



**SOLICITATION NO: R-14-005-DB  
INFORMAL REQUEST FOR  
PROPOSALS  
Release Date: June 25, 2014**

**INSURANCE APPRAISAL SERVICES**

**Please return by July 9, 2014 @ 10:00 AM Central Time to: [dabenites@saws.org](mailto:dabenites@saws.org)**

**I. PROJECT INFORMATION**

**a. OBJECTIVE**

San Antonio Water System (SAWS) is pursuing the assistance of a qualified consulting firm to provide the San Antonio Water System with property insurance appraisal for insurance placement and risk management.

**b. BACKGROUND**

Headquartered in San Antonio, San Antonio Water System (SAWS) is the largest water utility in Bexar County serving more than one million citizens and provides water, wastewater, recycled water and heating and cooling services. SAWS policy is overseen by a City Council-appointed Board of Trustees and the San Antonio City Council is SAWS regulatory authority on rates and bond issues.

Insurance Appraisal Services are and continue to be a critical component in SAWS efforts to maximize ratepayer's capital investments.

**c. SCOPE OF SERVICE**

The selected firm shall provide the following services:

- Provide appraisals for properties to include the cost of reproduction new valuation for the structures, not including land, fine arts or vehicles.

Provide appraisals which consider the replacement of the property to conform to Technical Specifications in Construction Specifications Institute (CSI) 16 divisions' format. Technical Specifications shall be based on Consultant's standard, unless standard specifications are made available by SAWS. All specifications shall be prepared using Microsoft Word.

Consultants shall draft a construction sequencing/commissioning document in sufficient detail to allow discussions with SAWS staff and obtain feedback/input. Separate meetings shall be held for discussions as deemed necessary by either SAWS or successful Consultant.

- Provide appraisals which consider the replacement of the property to conform with International Building Codes (IBC), Consultant must conduct research within jurisdiction of property to find which codes are adopted for enforcement.
- In developing replacement cost estimates, sources of information used may include:
  - Manufacturers' price lists, catalogs and quotes;
  - Distributor and supply company catalogs;
  - Industry publications, directories, and trade journals;
  - Industry publications, directories, and trade journals;
  - Consulting, cost engineering, cost estimating manuals, and handbooks;
  - Technical and pricing subscription services and pricing guides;
  - Contract documents/invoices supplied by SAWS; and
  - Technical service organizations and industry experts.
- Perform the on-site field work shall complete the pricing phase themselves, utilizing their own notes from the field and the other sources identified above, as well as any other pertinent sources. Results shall be reviewed by managers in Consultant's company for quality assurance.
- Valuation Approach. As this engagement requires an estimation of Cost of Reproduction New of the subject assets, Consultant shall rely solely on the cost approach to value.
- Methodology. Consultant shall inspect and appraise designated properties and buildings, and upon conclusion of field work and pricing, provide final report(s).
- Consultant shall schedule a preliminary meeting with SAWS staff to:
  - Review the procedures and methods Consultant shall follow;
  - Identify the specific nature of property coverage, including possible variances from standard policy requirements, such as function replacement or agreed amount endorsements;
  - Establish a mutually agreeable work schedule that will not interrupt operations;

- Develop procedures for admission to the facilities, if needed, and discuss any restrictions;
  - Arrange for identification badges, if needed;
  - Gather any information relevant to the work, such as blueprints and drawings;
  - Discuss Consultant's standard report format to see if minor changes should be made to accommodate any internal requirements SAWS may have.
- SAWS's participation will be minimal and generally limited to providing access to locked areas, supplying building plans and assistance in locating property in remote or unmarked areas.
- Following the preliminary meeting, Consultant's project manager and assigned staff shall perform the field work phase of this engagement, which shall include:
    - An inspection and inventory of the pertinent data, such as size, type of construction, configurations and classification of buildings, building fixtures, building services, interior and exterior finish, roof type;
    - Confirmation of addresses and zip codes for each location;
    - An independent gathering of local prices for labor and materials applicable to the properties; and
    - Two or more digital color photographs of each structure.
- Contents Valuation. Consultant's appraisals shall include an estimate of the insurable value of the building contents. The modeling approach for building contents shall be an analysis of the square footage of space, the usage (occupancy) of each building, and Consultant's internally developed, proprietary data base for equipment values. Consultant asserts that its equipment data base contains contents data from hundreds of detailed equipment inventories performed by Consultant's Fixed Asset Management & Insurance Solutions practice over the last several years. Consultant's system categorizes buildings by like type (occupancy) and develops an average contents value per-square-foot of building area. Consultant asserts that this approach will allow Consultant to generate a replacement cost estimate for a given building's contents (based on building type and size) without requiring the lengthier and costly physical inventory process.
- Deliverables. Reports shall be provided in hard copy and PDF formats, both with pertinent photographs and also shall be entered into Consultant's eRisk web-based program, which contains the appraisal information previously created by

