



9/27/18  
Risk Management  
ADDENDUM #5

**REQUEST FOR PROPOSALS FOR INSURANCE PROPERTY APPRAISAL SERVICES Q&A FROM 9/27/18**

1. *Will Minnesota State provide an Excel file of the accounting fixed asset records, comprising the personal property assets to be appraised or is the analysis expected to be a complete inventory of personal property contents?*
  - a. *Personal property is not expected to be appraised individually*
2. *Can Minnesota State provide the successful bidder with building acquisition and construction costs capitalized for buildings and structures?*
  - a. *No.*
3. *If a complete inventory of personal property content is the scope of work, is the deliverable a grand total CRV for all personal property contents in each building?*
  - a. *A complete inventory of personal property content is not in the scope of this project.*
4. *The RFP indicates that mobile equipment is excluded from scope of work, please define the assets common to this Minnesota State group name.*
  - a. *Anything that's not affixed permanently to the building*
5. *Does the valuation of personal property include the following categories of assets: aircraft, boats, unlicensed vehicles, yard equipment and tractors, ATV's, laptop computers, cell phones, and portable radios?*
  - a. *Personal Property is not in the scope of this project.*
6. *What type of detail is required for the valuation of contents such as: model, manufacturer, serial number, building number, floor number, room number, etc.?*
  - a. *The primary focus of this RFP is building valuation, not contents.*
7. *In terms of the requested insurance valuation, is the Minnesota State Colleges and Universities System looking for:*
  - ✓ *A) - a "detailed" insurance valuation on a building by building basis?*
    - *Yes, for the buildings meeting the criteria outlined in the RFP.*
  - ✓ *B) - a "summary" insurance valuation which would categorize value by type, or use of "like" building?*
    - *A detailed report is expected.*



8. *Please confirm that the proposal is due on October 9, 2018*
  - a. *CONFIRMED.*
9. **On page 5**, paragraph beginning with “In coordination”-It says The scope of work for this contract would include all properties valued at or above \$5 million each (approximately 500 buildings), as well as some smaller buildings for comparison.

Question: Will you identify which smaller buildings you are referring to at each campus?

Yes, this will be discussed with the winning bidder upon award, but is not expected to include more than 25 total.

10. **On page 6**, Reports should include hazard and life safety recommendations and deficiencies

Question: Can you go a little more in depth on exactly what you are looking for here?

Not looking for life safety expert analysis, however if there is extremely obvious life/safety hazard noticeable, it should be pointed out.

#### **11. From Web Conference**

**On Question # 9** in the addendum you provided, it talks about specialized equipment. The answer was only if the equipment is permanently affixed to the building.

Question: Exactly what kind of specialized equipment are you talking about? There are a lot of permanent fixtures in a building, what are you considering specialized? Specialized would be something pertinent to the operation of the building and if damaged or removed would impact the value and/or operation of the facility. This might include fume hoods for chemistry labs or exhaust systems for automotive or welding labs.

12. **On Question #14** you discuss historical buildings. Will you provide a list of buildings you are considering historical?
  - a. **Yes, see Addendum #6**
13. Can we anticipate having the ability to inspect locations in a given region in the state within a week’s time or two weeks’ time? From a scheduling standpoint, it would make the most sense to inspect the locations in close proximity to one another



within a compressed timeframe and we feel it is very important to have assurances that each campus could be rather flexible from a scheduling standpoint.

- a. Scheduling would need to be coordinated with each campus location. Some may be amendable to quicker turnaround time than others, but it depends on many variables, i.e. personnel availability, campus activities, etc.
14. Would we have the ability to complete inspections during student breaks? For example, Thanksgiving Break, Winter Break, Spring Break, etc. With classes not in session, these may be ideal windows to complete some of the on-site work with minimal interruption.
- a. Most likely. Scheduling would be coordinated with the individual schools. Some schools may have personnel available to assist with the inspection, whereas others may not. We would prefer to not disrupt the schools operations, so there may some instances where inspecting during student breaks is optimal for all involved.
15. Does Minnesota State have certain requirements from both a report content and report formatting standpoint? It would be beneficial to have an understanding of exactly what Minnesota State is expecting from the standpoint of the contents of the reports.
- a. Generally, the report should adhere to the 2018-19 edition of the Uniform Standards of Professional Appraisal Practice for an Appraisal Report, although it is acknowledged that the assignment is not seeking the “highest and best use” valuation, but the vendor should expect to comply with the USPAP to a practical extent. Also note that the appraisal reports may be shared with the Board of Trustees, which may occur at public meetings
  - b. The report may be organized by campus and by building. The vendor has latitude on organizational scheme.
  - c. The vendor shall also be obligated to provide the source data in Excel format to Minnesota State.
16. Is Minnesota State willing to provide construction cost information for new buildings that have been constructed system-wide within the past five years?
- a. Within the past four years, yes. We recently implemented a new construction project management software, which has projects that were funded as of 2014 and contains construct cost information.



17. Can we anticipate receiving electronic copies of facilities plans and/or building plans for each of the buildings that are to be appraised?
  - a. No, we do not have a comprehensive set of facilities or building plans for each campus.
18. For the replacement cost estimate, is the estimate based on the Segregated Cost (i.e. individual replacement cost of building components) or overall aggregate cost (called the Calculator Method, it is one number, a more simple method).
  - a. Overall aggregate cost
19. Some clients for our insurable replacement cost reports request the new replacement cost as well as a depreciated replacement cost (the cost is lower due to the building age). Is this something MNSCU is requesting, or is it only the full replacement cost with no calculation for depreciation?
  - a. Replacement cost only.
20. For the final reports, is there a template that is provided in Excel to make sure the fields are properly labeled for import into the Minnesota State Capital renewal tool?
  - a. We will work with the selected vendor to create a template
21. We believe this question has been answered with Addendum 3, but, if not, the revised RFP is requesting replacement cost only, no market value will be provided. Correct?
  - a. That is correct. This appraisal seeks the reconstruction value of the improvements as-is with like-kind material. No consideration should be given to depreciation. Land value is excluded.

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