

## SUPPLEMENTAL QUESTIONS ON RFP #2009APPRAISAL

- 1) How are buildings defined by group? -Attachment B pg15 – i.e. by city with NO & Coastal NO equaling one group; by Planning District; by order listed in Report 1...  
***The Building Groups will be determined based upon building location and will be prioritized based upon last inspection date.***
- 2) Define “necessary records, data and papers” (Sec 5.24 Access to Information pg12 & Sec.26 pg21). Does/Can it include construction plans? If so, can you identify the buildings for which you have plans available?  
***ORM will provide the selected vendor with building data that is currently available to us. The information will be provided in an Excel format. The data will not include construction plans. Access to the State’s property database may also be given to the selected vendor.***
- 3) Re: Appraisals - Request clarification. It has been inferred that only “new construction costs” comprise the total “Scope of Work”. Can you confirm the type of appraisal reporting required: self-contained, summary or restricted, none of the above? Are the appraisals expected to have all three facets of value (cost, market, income); or is the request just for the replacement cost value without consideration of land or depreciation?
  - b) If income value is required, can you identify the income producing properties and the type of income – i.e. use fees, leases, etc., and, if leased, note how many tenants per property?
  - a) If the Scope of Work is to only value the cost of reproducing the buildings, are the “new construction costs” to include all associated soft costs?  
***Appraisals are for Replacement Cost without consideration of land or depreciation.***
- 4) With regard to “new construction costs” on buildings considered “Historic” are you requiring a new construction cost to create a new facility to meet current functional use; or, are you requiring a “Restoration” cost to recreate the building in its original character utilizing, as best as is possible, “like” original materials, and, if so, can you identify or, at the least, number the buildings considered “Historic”?  
***For those buildings identified by ORM as Historic, the restoration cost, using as best as possible like, kind and quality materials, should be used.***
- 5) Besides typical mechanicals, should there be any considerations to interior equipment, i.e. security systems, computer equipment, safes, etc.?  
***Consideration should be given to any equipment which is integrated into the operation of the building, or to any component(s), both interior and exterior, which would affect the replacement cost of the building.***
- 6) Can the Contractor have one contact person with an additional “copied” person to ensure quality control?  
***Yes, ORM will designate one contact person. This same expectation would be required of the selected vendor.***
- 7) It has been stated that the payment terms are to be negotiated. Is there an understanding for the timing of payments, and, if so, what is that understanding, i.e. shall payment be made at the end of the contract or monthly as work is approved?

***ORM will establish a payment schedule of no less than every thirty (30) days and not to exceed ninety (90) days for submitting invoices. The selected vendor will be required to provide supporting documentation for invoiced amounts.***

- 8) Can reports and the respective appraisals be delivered electronically or are they to be in hardcopy form, and, if so, how many copies are required?  
***Electronic reports would be required. Hard copies of the appraisals would not be required.***
- 9) Has a similar “scope of work” been awarded in the past, and, if so, what was the scope of work and what was the contract amount?  
***Approximately 30 years ago, a contract of this type was awarded. However, these documents are no longer available.***
- 10) Are there any incentives for completing the work at an earlier date, and, if so, what are they?  
***There is no payment incentive offered.***
- 11) Are there any special considerations for minority or women owned businesses?  
***Consideration is given to all qualified bidders without consideration of race or gender.***
- 12) The RFP request bi-weekly status reports and replacement cost and flood zones? For efficiency purpose it would be better to complete field work over 2 weeks and process building valuation in week 3. Management review requires approximately 2 days and report processing required approximately one week. Would it be possible to do monthly status reports?  
***Yes***
- 13) You require 3 years of audited financial statement? Will 3 years of our Financial Analysis suffice in the response to the RFP?  
***Audited financial statements for the prior 3 years are required.***
- 14) Can a company act as the prime contractor for this RFP if we show qualifications?  
***This question is unclear; please refer to the RFP, Section 5.11 Subcontractors.***
- 15) Will there be pay points in the course of the three year project?  
***Yes, please refer to Question 7 above.***
- 16) Will Marshall & Swift or Means be the required standard for cost analysis?  
***ORM does not specify which software the selected vendor must use.***
- 17) This RFP does not mention depreciation. Is it strictly for replacement cost without consideration for any depreciation?  
***Yes, the RFP is for replacement cost without consideration of land or depreciation.***
- 18) Will the selected vendor have access to the previous reports on the listed properties?  
***Please refer to Question #2 above.***

