



## Solicitation Information

7 April 08

**RFP # 7076854**

**TITLE: Property Tax Equalization Study**

**Submission Deadline: 5 May 08 @ 11:00 AM (Eastern Daylight Time)**

Questions concerning this solicitation must be received by the Division of Purchases at [questions@purchasing.state.ri.us](mailto:questions@purchasing.state.ri.us) no later than **21 April 08 at 12:00 Noon (Eastern)**. Questions should be submitted in a *Microsoft Word attachment*. Please reference the RFP / LOI # on all correspondence. Questions received, if any, will be posted on the Internet as an addendum to this solicitation. It is the responsibility of all interested parties to download this information.

**SURETY REQUIRED: No**

**BOND REQUIRED: No**

Jerome D. Moynihan, C.P.M., CPPO  
Administrator of Purchasing Systems

Vendors must register on-line at the State Purchasing Website at [www.purchasing.ri.gov](http://www.purchasing.ri.gov)

Note to Vendors:

Offers received without the entire completed three-page RIVP Generated Bidder Certification Form attached may result in disqualification.

**THIS PAGE IS NOT A BIDDER CERTIFICATION FORM**

## Property Tax Equalization Study Assistance

### **SECTION 1 – INTRODUCTION**

The Rhode Island Department of Administration/Division of Purchases, on behalf of the Rhode Island Department of Revenue/Division of Property Valuation (Office of Municipal Affairs) is soliciting proposals to provide consulting services to assist the Division of Property Valuation (Office of Municipal Affairs) in improving the quality, accuracy, and timeliness of its annual property tax equalization study. This RFP is presented in accordance with the terms of this Request and the State's General Conditions of Purchase, which is available on the internet at [www.purchasing.ri.gov](http://www.purchasing.ri.gov)

### **INSTRUCTIONS AND NOTIFICATIONS TO PROPOSERS:**

- Potential offerors are advised to review all sections of this Request carefully, and to follow instructions completely, as failure to make a complete submission as described elsewhere herein may result in rejection of the proposal.
- Alternative approaches and/or methodologies to accomplish the desired or intended results of this procurement are solicited. However, proposals which depart from or materially alter the terms, requirements, or scope of work defined by this Request will be rejected as being non-responsive.
- All costs associated with developing or submitting a proposal in response to this Request, or to provide oral or written clarification of its content, shall be borne by the offeror. The State assumes no responsibility for these costs.
- Proposals are considered to be irrevocable for a period of not less than sixty (60) days following the opening date, and may not be withdrawn, except with the express written permission of the State Purchasing Agent.
- All pricing submitted will be considered to be firm and fixed unless otherwise indicated herein.
- Proposals misdirected to other State locations or which are otherwise not present in the Division of Purchases at the time of opening for any cause will be determined to be late and may not be considered. The "Official" time clock is in the reception area of the Division of Purchases.
- In accordance with Title 7, Chapter 1.1 of the General Laws of Rhode Island, no foreign corporation shall have the right to transact business in the state until it shall have procured a Certificate of Authority to do so from the Rhode Island

Secretary of State (401-222-3040). This will be a requirement only of the successful bidder (s).

- Offerors are advised that all materials submitted to the State of Rhode Island for consideration in response to this Request for Proposals will be considered to be public records, as defined in Title 38 Chapter 2 of the Rhode Island General Laws.
- It is intended that an award pursuant to this Request will be made to a prime contractor, who will assume responsibility for all aspects of the work. Joint venture and cooperative proposals will not be considered, but subcontracts are permitted, provided that their use is clearly indicated in the offeror's proposal, and the subcontractor(s) proposed to be used are identified in the proposal.
- Utilization of Minority Business Enterprises as certified by the RI Minority Business Enterprise Compliance Office is a requirement. This is pursuant to RIGL § 37-14.1-6 which states that, "Minority business enterprises **shall be included in all procurements and construction projects** under this chapter and **shall be awarded a minimum of ten percent (10%) of the dollar value** of the entire procurement or project." The director of the department of administration is further authorized to establish by rules and regulation formulas for giving minority business enterprises a preference in contract and subcontract awards. The responsibility for determining whether or not there is compliance as it relates to the utilization of Minority is vested in the MBE Office and they can be reached 401-574-8253. The website is [www.mbe.ri.gov](http://www.mbe.ri.gov)
- Interested parties are instructed to peruse the Division of Purchases web site on a regular basis, as additional information relating to this solicitation may be released in the form of an addendum to this RFP / LOI
- **Equal Employment Opportunity (RIGL 28-5.1)**  
**§ 28-5.1-1 Declaration of policy.** - (a) Equal opportunity and affirmative action toward its achievement is the policy of all units of Rhode Island state government, including all public and quasi-public agencies, commissions, boards and authorities, and in the classified, unclassified, and non-classified services of state employment. This policy applies in all areas where the state dollar is spent, in employment, public service, grants and financial assistance, and in state licensing and regulation. For further information, contact the Rhode Island Equal Employment Opportunity Office, at 222-3090

