

Minnesota Counties Intergovernmental Trust



Request for Proposals (RFP)

For

Property Appraisal Services

Minnesota Counties Intergovernmental Trust is seeking proposals from qualified vendor(s) to conduct professional on-site building appraisals for all scheduled buildings valued in excess of \$100,000 over the course of three years.

RFP Schedule	
Issuance of this RFP	June 1, 2022
Deadline to submit RFP Questions	June 22, 2022, 1:30 p.m. (CDT)
Proposal Submission Deadline	July 13, 2022, 1:30 p.m. (CDT)
Anticipated Contract Award	Aug. 19, 2022 (not later than)

I. GENERAL INFORMATION

Minnesota Counties Intergovernmental Trust (MCIT) is a joint-powers organization serving counties and other associated public entities in the State of Minnesota. MCIT operates two divisions: Property/Casualty and Workers' Compensation. There are currently 81 county members and approximately 385 other county-related entities participating in MCIT.

MCIT provides property coverage for members' buildings on a margin clause basis, up to 125% of their scheduled values.

Appraisals of buildings with scheduled values over \$50,000 were conducted in 1990, 1995, 1999 and three-phase projects from 2003 through 2005 and 2008 through 2010. The valuation threshold was increased from \$50,000 to \$100,000 for the appraisal project conducted from 2013 through 2015. The most recent three-phase appraisal project was conducted from 2018 through 2021 (extended into a fourth phase due to interruptions caused by the pandemic) and again included all buildings with a scheduled value over \$100,000.

Member building values are adjusted by an inflation index factor in each year since they were last appraised.

MCIT again seeks to have professional on-site property appraisals conducted for all buildings with a scheduled value in excess of \$100,000. For proposal development purposes, **Appendix A** of this RFP includes all such buildings as of May 24, 2022. Building appraisals will be completed in three phases as described below.

II. PROJECT TIMEFRAME

The selected vendor will begin appraising specified building sites not later than March 1, 2023.

The buildings included in **Appendix A** will be appraised over the course of three years / project phases with a project completion deadline pursuant to the following schedule:

Phase I: Approximately one-third of the buildings by June 1, 2023

Phase II: Approximately one-third of the buildings by June 1, 2024

Phase III: Remaining buildings by June 1, 2025

Project completion deadline means that all pertinent buildings have been appraised with reports provided to MCIT by June 1st of the given phase.

All appraisal services requested in this RFP must be completed not later than June 1, 2025.

III. SCOPE OF PROJECT

Property to be Appraised

The buildings to be appraised are located throughout the state of Minnesota or immediately adjacent to the state, thereby requiring significant travel to complete the project. **Appendix A** details the number of buildings by MCIT member name. More detailed information including building address, current valuation, member contact names and contact information will be provided to the vendor at the time of vendor selection. Generally, the buildings included in this project, some of which are historical structures, consist of county courthouses, government office buildings, jails/law enforcement centers, highway shops/garages, hospitals and nursing homes, recycling/solid waste facilities, libraries and fairground structures including grandstands, pole-frame buildings and park structures.

Basis for Proposal

Vendors will provide a proposal to professionally appraise the buildings included in **Appendix A**. Each of the buildings has a coverage limit greater than \$100,000 on the respective member's MCIT property schedule.

Variances in Proposed Versus Actual Numbers of Appraised Buildings

MCIT does not anticipate a significant variance in the number of buildings to be appraised under **Appendix A** during the term of this multi-year project. However, some deviation is certain to occur before completion of the project as a result of events including, but not limited to, new building construction, building acquisitions, expansions, renovations and deletions.

IV. BUILDING VALUATION BASIS

The appraised values provided by the selected vendor will be used to establish building coverage limits and must be based on accepted insurance industry methodologies to determine Replacement Cost Value (RCV) and Actual Cash Value (ACV). The valuation method used must be identified and explained in the RFP response.