Consultant for SAWS. Consultant shall maintain the data in its web based program, providing access to SAWS, for a minimum of 10 years. This provision shall survive termination of this Agreement.

- Summary Appraisal Report. Consultant shall provide SAWS with a Summary Appraisal Report, in accordance with the reporting requirements set forth by the Uniform Standards of Professional Appraisal Practice (USPAP). The report will present only summary discussion of the data, reasoning, and analyses used in the appraisal process to develop Consultant's opinion of value. Supporting documentation concerning the data, reasoning, and analyses will be retained by Consultant as part of the work papers.
  - Property Insurance - Statement of Insurable Values Report. Consultant shall provide SAWS with a Statement of Insurable Values Report, which shall display a description of fields being summarized, and Cost of Reproduction New for each property.
  - Property Insurance – Inspection and Appraisal Report. Consultant shall provide SAWS with an Inspection and Appraisal Report. This report will include building COPE and fixed equipment details, and photographs for each property. The following information shall be provided for each building: Site & Building Designation, Address, Year Built, ISO Classification, Square Feet, Story Height, Number of Floors, Wall Type, Roof Pitch, Heating, Cooling, Entry Alarm, Fire Alarm, Cost of Reproduction New, Additional Features, and at least two photographs of the building.
  - Data File - Consultant shall provide an Excel spreadsheet with all data fields completed for all locations and buildings.
- Optional Additional Services. SAWS may, at its option, require Consultant to perform the additional services described in this section. SAWS shall notify Consultant in writing at least 30 days before the final report is due, if SAWS requires these services.
  - Consultant shall engage a qualified subcontractor to establish flood zone identification for each property. The subcontractor shall determine whether each property is located in a Federal Emergency Management Agency ("FEMA") designated special flood hazard area as shown on FEMA's Flood Insurance Rate Maps and Flood Hazard Boundary Maps as of the date of the flood zone determination. The subcontractor

shall identify the specific FEMA flood zone applicable to each property.

- All work performed by Consultant hereunder shall be performed to the satisfaction of Risk Management Director, and the determination made by Risk Management Director shall be final, binding and conclusive on all Parties hereto. SAWS shall be under no obligation to pay for any work performed by Consultant, which is not satisfactory to Risk Management Director. SAWS shall have the right to terminate this Agreement, termination, in whole or in part, should Consultant's work not be satisfactory to Risk Management Director; however, SAWS shall have no obligation to terminate and may withhold payment for any unsatisfactory work, as stated herein, even should SAWS elect not to terminate.
- Service Related Terms. Client of Record and Limited Reliance – The SAWS is the Intended User of, and may rely on, Consultant's report. SAWS may not substitute this reliance for its own due diligence. SAWS may disclose a complete copy of the report to its insurance broker or advisors. However, no third party shall have the right of reliance on the report, and neither receipt nor possession of the report by any third party shall create any express or implied third-party beneficiary rights.
- Engagement Limits – Consultant's report may only be used for the specific purpose and premise of value stated in this Agreement.
- Information Provided by SAWS - Consultant will not independently verify information provided by SAWS, its advisors, or third parties acting at SAWS's direction. Consultant will assume and rely on the accuracy and completeness of all such information.
- Environmental Policy - Consultant will not investigate, nor assume responsibility for, the existence or impact of any contamination or hazardous substance related to property or assets associated with this engagement.

d. ADDITIONAL REQUIREMENTS

- i. Submitting firms must have performed similar surveys in the past three (3) years.