- This Request for Proposals is intended to facilitate consulting services, including but not limited to data collection and analysis relating to the tax equalization study as required by Title 16, Chapter 7-21 of the Rhode Island General Laws entitled "Determination and adjustment of equalized weighted assessed valuation."

## **SECTION 2 – OVERVIEW**

The Rhode Island Division of Purchases is issuing this Request for Proposal (RFP) on behalf of the Department of Revenue –Property Valuation (Municipal Affairs). This RFP is seeking consulting services in accordance with the terms of this solicitation and the State's General Conditions of Purchase, which is available on the Rhode Island Division of Purchases Internet Home Page at [www.purchasing.ri.gov](http://www.purchasing.ri.gov). The services being sought will facilitate the Department of Revenue in improving the quality and timeliness of the annual tax equalization study. The Department also hopes to reduce the cost of the study by reducing the sales sample size and/or by making better use of electronically transmitted public domain real estate sales data. The Division of Purchases is soliciting vendor proposals consulting services, which will include and incorporate the following:

### **History of Tax Equalization Program**

In 1960, the General Assembly enacted 16-7-21 of the RI General Laws which required the Department of Administration to provide to the Commissioner of Education the equalized weighted assessed valuation of each municipality in the state. This data was used as a component part in computing state education aid. Full utilization of the data for computing state education aid was suspended in 1991. However, the full value calculation is an integral part of school housing aid as well as the Core Instruction Equity Fund. As a component part of the study, full value of property in each municipality is also computed. This data is used in determining eligibility for distressed community aid as provided for in 45-13-12 of the RI General Laws.

There are 39 cities and towns in Rhode Island. Each city and town establishes a tax roll as of December 31 of each year. Typically, this tax roll is used to support a tax levy which is certified in late spring or early summer to support the following year's municipal budget. Each city and town is required to perform a comprehensive revaluation of property every 9 years with property valuation updates every three years.

The Division of Property Valuation with a staff of one supervisor and three appraisers analyzes approximately 17,000 sales in the state each year (34,000 over a two year period of analysis) and after discarding sales determined to be non arms-length transactions and/or outliers determines the ratio of assessed value to sales price in each city or town. This relationship is then used to compute an estimate of full value in each municipality. RIGL 16-7-21 also requires that the equalized value be adjusted further for median family income. The

study produced each August provides a report based upon market value three years earlier. For example, the equalization report produced in August of 2007 was based upon market values as of December 31, 2004.

In 2000, the state commissioned the firm of Almy Gloudehans, Jacobs, and Denne to conduct a review of the state's equalization study procedures. The report completed in early 2001 made a series of recommendations including the elimination of residential appraisals by state staff and the greater use of electronically transmitted tax assessment rolls and sales information. OMA adopted those proposals for which resources were available or where cost savings resulted. OMA has not adopted those recommendations which were costly such as commercial appraisal activity.

### **Review of Current Methods employed in collecting and analyzing data**

The vendor shall review the data collection and sales verification methods including outlier designation currently employed by the state in determining relative property values statewide. This review shall include an analysis of sample size, stratification of the sample size among different classes, and the proximity of sales to the assessment date. The vendor shall also review the model currently employed in maintaining the sales data base and the validity and reasonableness of the results produced by the model. Consideration should be given to whether statistical and data collection methods could be employed to improve the timeliness of the study (2 year rather than 3 year in arrears).