For each appraised building both Replacement Cost Value and Actual Cash Value must be provided. For the purposes of this project, these valuations are defined as follows:

Replacement Cost Value – The amount to reproduce the entire building, including all:

1. Major cooking, laundering, dishwashing, ventilation and refrigeration appliances pertaining to the service of the building; and

2. Supplies, tools, fixtures, machinery and equipment permanently attached to or constituting a permanent part of the building, including back-up generators, without regard to whether they pertain to the service of the building,

and at the time of appraisal being in accordance with all enforceable building ordinances and regulations with materials of like kind and quality in consideration of current market prices for materials, labor, manufactured equipment, contractor overhead, profit, and fees, excluding the value of foundations and other property located below the lowest basement floor or, where there is no basement, below the surface of the ground (with the exception of elevators and sump pumps), and without deduction for depreciation or obsolescence.

Actual Cash Value – The Replacement Cost Value of the building less depreciation.

V. DATA REQUIRED

In addition to the Replacement Cost Value and the Actual Cash Value, the following data is to be provided for each building appraised:

- Building number from MCIT property schedule
- Building description from MCIT property schedule
- MCIT member name
- Year built including additions and renovations
- Occupancy type(s)
- Construction type(s)
- Roof type(s)
- Square footage of each level, and in total
- Number and height of building stories
- Quality of construction
- Percent of building covered by fire suppression sprinklers
- Specifics on back-up generators serving the building
- Specifics on all forms of alternative energy including solar panels, wind turbines and geothermal systems
- Description and specifics of building features addressed in section IV of this RFP
- Dollar amount of depreciation deducted from Replacement Cost Value to arrive at Actual Cash Value
- Dollar amount and description of items not included in the Replacement Cost Value and Actual Cash Value (i.e. foundations below the lowest basement floor)
- Global Positioning System (GPS) location coordinates
- Flood zone code identification
- ISO Public Protection Classification (PPCTM)

- General overall condition with appraiser comments on any hazards that are seen on or in the structure such as vacancy, building condition (repair or maintenance such as signs of a leaking roof), or presence of high hazard occupancy.

The format, measurements and descriptions of all buildings, service equipment and equipment permanently installed as described in the definition of Replacement Cost Value, and structures appraised must be recorded in such detail as to create and support future evaluation and proof of loss reports.

VI. PROJECT IMPLEMENTATION

On-site appraisals will be completed in three phases beginning in 2023 and concluding in 2025. **Appendix B** details the three phases and includes a summary of member/building totals as derived from **Appendix A**. MCIT reserves the right to make modifications to the appraisal schedule when warranted.

Based on the criteria and parameters outlined in this RFP, proposals are to include a Project Implementation Plan detailing the start and completion dates of all major tasks to be performed. Multiple building appraisals required by this RFP for any one member are to be completed in the same phase of the project, and all field work for those appraisals is to be completed at the same time.

Vendor will provide MCIT written notification at least 14 calendar days prior to the beginning of a project phase.

For every member with buildings to be appraised under this RFP, vendor will provide MCIT and the respective member a minimum of 7 days advance written notice of when the on-site work relative to that member's buildings will begin.

VII. REPORTS

Selected vendor will provide reports to MCIT at the conclusion of each project phase. Reports should be provided electronically in a format agreed upon prior to project implementation. Vendors should include sample reports in their RFP response that meet the following criteria:

1. **Individual Member Appraisal Reports.** To be distributed to individual members by MCIT.
 - Description of the appraisal process including the method of valuation used
 - Certificate of Appraiser
 - Footprint diagrams of each building appraised
 - Plat drawings of buildings on multi-building sites
 - At least one high-quality color photograph of each building appraised

- Statement of values to include newly appraised Replacement Cost Value and Actual Cash Value along with data addressed in Section V. of this RFP including all special features (e.g. generator).
2. **Cumulative Summary Report.** This report details all buildings appraised during each project phase (and a cumulative report at the conclusion of the project), by member and in total, used by MCIT staff for presentation to the MCIT Board of Directors:
- Current value of buildings as shown in MCIT property coverage schedules
 - Newly appraised value of buildings
 - Dollar change in values
 - Percent change in values

VIII. APPRAISAL VALUATION DISPUTES

If a dispute arises over the valuation of an individual building appraised under this RFP, vendor will work with representatives of MCIT and the member to resolve such dispute. This may include further review and research of data, consideration of additional information, re-appraisal of property, an additional field visit, phone consultation and written explanation.

IX. DEVELOPMENT COSTS

MCIT will not be responsible for any costs incurred by applicants in preparing responses to this RFP.

