



REQUEST FOR PROPOSALS

Insurance Appraisal Services

Solicitation No.: R-18-007-SM

Addendum 1 | August 31, 2018

CHANGES TO THE RFP

1. Page 7, Section IV. C. 4. Project Team's Demonstrated Competence and Experience of the Project, include the following:

Insert the following:

f. Respondent shall provide one (1) sample appraisal report prepared by the project team.

END CHANGES TO THE RFP

QUESTIONS AND ANSWERS

1. Regarding the properties outlined on the "Compensation Proposal" page –
 - a. Has SAWS determined specific locations, or are those simply general counts by category to be included in the scope of work?
 - b. If there are specific locations that have been selected, can we obtain more detailed information – preferably from the current Statement of Values?
 - i. Size / SF area / Gallon Capacity?
 - ii. Current Insured Value?
 - c. Of the 370 locations identified, is it your goal to phase those in for inspections/appraisal in roughly (3) even annual cycles? More information on how you envision the three year contract period to work would be helpful.
 - d. Can you please confirm that the anticipated scope of work will include only these locations?

Response:

- a. *These are general counts by categories.*
- b. *Specific locations have not yet been selected. When the selection Risk Management will share the current statement of values with the information.*

- c. SAWS envisions that this contract would provide inspections for facilities that have not had an inspection within the last three (3) years, based on value, or have undergone a change that may have resulted in an adjustment to the replacement cost.
- d. No, the scope of work may change if new locations/facilities are acquired by SAWS.

2. Under Scope section, point 8. Can you please expand on the anticipated duration of the CL2 / Chemical Training you will require (i.e. how many hours)?

Response:

The training will take 1 hour to complete.

3. Under Scope section, point 10. Can you please expand on how you would like process equipment included in the reports – are these currently valued as Contents or part of the individual Structures? How much detail would you like to see in the valuation reports (any samples of past appraisals or your requirements would be helpful).

Response:

If equipment is attached to the structure, it is considered to be part of the structure. If it is moveable, then it would be considered contents. Generally, the equipment SAWS has are considered part of the structure.

SAWS is seeking as much detail as possible. Therefore, SAWS is asking Respondents to provide one (1) sample valuation report as part of their proposal. Refer to Changes to RFP above.

4. Has SAWS undertaken any similar projects in the past and, if so, can you identify which firm(s) have been contracted previously and when the last appraisal on these locations was performed?

Response:

Yes, the first contract similar to these scope of services was awarded to American Appraisal in 2015.

The current appraisal contract is with CBIZ Valuation Group, LLC with the last appraisal having been completed on January 26, 2018.

5. Regarding the budget outlined – is that total for the entire contract period or an annual amount for the 3-year estimate?

Response:

It is for the entire contract, which is approximately \$19,000 annually if SAWS exercises the two (2) year option period.

6. Based on the project schedule outline on page 4, do you have an anticipated project completion date in mind (i.e. final reports and data due date)?

Response:

The expectation is that the selected consultant will complete both the site visits and preliminary report within thirty (30) calendar days from the start date. The selected consultant's final report is subject to review and reconciliation by the Director of Risk Management and SAWS' broker.

7. Under Scope of Services #3 – The request seems to be looking for Law & Ordinance which we typically don't see for an insurance appraisal. This is usually cost prohibitive and most clients do not complete. Are you sure this needs to be included for this project?

Response:

SAWS wants to ensure that appraisals conform to the building codes of this jurisdiction.

8. Under Scope of Services #8 – There is language regarding functional replacement. Does SAWS need another premise of value beyond replacement cost? If so, will you be able to advise which buildings require additional premises of value?

Response:

No, SAWS is seeking on the replacement cost.

9. Under Scope of Services #14- This language is broad and would like to ask SAWS to define “Satisfaction of Risk Management”?

Response:

After receipt of the initial draft appraisal report, the Director of Risk Management will review and reconcile the values with the current schedule of values [SOV] to ensure there are no large disparities either up or down. If there are large disparities, SAWS will reserve the right to seek clarification to ensure that the values that are submitted to our property carrier can be explained.

10. In order to scope the work and provide an accurate compensation proposal can SAWS provide more detailed statement of insurable values beyond the facility type counts provided?

Response:

Response will be provided as part of Addendum 2.

11. Will the awarded vendor be in charge of the selection of the properties, up to a maximum of 50 sites as indicated or will SAWS determine that listing annually?

Response:

SAWS reserves the right to select the sites. However, SAWS will work with the selected consultant to ensure efficiency and equity. For example, if the cost for 50 sites will exceed the planned annual cost, SAWS will work with the consultant and opt to select fewer sites.

12. If SAWS has identified ownership of 400 site locations, what usually determines which ones are more important to represent the 50 sites each year?

Response:

Generally, the value of the site is the determining factor. Other considerations when selecting a site are the date of last appraisal, new construction at the site, or an improvement of a structure.

13. Is the budgeted \$95,000 amount for all 3 years plus the 2 year option terms or for each year?

Response:

See response to Question #5.

14. On page 1, Section C, point #1, the RFP asks to “provide appraisals for the replacement cost of structures, facilities, and contents, on an annual rotating basis not to exceed 50 sites per year, not including land, fine arts or vehicles.” Would you consider an increase in the scope to ensure full and current coverage to one of these two options:

- Expanding the figure to 100 sites each year, where we would refresh the values for all sites in 4 years rather than 8, or
- Keep the number of sites at 50 maximum each year, but utilize desktop procedures to update the remaining sites on a yearly basis?

Response:

No, at this time SAWS will not consider an increase in the scope as the most recent appraisals were completed in January of 2018,

In order to consider if the “desktop procedures” is a method of valuation that is within the best interest of SAWS to utilize suggest providing more detail in the responsive documents for consideration.

15. As a follow up to the above re: the sites, would a fixed asset listing / site summary be available in Excel with site specific data (i.e. – year built, building designation, square footage, etc.) to help with the site selection / identification process?

Response:

This type of information can be provided to the selected consultant at the preliminary meeting with SAWS staff.

16. Does SAWS have a need for any buried infrastructure to be valued? As you know, buried infrastructure can be about 70%+ of the total replacement cost of the entire water system.

Response:

No, not at this time,

17. On page 3, Section C, point #13, would you feel comfortable with us utilizing public information available from FEMA’s website, and our internal experts / databases available here at C&W, to provide this information over the use of subcontractors?

Response:

As indicated in the RFP, SAWS would prefer the use of a qualified subcontractor to establish flood zone identification.

18. On page 3, at the end of Section C where the SAWS estimated budget is placed at \$95,000, please confirm if this amount is a total contract fee or annual fee.

Response:

See response to Question #5.

END OF QUESTIONS AND ANSWERS

No other items, dates, or deadlines for this RFQ are changed.

END ADDENDUM 1