



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: 12-1189, **Version:** 1

- a. Authorize the Contracts/Purchasing Officer to execute a software license and support services Agreement with Tyler Technologies for a residential computer aided mass appraisal system (CAMA) for an amount not to exceed \$175,000 for the term January 2013 through December 2013;
- b. Accept non-standard County Liability and indemnification provisions as recommended by the Assessor;
- c. Approve the use of Capital Fund 401 for the initial Agreement cost of CAMA, not to exceed \$175,000; and
- d. Authorize the Contracts/Purchasing Officer to sign future Amendments to the initial Agreement where the Amendments do not significantly change the scope of work or cause an increase in the approved Agreement amount.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Authorize the Contracts/Purchasing Officer to execute a software license and support services Agreement with Tyler Technologies for a residential computer aided mass appraisal system (CAMA) for an amount not to exceed \$175,000 for the term January 2013 through December 2013;
- b. Accept non-standard County Liability and indemnification provisions as recommended by the Assessor;
- c. Approve the use of Capital Fund 401 for the initial Agreement cost of CAMA, not to exceed \$175,000; and
- d. Authorize the Contracts/Purchasing Officer to sign future Amendments to the initial Agreement where the Amendments do not significantly change the scope of work or cause an increase in the approved Agreement amount.

SUMMARY/DISCUSSION:

During the last five years the real property workload in the Assessor's Office has changed dramatically. As a result of the economic crash and the bursting of the real estate bubble the focus of the real property division is now on the annual review of over 35,000 properties that have received assessment reductions and that need to be reviewed on an annual basis. The number of sales to be worked and the amount of new construction has decreased slightly however the annual Prop 8 review and the need to scrutinize sales more closely have increased the workload significantly. During this time the Assessor's Office has also been impacted by budget cuts and has lost 12 of the 62 positions that were in the office five years ago.

As the real estate market continues to stabilize and as values begin to slowly climb back to their original values it will be imperative for the Assessor's Office to recapture value that has been removed as a result of Prop 8 reductions.

Assessor staff has identified Tyler Technologies' Assessments Evaluation Services (AES) program that utilizes market driven heuristic rules that provide defensible backup results needed to satisfy homeowner inquiries and assessment appeals. The AES program provides valuation tools that have been developed to deal specifically with Decline-in-Value issues and Assessment Appeals in a legislative environment that is unique to California.

Currently, this is the only Decline-in-Value and Appeal software that is operating in California and it is therefore necessary to sole source this service. AES software has seen a decade of successful operation in Northern, Central and Southern California, in both declining and rising markets. The proposed Agreement contains limits to AES's insurance/indemnity/liability that are consistent with software agreements generally and similar to those contained in the AES agreements with other County entities within California.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed the Agreement and has approved it as to form. County Risk has reviewed the Agreement but has not approved it due to the vendor liability limitation equal to the fiscal amount of the Agreement.

FINANCING:

The estimated \$175,000 cost associated with this system will be included as part of a pending request by the Resource Management Agency (RMA) to modify the FY 2012-13 Adopted Budget for Fund 401, Facilities Maintenance Project Unit 8184, RMA004. The cost of the system will not exceed \$175,000, which includes the initial purchase and installation as well as software support and maintenance for the first year. Ongoing expenses for the system operations and the \$35,000 annual maintenance cost will be included in the Assessors' FY 13-14 requested budget.

Prepared by: Marina Camacho, ASO, ext. 5874

Approved by: Stephen L. Vagnini, Assessor-Clerk/Recorder, ext. 5803

Attachments:

Tyler Technologies, Inc. Agreement