X. LICENSE REQUIREMENTS

Proposals must include copies of all appropriate licenses necessary to perform the work outlined in this RFP within the State of Minnesota.

XI. INSURANCE

At all times during the term of this project, and beyond such term when so required, the selected vendor and its subcontractors (when applicable) shall have and keep in force Commercial General Liability, Professional Liability, Cyber, Worker’s Compensation and Employer’s Liability Insurance Coverage. The Commercial General Liability and Professional Liability Insurance Coverage shall have liability limits of at least \$1,500,000 per claim. MCIT shall be named as an additional insured on all such insurance policies except the professional liability policy.

XII. INDEMNIFICATION

The selected vendor and its subcontractors (when applicable), agree that MCIT and its board, officers and employees shall not be liable for, and the vendor, and its subcontractors, agree to pay the cost of defense, indemnify and hold harmless MCIT and its members, officers and employees from and against all liabilities, claims, actions, expenses (including attorney fees and costs related to

the investigation of any such claims, action or proceeding), obligations, losses, fines, penalties and assessments resulting from or arising out of the negligent performance of vendor's, and its subcontractors, obligations during the term of this project.

MCIT agrees that the selected vendor, and its subcontractors, will not be liable for and MCIT agrees to pay the cost of defense, indemnify and hold harmless vendor, and its subcontractors, from and against all liabilities, claims, actions, expenses (including attorney fees and costs relating to the investigation of any such claims, actions or proceedings), obligations, losses, fines, penalties and assessments resulting from or arising out of the negligent performance of MCIT's obligations during the term of this project.

XIII. DATA PRIVACY & COMPLIANCE WITH MINN STAT. §13.05, SUBD. 11

All vendors responding to this RFP agree to abide by the applicable provisions of the Minnesota Government Data Practices Act, Minnesota Statutes, Chapter 13, and all other applicable state or federal rules, regulations or orders pertaining to privacy or confidentiality.

Vendors understand that all of the data created, collected, received, stored, used, maintained or disseminated by the party(s) in performing those functions that MCIT would perform as a government entity, is subject to the requirements of Chapter 13, and vendor must comply with those requirements as if it were a government entity. This does not create a duty on the part of vendor to provide the public with access to public data if the public data is available from the government entity, except as required by the terms of this contract.

Government Data maintained by MCIT will be governed by Minnesota Statutes, Chapter 13. The provisions of Minnesota Statutes, Chapter 13 will govern if a conflict between that statute and the provisions of the contract arises.

XIV. AUDIT REQUIREMENTS

Pursuant to Minnesota Statutes § 16C.05, subdivision 5, the selected vendor's books, records, documents, and accounting procedures and practices relevant to the services provided in this RFP are subject to examination by MCIT and the State Auditor, as appropriate, for a minimum of six years from the end of the term of this project.

XV. COOPERATION

The selected Vendor must fully cooperate with MCIT, independent consultants and other service providers of MCIT to accomplish work outlined in this RFP.

XVI. INDEPENDENT CONTRACTOR

Vendor, its agents and employees, shall be considered to be and shall act as an independent contractor and shall not be considered to be employee(s) of MCIT. Vendor shall furnish all labor, supplies, and equipment required to perform the services and will have full control and direction over the method and manner of performing those services.

XVII. ASSIGNMENT

The vendor may not delegate or otherwise transfer the project contract or any of its rights or obligations hereunder without the prior written consent of MCIT, which consent shall not be unreasonably withheld.

XVIII. PROPOSAL FORMAT

Proposals must include the following:

Organizational Information

- Provide the name, mailing address, e-mail address and phone number of your firm's contact person for this project.
- Provide full legal name of your organization, state of incorporation, address of headquarters, date incorporated and number of years your firm has been in business. If in business less than five years, provide identification of predecessor in business if any.
- List the name(s) of principal owners of your company or parent company. Describe the history of your organization and any key changes in ownership within the last five years.
- Provide the financial strength of your firm. Provide ratings from AM Best, Moody's, Standard and Poor's or other appropriate rating standard.
- Describe your firm's experience and qualifications for providing the required services to MCIT. Specifically highlight those qualifications that distinguish you from your competitors. The focus should be on recent experience within the last 5 years that is relevant to the scope of work outlined in this RFP.
- Identify the key personnel from your firm who would be assigned to this project. Include a brief description of the number of years with your firm, qualifications, professional certifications, job functions, current caseload, and office location(s). Designate an Engagement Manager who would be ultimately responsible for the relationship and a Project Manager who would provide day-to-day direction of the required work. Furnish brief resumes for all key personnel; include these as an appendix, not in the body of the proposal.
- Provide at least three (3) current client contacts. Indicate how long each client has utilized your building appraisal services.
- Provide a description of your firm's prior experience working with public entity pools