- ii. Your cost proposal shall be included with the response documentation. Proposals exceeding the negotiated scope of services budget may be rejected.

Firms currently doing business with other water or wastewater services agencies may be in conflict. Other water or wastewater services agencies include, but are not limited to, San Antonio River Authority, San Antonio River Foundation, Guadalupe-Blanco River Authority, Edwards Aquifer Authority, and Lower Colorado River Authority.

If this is the case please notify the SAWS point of contact and provide a complete description of the work that is currently being done and when the work will be completed.

- iii. Contracted services shall be completed by end of year 2014.

**II. SELECTION PROCESS**

a. Selection

San Antonio Water System (SAWS) will review, evaluate, and rank the proposals according to a numerical scoring system based on the responses to the criteria listed below. Those firms with proposals deemed most beneficial to SAWS will enter into negotiations for a contract to perform the services detailed in this RFP.

b. Summary of Evaluation Criteria

- Project Team’s Demonstrated Competence and Experience 30 Points
- Project Team and Resumes 20 Points
- Project Approach 20 Points
- Compensation Proposal 15 Points
- Adherence to Affirmative Action and Small, Minority and Woman Business (SMWB) Participation (Exhibit “B” Community Outreach Plan) 15 Points
- Total Points / Percentage 100 points

c. Technical & other Questions

Respondents may submit technical questions concerning the services in this RFP. Questions must be in writing and electronically sent by e-mail only to David Benites Contract Administrative Specialist at **Email: [dabenites@saws.org](mailto:dabenites@saws.org). Submit technical questions by 10:00 AM Wednesday, July 2, 2014.** Entitle the subject line of the question email with: “R-14-005-DB Questions” and then the name of your firm.

- d. Clarification of Submittals  
SAWS reserves the right to contact any respondent should clarification be required after responses are opened. SAWS also reserves the right to further negotiate with any respondent when it is deemed necessary by SAWS.

### III. SUBMITTING A RESPONSE

- a. Deadline  
**Proposals are due no later than July 9, 2014 at 10:00 AM Central.**
- b. Submission  
Submission of Proposals – Please address a PDF of your submittal to [dabenites@saws.org](mailto:dabenites@saws.org). Entitle the subject line of the submission email with “R-14-005-DB Proposal Response” and then the name of your firm.
- c. Response Format:  
The response shall be organized as follows and each section shall be titled accordingly.
  - i. Statement of Project Team’s Demonstrated Competence and Experience of the Project
    - 1. Cover Letter: prepared on the letterhead of the lead Respondent, which summarizes the relevant characteristics that distinguish the Respondent in its ability to work with SAWS on this project. The cover letter should identify each team member and his or her role. It should also identify a principal contact person authorized to commit the respondent to a contractual agreement. In addition to providing the name of a principal contact person, the address, telephone number, facsimile number, and email address of said individual shall be provided
    - 2. Provide a brief description of your firm and its history providing the scope of services.
    - 3. Detail how your firm has the unique abilities to provide the services per the supplied scope.
    - 4. Provide a summary of not more than one (1) page detailing the unique qualifications of each sub-consultant.
    - 5. Please demonstrate similar prior experience and provide no less than three references as specified in section I. subsection d. of this RFP.

Provide a list of all current and/or previous projects (a maximum of 5) in the last three years, in which the

Respondent has performed professional services similar to those sought in this solicitation. This list should include:

- Name of client
- Name and title of contact
- Contact information (Telephone, Email, etc.)
- Location (city and state)
- Duration of assignment
- Respondent's role in project

ii. Project Team and Resumes

1. Provide a team organization chart
2. Provide a resume for each team member to include expertise directly related to the scope of services. It shall be not more than two (2) pages per person and cover the capabilities, professional experience and qualifications of each team member. Resumes shall include the team member's name, title, education, brief overview of professional experience, and team member licenses or professional affiliations

iii. Project Approach

1. Describe what steps, tools, and methods you will employ to assist SAWS achieve its goals.
2. Describe and demonstrate your firm's ability to perform the scope of services in a timely manner.
3. Detail how you have quickly performed similar services in the past.