- 19) Can the large properties be bid separately?  
*No*
- 20) Will the State require the selected bidder to have more than one office location?  
*No*
- 21) Will examples of the required assignment be available?  
*This question is unclear. The selected vendor will be given instruction on the reporting expectations.*
- 22) Section 1.3 refers to a report on the ORM website in which the construction type is listed. I was unable to find where the construction type was listed.  
*The construction type was not provided with the RFP, but will be supplied to the selected vendor.*
- 23) ."Replacement Cost" appraisals have been requested. Should estimates be based on "new construction" or "reconstruction" basis?  
*Estimates should be based upon new construction costs.*
- 24) Does ORM have a preferred source of cost data/software: Marshall & Swift MVS, Marshall & Swift Commercial Estimator, Marshall & Swift / Boeckh BVS, RS Means, e2Value, ISO360, or other?  
*The Office of Risk Management (ORM) does not have a preference.*
- 25) Will the selected vendor be expected to use ORM's software license and input system, or will bidders be required to show evidence they have current license for the estimating software they use?  
*The selected vendor will be required to use the software for which they have the legal rights to use.*
- 26) An appraiser's license is required for market value assessment for lending purposes, but not typically required to provide insurable value estimates: will ORM consider proposals from vendors who can provide satisfactory evidence of experience and expertise in providing insurable value estimates?  
*Yes, for the purposes of this RFP, ORM agrees that the selected vendor need not be licensed by the Louisiana Real Estate Appraisal Board to provide appraisals for insurance purposes only. Therefore, the reference in 1.3 of the RFP to a "licensed commercial appraiser" is rescinded. Further, the reference in 1.3 of the RFP to securing a "temporary appraisal license" is also rescinded.*
- 27) Do all the properties share the same insurance policy and renewal dates?  
*Yes*
- 28) . Will the selected vendor be provided an extract of the SLABS database (which contains more data than the schedule accompanying the RFP)?  
*No*

- 29) Will previous appraisals be made available to the selected vendor?  
*No*
- 30) Do any of the State-owned properties require special security screening (ex. TWIC or other DHS credentials)?  
*ORM will assist the selected vendor with any access to state-owned property.*
- 31) Does ORM have a preference for the order of surveys to be completed?  
Example: all completed by 3/15/10, with follow-up service for the balance of the 3 year contract, or 1/3 done every year?  
*The order of the surveys will be provided to the selected vendor.*
- 32) What is the typical frequency of new buildings being added to the schedule (X new buildings per year)?  
*New buildings are added relatively infrequently.*
- 33) How much lead time does ORM expect to give vendor for ad hoc appraisal requests?  
*ORM will provide reasonable lead time for any ad hoc appraisals, which should be relatively infrequent.*
- 34) What details should be included in the reports to ORM: RC estimate calculations, diagrams, exterior pictures, interior pictures, aerial/satellite photos, etc.?  
*All information including COPE data, photographs, calculations, diagrams, etc. used to determine the replacement cost value must be included in the report to ORM.*
- 35) Do report requirements vary based on the size of the buildings?  
*No*
- 36) . Other than building reconstruction cost estimates, what other data elements does ORM need to support their property insurance marketing efforts?  
*The appraisal must be based upon new construction cost, not reconstruction cost.*
- 37) Is the ORM looking for uniform pricing, regardless of building size or complexity or scheduling (Superdome same price as storage shed)?  
*Yes*
- 38) Will the ORM consider alternative pricing models?  
*No*
- 39) For structures listed as "historical", what valuation basis should be used, new construction, reconstruction (modern materials and methods) or reproduction?  
*New construction costs must be used with cost emphasis based upon the building's historical significance.*
- 40) For structures listed as dwellings or houses or cottages (<4 units), what software and cost basis should be used: M&S Swift Estimator, MSB RCT, e2Value, or other?  
*ORM does not specify which software the selected vendor must use.*

41) What is the difference between ground square footage and total square footage?

*Ground square footage is the perimeter square footage of the ground floor. Total square footage is the perimeter square footage of the entire structure. ORM uses perimeter square footage not interior square footage as one component of the Replacement Cost valuation.*