Pricing/Cost

- The proposal should clearly delineate the cost for providing services to MCIT for all three phases of this project
- Because of the potential for a variance in the proposed versus actual number of buildings to be appraised as addressed in Section III. of this RFP, MCIT desires the flexibility to have additional buildings appraised upon request and at a predetermined fixed cost throughout the term of the project. All proposals must clearly indicate the charge to perform appraisals on buildings not identified in **Appendix A**. The charge should contemplate appraisal services identical to those requested in this RFP. All proposals must clearly describe the vendor's suggested process for appraising such additional buildings, including the timeframe in which MCIT could expect completion of each appraisal.

XIX. CONDITIONS FOR PROPOSAL SUBMITTAL

Proposals must be received by **1:30 p.m. (CDT) on July 13, 2022**. Vendors are required to submit one (1) original and one (1) copy of their proposal to:

Steve Nelson, Deputy Director
Minnesota Counties Intergovernmental Trust
100 Empire Drive, Suite 100
St. Paul, MN 55103-1885
Email: snelson@mcit.org
Phone: 651-209-6411

Proposals must bear an original signature of the individual with the authority to bind the offer to the extent of the proposal.

If vendors have questions about this RFP, they are encouraged to submit them as soon as possible, but no later than **1:30 p.m. (CDT) on June 22, 2022**. Questions must be in writing and may be e-mailed to the contact person noted above. MCIT will not be obligated to answer any questions received after the deadline, or any questions submitted in a manner other than as instructed above.

XX. RETENTION OF PROPOSALS

Upon submission, all proposals become the property of the MCIT which has the right to use any ideas presented in any proposal submitted in response to this RFP, whether or not the proposal is accepted.

XXI. PROPOSAL EVALUATION

Method of Award

MCIT considers the subject matter of this proposal to be a professional service. As a professional service, this service(s) is not subject to the provisions of the Uniform Municipal Contracting Law, Minn. Stat. Section 471.345.

Evaluation Process

MCIT will review all proposals and judge the merit of those proposals in accordance with the general criteria outlined in this RFP. Failure of the vendor to provide in the proposal any information requested in this RFP may result in disqualification of that proposal.

Criteria for Evaluation

Although project pricing will be considered in the award process, the selection of a vendor for the project will be based on all of the following criteria (not necessarily in this order of priority).

- Organizational capabilities:
 - Qualifications of project team
 - Technical expertise
 - Reporting capabilities
- Organizational experience:
 - With municipal properties
 - With public entity pools
- Quality of service offered
- Pricing/cost
- References
- Project understanding

Cancellation of the Award

MCIT reserves the right, without any liability, to cancel the award of any proposal at any time before the execution of the agreements by all parties.

In addition to materials provided in your response to this RFP, MCIT may request additional material, information or references from prospective vendors or others if warranted. MCIT may also require interviews with selected candidates.

XXII. SELECTION PROCESS

Representatives of the MCIT will evaluate each proposal based on the information presented by the vendor.

MCIT reserves the right to meet with any vendor to discuss the services, workflow or cost.

The selected vendor will meet with representatives of MCIT by November 18, 2022 to discuss project specifics and establish points of contact for exchanging information.

XXIII. REJECTION OF PROPOSALS

MCIT reserves the right to reject any and all proposals and also reserves the right to cancel or amend this RFP at any time. Any changes in the status of the RFP will be brought to the attention of all vendors who were provided a copy of the RFP.