### **Vendor Proposals**

The vendor shall make recommendations to the state on improving the study based upon the above review and shall include a proposal for the vendor to perform annual services and provide personnel and software support to the state for production of the study. The vendor should emphasize in their proposal how they would:

1. Improve methods of collecting and inputting sales data.
2. Modify the model currently used in estimating full valuation.
3. Employ new statistical methods to improve the timeliness of the study.
4. Determine the sales data interval to be used in the study.
5. Stratify sales data to insure accurate neighborhood and commercial valuations.
6. Standardize the sample size percentage for each municipality.

The vendor's proposal should assume that at least two state staff members would continue direct and supervisory roles in the study while the vendor would provide special technical expertise, direct data input, and software to produce the study as required by law. Transmission of the study results each year to the Rhode Island Department of Education would be subject to approval by the Division of Property Valuation.

### **Duration of Contract**

The state is soliciting proposals for a three year contract with the vendor taking responsibility for producing the study to be completed on August 1, 2009 and for the following two years. Extensions of up to three years will be permitted to the extent annual cost increases do not exceed inflation over the extension period. Price proposals shall be all inclusive covering labor, operating costs, hardware and software including license fees.

The department has reserved \$20,000 in the current year budget (the fiscal year ending June 30, 2008) and has requested \$60,000 in new money in FY 2009 for this project. This is the base amount that would be projected to be available in the following two years. Proposals that exceed this amount will be accepted.

### **Retention of Records, Databases and Reports**

All data gathered by the vendor, all databases and programs developed and maintained by the vendor and any and all reports generated by the vendor will remain the property of the State of Rhode Island, Department of Revenue or any other State Agency or Department as designated by the Department of Administration.

All data, programs, reports and databases collected, developed and/or generated by the vendor will be held in confidence by the vendor, until directed, in writing, by the Department of Administration/Revenue or the appropriate State Agency or Department to release them.

### **Selection of Vendor**

A review team composed of state employees and other professionals selected by the Director of the Department of Revenue will review all qualified proposals. The team will apply 40% weighting to the quality of the technical proposal, 40% to pricing, and 20% to vendor and staff qualifications in selecting a vendor. A minimum passing score of 70% in each category will be required for selection.

A Selection Committee will evaluate submitted proposals on the basis of the above criteria items. Consultant Teams may be invited to appear before the Committee for in-person presentations. The Committee will then make a qualifications based recommendation for final selection to the Rhode Island State Division of Purchases A/E/SC Selection Committee. That committee will forward a recommendation (s) to the Director of Administration who will make the final award decision.

Notwithstanding the above, the State reserves the right not to award this contract or to award on the basis of cost alone, to accept or reject any or all responses, and to award in its best interest.

Responses found to be technically or substantially non-responsive at any point in the evaluation process will be rejected and not considered further. The State reserves the right to reject any or all responses submitted and to waive any informalities in any vendor's submission

### **SECTION 3 – GENERAL INFORMATION**

#### **I PROPOSAL INSTRUCTIONS, CONDITIONS, AND PROCEDURES**

Vendors must submit two original, sealed proposals, which should include both a technical and cost proposal. Vendors who wish to submit sealed proposals based upon the specifications and conditions contained in this document shall submit them by April 1, 2008. The technical proposal must be responsive to all six items referenced in the "vendor proposal" section. The cost proposal should record a separate price for each year and a total price. The total price over three years will be the primary determinant for comparison with other bids. Moderately increasing pricing proposals over the three years are permissible; however, front or backloaded balloon pricing is discouraged. Vendors should assume that the contract will commence approximately June 1, 2008 although it is possible that the award period and initiation of the contract could be for period beginning shortly before or after June 1, 2008.

After the proposals are publicly opened, they will be evaluated based upon the criteria outlined in the EVALUATION section of this document.

This request for proposal should be read in its entirety by the vendor in order that all procedures, specifications, and conditions of the request for proposals are understood.

The following information is provided in order to clarify the intent, conditions, and procedures of this "Request for Proposals" (RFP).

#### **Schedule**

- 1) Submission Deadline –Four weeks after RFP available.
  - 2) Review Team Report and recommendation completed – within four weeks of proposal submission date.
  - 3) Consultant's Selection Committee – within four weeks of review team report submission.
  - 4) Director of Administration Makes Award – within 2 weeks consultant selection committee action.
  - 5) All bidders notified, by mail, of award decision
  - 6) Purchase order issued – on or about two weeks after Director's award.
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- 1) Vendors are expected to examine all documents, forms, specifications, standard provisions, and all instructions.
  - 2) Each vendor shall furnish all information required by the PROPOSAL RESPONSE REQUIREMENTS section for each proposal submitted.