iv. Compensation Proposal

1. Provide a detail of your planned method for compensation for the performance of the services. Be sure to be comprehensive with details of your fee requirements and how you intend to invoice for services. Methods must be structured to indicate usage levels giving SAWS visibility and control in order to not exceed budget. Respondents shall also clearly indicate the total appraisal unit cost.

d. Proof of Insurability: Exhibit "A"

- i. Respondent shall submit a copy of their current insurance certificate.
- ii. Submit a letter from insurance provider stating provider's commitment to insure the Respondent for the types of coverage listed and at the levels specified in Exhibit "A" if awarded a contract under this RFP.



- IV. Contract Requirements after award:
- a. Certificates of Insurance must be submitted with the signed contract returned to SAWS. The certificates of insurance must meet the insurance requirements outlined in Exhibit “A” – “Insurance Specifications” attached to the contract. The certificates of insurance must include the contract number, the name of the project, and the job number.
  - b. A “Corporate Authorization Resolution” listing by name or position the individuals authorized to contractually bind the company must accompany the signed contract returned to SAWS.
- V. RESERVATION OF RIGHTS SAWS reserves the right to:
- Reject any and all Proposals received
  - Issue a subsequent RFP
  - Cancel the entire RFP
  - Remedy technical errors in the RFP process
  - Negotiate with any, all, or none of the Respondents to the RFP
  - Waive informalities and irregularities
  - Accept multiple Proposals
  - Make multiple recommendation(s) to staff
  - Request additional information or clarification
- a. OWNERSHIP OF PROPOSALS  
All responses and their contents will become the property of SAWS.
  - b. NO REIMBURSEMENT FOR PROPOSALS  
SAWS will not reimburse Respondents or sub-consultants for any costs associated with any travel and/or per diem incurred in any presentations associated with the selection process.
  - c. NO GUARANTEE OF CONTRACT  
This RFP does not commit SAWS to enter into a contract, nor does it obligate it to pay any costs incurred in the preparation and submission of Proposals or in anticipation of a contract.

Exhibit "A"

**SAWS STANDARD INSURANCE SPECIFICATIONS & CERTIFICATE OF LIABILITY INSURANCE REQUIREMENTS**

1. **Commercial Insurance Specifications ("Specifications"):**

a. Commencing on the date of this Contract, the CONSULTANT shall, at his own expense, purchase, maintain and keep in force such lines of insurance coverage as will protect him and the San Antonio Water System ("SAWS") and the City of San Antonio ("the City") and their employees and agents from claims, which may arise out of or result from his operations under this Contract, whether such operations are by himself, by any sub-consultant, supplier or by anyone directly or indirectly employed by any of them or by anyone for whose acts any of them may be liable, including, without limitation, the following lines of insurance coverage:

- 1) **Commercial General Liability (CGL)** insurance that will protect the CONSULTANT, SAWS and the City from claims for damages because of bodily injury, personal injury, sickness, disease or death and insurance that will protect the CONSULTANT, SAWS and the City from claims for damages to or destruction of tangible property of others, including loss of use thereof.

This line of insurance coverage shall:

- Cover independent contractors;
- Afford coverage for Products Liability and/or Completed Operations and, Contractual Liability.

The minimum policy limits of liability for this line of insurance coverage shall be:

\$ 1,000,000.00	Occurrence Limit
2,000,000.00	General Aggregate
2,000,000.00	Products/Completed Operations Aggregate
1,000,000.00	Personal and Advertising Injury
1,000,000.00	Contractual Liability

This line of insurance coverage shall be endorsed:

- Naming SAWS and the City as an **Additional Insured**; and
  - To provide a **Waiver of Subrogation** in favor of SAWS and the City.
- 2) **Professional Liability (PL)** (errors and omissions) insurance with minimum coverage limits of \$1,000,000 per claim, \$1,000,000 in the aggregate **and**, if this line of coverage is written on a "Claims Made" form, the CONSULTANT must maintain this line of insurance coverage for a period of at least twenty-four (24) months after the date of Contract termination.