XXIV. CONTRACT TERMS

After reviewing all proposals, MCIT may select a vendor with whom it seeks to contract for the service outlined herein. When this occurs, MCIT and the selected vendor will then enter into negotiations regarding the specific contract terms that will govern the project. The selected vendor will be responsible for designating an individual(s) with the authority to appropriately negotiate and execute a contract on its behalf.

Proposals submitted in response to this RFP will become a part of any subsequent contract. If, for any reason, the selected vendor deviates in any way from previously proposed services and/or personnel assignments during the project, MCIT may discontinue work with the vendor without notice.

All information, reports, research, data, design and other work products in possession of the vendor are the property of MCIT. In the event MCIT discontinues or postpones the project or chooses to discontinue working with the vendor, all work products will be immediately provided to MCIT.

XXV. LOBBYING

Any attempt to contact members of the MCIT Board of Directors or members of MCIT to discuss any issue related to the issuance of this RFP or the award of the contract will result in immediate rejection of the candidate's proposal.

XXVI. MISREPRESENTATION

All information provided and representations made by the vendor are material and important and will be relied upon by MCIT in awarding a contract. Any intentional or negligent misstatement will be treated as a fraudulent inducement to award vendor a contract and a fraudulent concealment from MCIT of the facts relating to submission of the solicitation. A misrepresentation may be punishable under law. Furthermore, any misrepresentation will be immediate grounds for termination of any contract related to this RFP and said vendor will be prohibited from participating in future solicitations or other business opportunities with MCIT.

XXVII. CORPORATE CHANGE

If vendor, or any partners identified in vendor's proposal, are involved in or planning a change in control, sale, purchase, merger, or similar transaction ("Change") that will in any way alter the vendor's legal entity, structure, financial status or business operations, vendor shall submit, if applicable:

- A section disclosing all current entities involved in the Change, when the Change is anticipated to take place, the surviving entity, and any information related to the Change that may affect the response;
- Each area in vendor's proposal (all sections) should contain a separate section that discusses whether the Change will alter, modify or otherwise affect the vendor's proposal; and
- If this is not applicable to vendor's proposal, vendor should provide a statement that this section is "not applicable."

APPENDIX A

Number of Buildings Valued at \$100,000+ Per Member

Member	No. of Buildings
Aitkin County	35
Aitkin County Historical Society	3
Becker County	21
Beltrami County	33
Beltrami County Historical Society	1
Benton County	8
Benton County Agricultural Society	11
Benton County Historical Society	3
Big Stone County	10
Big Stone County Agricultural Society	1
Big Stone County Historical Society	1
Blue Earth County	33
Brown County	20
Brown County Historical Society	2
Brown-Nicollet Community Health Service	1
Cannon Valley Trail Joint Powers Board	1
Carlton County	32
Carver County	36
Carver County Historical Society	2
Cass County	36
Cass County Agricultural Association	1
Cass County Agricultural Society-Pillager	2
Chippewa County	13
Chippewa County Agricultural Society	10
Chisago County	30
Clay County	21
Clay County Fair and Agricultural Society	3
Clay County Housing & Redevelopment Authority	1
Clearwater County	16
Clearwater County Agricultural Society	1
Cook County	22
Cook County Historical Society	2
Cottonwood County	17
Cottonwood County Agricultural Society	3
Cottonwood County Historical Society	1
Crow Wing County	20

Member	No. of Buildings
Crow Wing County Fair Association	13
Dodge County	25
Dodge County Historical Society	1
Douglas County	22
Douglas County Agricultural Association	9
Douglas County Historical Society	2
Douglas County Hospital dba Alomere Health	7
Douglas Soil & Water Conservation District	1
East Central Regional Development Commission	1
East Central Solid Waste Commission	10
East Otter Tail County Soil & Water Conservation District	1
Faribault County	8
Faribault County Agricultural Society	12
Faribault County Historical Society	5
Faribault-Martin County Transit Board	1
Fillmore County	14
Fillmore County Agricultural Society	6
Fillmore County Historical Society	1
Fillmore County Soil & Water Conservation District	1
Freeborn County	24
Freeborn County Historical Society	3
Goodhue County	20
Grant County	6
Housing & Redevelopment Authority of Chisago County	1
Houston County	18
Houston County Agricultural Society	14
Hubbard County	21
Hubbard County Housing & Redevelopment Authority	3
Isanti County	13
Isanti County Agricultural Society	4
Isanti County Historical Society	3
Itasca County	48

