attached is the Agreement between the City of Tonka Bay and William Davy)*

**Recommended Motion:**

Motion to approve the Assessing Contract with William Davy and allow the Mayor and City Administrator to enter into the contract.



AGREEMENT

Field Code Changed

This Agreement made this 1<sup>st</sup> day of August, 2014~~12~~ by and between the City of Tonka Bay, a municipal corporation, hereinafter referred to as "City" and William W. Davy, hereinafter called "Assessor".

1. Services. City, which is a separate Assessment District within the County of Hennepin and State of Minnesota, does retain the Assessor to perform all functions required of local assessors by Minnesota State Statutes, cooperate with the Hennepin County Assessor by supplying the needed information for each assessment year, and maintain a fair and equitable assessment for the City and its taxpayers.
  
2. Duties. Assessor's duties shall include:
  - A. Provide all assessment functions required of the City under the provisions of Minnesota Statutes, Chapter 273.
  - B. Meet all assessment deadlines and follow all guidelines and procedures as set per County Assessor.
  - C. Physically inspect and revalue 20% of the real property, as required by law, and timely submit appraisal cards for data processing each year.
  - D. Adjust the estimated market values on those properties not physically inspected per sales analysis to meet minimum assessment levels each assessment year.
  - E. Physically inspect and value all new construction, additions and renovation each assessment year and submit with initial assessment.
  - F. Post values electronically to the assessment roll and transmit to Hennepin County.
  - G. Maintain and update the property characteristics of all property types in a database.
  - H. Maintain database of current and historic values and classifications.
  - I. Administer the homestead classification database, and process all

applications.

- J. Investigate and verify all Certificates of Real Estate Value for all sales of apartment, commercial, industrial, and corresponding land properties as per Minnesota Department of Revenue guidelines.
- K. Complete divisions and combinations in a timely manner throughout the assessment year.
- L. Coordinate the printing and mailing of valuation notices with Hennepin County.
- M. Conduct valuation reviews prior to Local Board of Appeal and Equalization – approximate dates: March through May 15.
- N. Attend and participate in the local Board of Appeal and Equalization on a date selected by the City, plus attendance at other requested City Council meetings.
- O. Administer the abatement process pursuant to Minnesota Statute, 375.192(2000).
- P. Effectively communicate with residents, business people, and city officials regarding assessment practices and policies.
- Q. Be available to respond and communicate effectively to property owners, general public, government officials, county assessor staff, and others regarding assessment or appraisal issues and inquires during regular business hours.

- 3. Independent Contractor      The Assessor in performance of services shall not:
  - A. Receive equipment or supplies from the City.
  - B. Receive retirement benefits.
  - C. Receive health insurance benefits.
  - D. Receive any other fringe benefits.

It is agreed by and between the parties that the Assessor in all respects be deemed an independent contractor.

4. Compensation The City agrees to pay the Assessor for such services the sum of \$10,000 on January 10, 201~~5~~3; the sum of \$10,000 on July 10, 201~~5~~3; the sum of ~~\$10,000~~10,500 on January 10, 201~~6~~4; the sum of ~~\$10,000~~10,500 on July 201~~6~~4.
  
5. Obligation of City City agrees to continue to process homestead applications as is its current practice.
  
6. Representations by Assessor
  - A. Assessor represents that he is a Certified and Licensed Minnesota Assessor under Chapter 273 of Minnesota Statutes and that he is a qualified real estate appraiser; further, that he will during all times this contract is in force maintain such licenses and qualifications.
  
  - B. Assessor will maintain field records for each parcel in the City. Such records will remain the property of the City.
  
7. Effective Date of Contract and Term. This contract shall be effective as of August 1, 201~~4~~2. The term of the contract for the Assessor to perform the services to be rendered hereunder shall commence as of August 1, 201~~4~~2 for the performance of the 201~~5~~3 and 201~~6~~4 real estate assessments, and continue until July 31, 201~~6~~4 subject, however, to extension as hereinafter provided. This Agreement can be terminated by one party giving thirty (30) days written notice to the other party prior to expiration of the Term. Upon termination with thirty (30) days written notice, the City agrees to pay the prorated remainder of the agreed upon amount under Compensation section four (4) of this agreement.
  
8. Contract Extension. This contract may be extended from year to year on terms to be agreed upon by the parties hereto by the parties agreeing to the same on or before the first day of August, beginning August 1, 201~~6~~4 and on the 1st day of

August each year thereafter. If this contract is not so extended and terminates according to its terms, Assessor agrees to deliver to City forthwith such records as he has in possession concerning assessment of the City's real estate. It being understood that such records are the property of the City.

IN WITNESS WHEREOF the parties have executed this Agreement the year and date above stated.

CITY OF TONKA BAY

By \_\_\_\_\_  
Gerry Dee La Vega, Mayor

By \_\_\_\_\_  
Joseph Kohlmann, City Administrator

By \_\_\_\_\_  
Assessor, William W. Davy

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  - H. Maintain database of current and historic values and classifications.
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applications.

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  - D. Receive any other fringe benefits.

It is agreed by and between the parties that the Assessor in all respects be deemed an independent contractor.

4. Compensation The City agrees to pay the Assessor for such services the sum of \$10,000 on January 10, 2015; the sum of \$10,000 on July 10, 2015; the sum of \$10,500 on January 10, 2016; the sum of \$10,500 on July 2016.
5. Obligation of City City agrees to continue to process homestead applications as is its current practice.
6. Representations by Assessor
  - A. Assessor represents that he is a Certified and Licensed Minnesota Assessor under Chapter 273 of Minnesota Statutes and that he is a qualified real estate appraiser; further, that he will during all times this contract is in force maintain such licenses and qualifications.
  - B. Assessor will maintain field records for each parcel in the City. Such records will remain the property of the City.
7. Effective Date of Contract and Term. This contract shall be effective as of August 1, 2014. The term of the contract for the Assessor to perform the services to be rendered hereunder shall commence as of August 1, 2014 for the performance of the 2015 and 2016 real estate assessments, and continue until July 31, 2016 subject, however, to extension as hereinafter provided. This Agreement can be terminated by one party giving thirty (30) days written notice to the other party prior to expiration of the Term. Upon termination with thirty (30) days written notice, the City agrees to pay the prorated remainder of the agreed upon amount under Compensation section four (4) of this agreement.
8. Contract Extension. This contract may be extended from year to year on terms to be agreed upon by the parties hereto by the parties agreeing to the same on or before the first day of August, beginning August 1, 2016 and on the 1st day of August each year thereafter. If this contract is not so extended and terminates

according to its terms, Assessor agrees to deliver to City forthwith such records as he has in possession concerning assessment of the City's real estate. It being understood that such records are the property of the City.

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CITY OF TONKA BAY

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Gerry De La Vega, Mayor

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Joseph Kohlmann, City Administrator

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Assessor, William W. Davy