**NOTE** - For Professional Liability, include in writing on the **Certificate of Liability Insurance** ("Certificate") the coverage form under which the respective line of coverage is written – either:

- **Claims-made form**; if the coverage form declared on the Certificate is the Claims-made form, the "**Retroactive-date**" for this line of coverage must also be included on the Certificate as well; **or**
  - **Occurrence basis** – no additional wording required.
- b. CONSULTANT shall require all Sub-consultants to carry lines of insurance coverage appropriate to their scope of Work and submit copies of Sub-consultants' Certificates of Liability Insurance upon request by SAWS.
- c. CONSULTANT agrees that with respect to the above required lines of insurance, all insurance policies are to contain or be endorsed to the extent, not inconsistent with the requirements of the issuing insurance carrier, to provide for an endorsement that the "other insurance" clause shall not apply where SAWS and the CITY are an Additional Insured shown on the policy if such endorsement is permitted by law and regulations.
- d. CONSULTANT shall, upon request of SAWS, provide copies of all insurance policies and endorsements required under Contract.
- e. CONSULTANT is responsible for the deductibles under all lines of insurance coverage required by these Specifications.
- f. The stated policy limits of each line of insurance coverage required by these Specifications are **MINIMUM ONLY** and it shall be the CONSULTANT's responsibility to determine what policy limits are adequate and the length of time each line of insurance coverage shall be maintained; insurance policy limits are not a limit of the CONSULTANT's liability.
- g. These minimum limits required of each line of insurance coverage may be either basic policy limits of the CGL and any combination of basic limits or umbrella (Umbrella form) or excess (Other Than Umbrella form) limits. SAWS acceptance of Certificate(s) that in any respect, do not comply with these Specifications, does not release the CONSULTANT from compliance herewith.
- h. Within five (5) calendar days of a suspension, cancellation or non-renewal of any required line of insurance coverage, the CONSULTANT shall provide SAWS a replacement Certificate with all applicable endorsements included. SAWS shall have the option to suspend the CONSULTANT's performance should there be a lapse in coverage at any time during this Contract.
- i. SAWS recommends that each line of insurance coverage that is required under these Specifications shall be so written so as to provide the CONSULTANT thirty (30) calendar days advance written notice directly of any suspension, cancellation or non-renewal or material change in coverage, and not less than ten (10) calendar days advance written notice for nonpayment of premium.
- j. Failure to provide and to maintain the required lines of insurance coverage shall constitute a material breach of this contract.

- k. In addition to any other remedies, SAWS may have, upon the CONSULTANT's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, SAWS shall have the right to order the CONSULTANT to stop performing services hereunder and/or withhold any payment(s) which become due to the CONSULTANT hereunder until the CONSULTANT demonstrates compliance with the Specifications hereof.
- l. Nothing herein contained shall be construed as limiting, in any way, the extent to which the CONSULTANT may be held responsible for payments for damages to persons or property resulting from the CONSULTANT 's or its sub-consultant's performance of the services covered under this Contract.
- m. It is agreed that the CONSULTANT's insurance shall be deemed primary and non-contributory with respect to any insurance or self-insurance carried by SAWS, the City and their employees and agents for liability arising out of operations under this Contract.
- n. CONSULTANT agrees that all lines of insurance coverage required by these Specifications shall be with insurance companies, firms or entities that have an **A.M. Best** rating of "A- ("A"-minus)" and a **Financial Size Category** of a "VII" or better. All lines of insurance coverage shall be of an "Occurrence" type except for the Professional Liability line of insurance coverage.

SAWS will accept worker's compensation insurance coverage written by the Texas Workers Compensation Insurance Fund.

- o. SAWS reserves the right to review the above stated Insurance Specifications during the effective period of this Contract and any extension or renewal hereof and to request modification of lines of insurance coverage and their respective liability limits when deemed necessary and prudent by SAWS' Risk Manager and Legal Department based upon changes in statutory law, court decisions, or circumstances surrounding this Contract.

In no instance will SAWS and the City allow modification whereupon SAWS and the City may incur increased risk exposure.