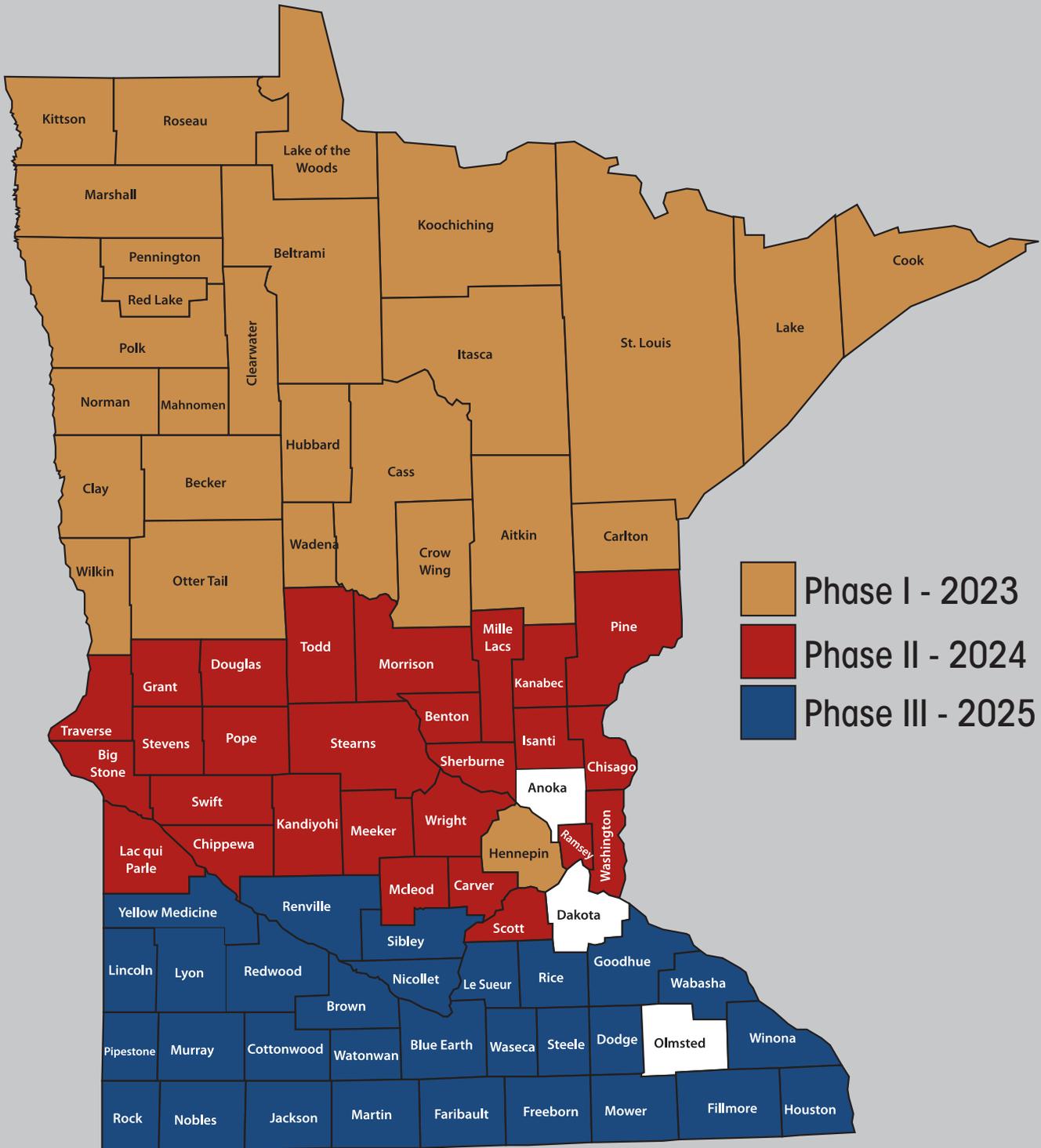
Member	No. of Buildings
Itasca County Soil & Water Conservation District	1
Jackson County	33
Jackson County Historical Society	3
Kanabec County	8
Kanabec County Historical Society	3
Kandiyohi County	48
Kandiyohi County Fair Association	12
Kandiyohi County Soil & Water Conservation District	1
Kittson County	8
Kittson County Agricultural Society	3
Kittson County Historical Society	1
Koochiching County	15
Lac qui Parle County	14
Lac qui Parle Yellow Bank Watershed District	2
Lake County	24
Lake County Historical Society	5
Lake County Housing & Redevelopment Authority	1
Lake County Soil & Water Conservation District	1
Lake of the Woods County	13
Lake of the Woods County Fair Association	1
Lake of the Woods Historical Society	2
Le Sueur County	26
Le Sueur County Fair Association	9
Le Sueur County Historical Society	3
Le Sueur County Soil & Water Conservation District	2
Lincoln County	7
Lincoln County Agricultural Society	5
Lyon County	24
Mahnomen County	14
Mar-Kit Landfill Board	3
Marshall County	13
Marshall County Agricultural Association	5
Marshall County Historical Society	2
Martin County	15
Martin County Fair	8
McLeod County	38
McLeod County Historical Society	1
Meeker County	26
Meeker County Agricultural Society	18
Mille Lacs County	10

Member	No. of Buildings
Mille Lacs County Agricultural Society	6
Minnesota Counties Information Systems	1
Minnesota Counties Intergovernmental Trust	1
Minnesota Valley Regional Rail Authority	1
Morrison County	19
Mower County	44
Murray County	39
Nicollet County	15
Nicollet County Agricultural Society	8
Nicollet County Historical Society	2
Nicollet County Soil & Water Conservation District	1
Nobles County	11
Nobles County Agricultural Society	7
Norman County	13
Norman County Agricultural Society	6
Norman County Historical Society	2
Norman County Soil & Water Conservation District	1
Northwestern MN Household Hazardous Waste	2
Northwestern MN Juvenile Center	3
Otter Tail County	33
Pennington County Count	12
Pennington County Agricultural Society	3
Pennington County Historical Society	1
Pine County	12
Pine County Agricultural Society	2
Pipestone County	19
Pipestone County Soil & Water Conservation District	1
Plum Creek Library System Count	1
Polk County	22
Polk County Agricultural Fair Association	8
Polk County Historical Society	5
Pope County	9
Pope County Agricultural Society	4
Pope County Historical Society	3
Prairie Lakes Youth Programs	5
Prairieland Solid Waste Management	3
Prime West Health System	2
Rainbow Rider Transit Board	5
Red Lake County	6
Redwood County	26

Member	No. of Buildings
Redwood County Historical Society	4
Redwood-Renville Solid Waste Authority	1
Region 6 West Community Corrections	1
Renville County	18
Renville County Agricultural Society	8
Rice County	42
Rice County Historical Society	2
Rock County	9
Rock County Historical Society	2
Roseau County	13
Roseau County Agricultural Society	4
Sand Hill River Watershed District	1
Scott County	47
Scott County Community Development Agency	2
Sherburne County	24
Sibley County	20
Southeastern Libraries Cooperating	1
Stearns County	29
Stearns County Housing & Redevelopment Authority	1
Steele County	17
Stevens County	11
Stevens County Agricultural Society	11
Swift County	17
Swift County Fair Association	8
Swift County Housing & Redevelopment Authority	1
Three Rivers Park District	152
Todd County	18
Todd-Wadena Community Corrections	1
Trailblazer Joint Powers Board	2
Traverse County	11
Traverse County Agricultural Association	9
Traverse County Historical Society	1
Traverse County Soil & Water Conservation District	1
Viking Library System	1
Wabasha County	16
Wabasha County Agricultural Association, Inc.	2
Wadena County	15
Wadena County Agricultural Society	7
Waseca County	14

Member	No. of Buildings
Waseca County Agricultural Society	12
Waseca County Historical Society	3
Washington Conservation District	1
Washington County	71
Watsonwan County	14
Wilkin County	12
Winona County	17
Wright County	61
Yellow Medicine County	23
Yellow Medicine Soil & Water Conservation District	1

Property Appraisal Phases



2023-2025	No. of Buildings	No. of Members
Phase I (2023)	771	62
Phase II (2024)	781	67
Phase III (2025)	770	68
TOTAL	2,322	197