## 2. Certificate(s) of Liability Insurance ("Certificate") Requirements

Prior to the commencement of any Services under this Contract and once notified by SAWS Contracting Official that your Company has been selected as the apparent successful CONSULTANT pursuant to an Informal Request for Proposal, RFP selection process, pending Board final approval, and, a request is made for you to submit your Company's Certificate of Liability Insurance, that Certificate must meet all of the following requirements:

- a. The CONSULTANT shall have completed by its insurance agent(s), and submitted to SAWS Contracting Department within 5 business days, a **Certificate(s) of Liability Insurance** ("Certificate(s)") providing evidence of the lines of insurance coverage pursuant to Section 1.a.1) through 1.a.2) above.
- b. The original Certificate(s) or form must include the agent's original signature (stamped or typed is acceptable), including the signer's company affiliation, mailing address, Office and FAX phone numbers, email address, and contact person's name; and, be mailed, with copies of all applicable

endorsements, directly from the insurer's authorized representative in strictly compliance with sections 2.g. (**Certificate Holder**) and 2.h. (**Distribution of Completed Certificates**) below.

- c. SAWS will not accept Memorandum of Insurance or Binders as proof of insurance.
- d. SAWS shall have no duty to pay or perform under Consulting Services Agreement until such certificate(s) and applicable endorsements have been received, reviewed and deemed 100% compliant with the Insurance Specifications (contained herein) by SAWS' Risk Management/Contract Services Department. No one other than SAWS Risk Manager shall have authority to waive any part of these requirements.
- e. The SAWS Project/Contract number(s) along with its Descriptor Caption **must be included** in the Description of Operations section located in the bottom half of the standard ACORD Certificate forms.
- f. **Certificate Holder** - SAWS shall be shown as the Certificate Holder in the Certificate Holder section located in the bottom half of the standard ACORD Certificate forms and formatted as follows:

**San Antonio Water System  
c/o Ebix BPO  
PO Box 257  
Ref. # 107- (SAWS Contract/Project #)\*  
Portland, MI 48875-0257**

*\*SAWS Contracting Official will include in the above address, the correct, complete Ref# in the written confirmation of your selection as a CONSULTANT pending final Board approval.*

**DO NOT BEGIN THE DISTRIBUTION OF ANY CERTIFICATE(S) BEFORE RECEIVING AND INSERTING THE COMPLETE REFERENCE NUMBER INTO THE CERTIFICATE HOLDER ADDRESS SHOWN ABOVE.**

- g. **Distribution of Completed Certificates** - Completed **Certificates** shall be distributed by the Consultant as follows:

1) Send Original:

a) By **Mail**:

San Antonio Water System  
C/O Ebix BPO  
P.O. Box 257  
Ref. #107- (Same as the **Certificate Holder** name/address shown above.)  
Portland, MI 48875-0257

b) By **Fax**: 1-517-647-7900

c) By **E-Mail**: [CertsOnly@periculum.com](mailto:CertsOnly@periculum.com)

2) Send Copy to the following:

San Antonio Water System  
Attention: Contract Administration  
P.O. Box 2449  
San Antonio, TX 78298-2449

- h. CONSULTANT shall be responsible for obtaining Certificates of Insurance from the first tier Sub-consultant, and upon request furnish copies to SAWS.

### 3. SURVIVAL

Any and all representations, conditions and warranties made by Consultant under this Contract including, without limitation, the provisions of Section 1.a.1) of these **Commercial Insurance Specifications and Certificates of Liability Insurance Requirements** are of the essence of this Contract and shall survive the execution and delivery of it, and all statements contained in any document required by SAWS whether delivered at the time of the execution, or at a later date, shall constitute representations and warranties hereunder.

EXHIBIT B  
GOOD FAITH EFFORT

TO BE PROVIDED AFTER SAWS INTERNAL REVIEW OF DOCUMENT.

**EXHIBIT C**

**COMPENSATION PROPOSAL**

Assets shall include, but not limited to:

<u>Appraisal Service</u>	<u>Cost Per Appraisal</u>
Building(s)	
Building Contents	
Pump Station(s)	
Lift Station(s)	
Equipment	
Tanks	
Campuses	