- 3) Each proposal submitted shall be formatted according to the "Table of Contents" contained in the PROPOSAL RESPONSE REQUIREMENTS section of this document.
- 4) Time, if stated as a number of days, will be calendar days.
- 5) All proposed prices shall be firm for one hundred eighty (180) days from the public opening date or as agreed upon between the Department of Administration and the winning vendor.

### **Vendor Forum/Inquiries, Pre-proposal Communication**

Questions concerning this solicitation must be received by the Division of Purchases at [questions@purchasing.state.ri.us](mailto:questions@purchasing.state.ri.us) no later than **21 April 08 at 12:00 Noon (Eastern)**. Questions should be submitted in a *Microsoft Word attachment*. Please reference the RFP / LOI # on all correspondence. Questions received, if any, will be posted on the Internet as an addendum to this solicitation. It is the responsibility of all interested parties to download this information.

### **Proposal Submission**

**One (1) original and five (5) copies of the technical proposal must be submitted in a sealed envelope, and one (1) original and one (1) copy of the cost proposal must be submitted in a separate sealed envelope.** All submissions, hereafter referred to as the "proposal packet" must clearly indicate the RFP number, proposal type, and the vendor's name and address. All proposals must be completed in ink or typewritten. The original proposal, Technical and Cost **must contain** a signed RIVIP Bidder certification cover sheet, which may be obtained from the Internet. Sealed proposals, marked RFP 7076854 : Property Tax Equalization Study", shall be submitted on or before the date & time indicated on page one of this solicitation to

**RI DEPARTMENT OF ADMINISTRATION  
DIVISION OF PURCHASES – 2<sup>ND</sup> FLOOR  
ONE CAPITOL HILL  
PROVIDENCE, RI 02908-5855**

Proposals must be in the actual possession of the Division of Purchases on or prior to the exact time and date indicated. The official time clock is located in the reception area of the Division of Purchases. Proposals faxed, or emailed, to the Division of Purchases will not be considered.

Vendors submitting proposals shall indicate the vendor's name and page number on each page of the document.

A person authorized to sign the vendor offer must initial erasures, delineations, or other modifications in the proposal.

Proposals should include the following:

1. A completed and signed three-page RIVIP Bidder Certification Cover Form, available at [www.purchasing.ri.gov](http://www.purchasing.ri.gov).
2. A Cost Proposal reflecting the hourly rate, or other fee structure, proposed for this scope of services
3. A *separate* Technical Proposal describing the qualifications and background of the applicant and experience with similar programs, as well as the work plan or approach proposed for this requirement.
4. A completed and signed W-9 (taxpayer identification number and certification). Form is downloadable at [www.purchasing.ri.gov](http://www.purchasing.ri.gov).
5. In addition to the multiple hard copies of proposals required, Respondents are requested to provide their proposal in electronic format (CDRom or Diskette). Microsoft Word / Excel OR PDF format is preferable. **Two electronic copies are requested.** The CDs or diskettes should be included in the proposal marked "original".

### **Vendor Certification**

By submission of a proposal, the vendor certifies that:

The vendor has not paid nor agreed to pay any person, other than a bona fide employee, a fee or a brokerage resulting from the award of the contract.

The prices in the proposal have been arrived at independently without consultation, communication, or agreement for the purpose of restricting competition as to matter relating to such prices with any other vendor.

The State may, by written notice to the vendors, cancel any award under this RFP if it is found by the State that gratuities, in the form of entertainment, gifts or otherwise were offered or given to any representative of the State with a view toward securing an order or other favorable treatment with respect to this RFP.

### **Prime Contractor**

If the proposal is based on a combination of goods and services from more than one vendor or corporate entity, one vendor shall be designated in the proposal as the "Prime Contractor".

The contract will be awarded only to the prime contractor who will be held responsible for the performance of all vendors participating in the proposal and subsequent contract. The prime contractor will identify all subcontractors in the proposal. The prime contractor will be the controlling vendor.

### **Proposal Obligation and Disposition**

The contents of the proposal and any clarifications thereto submitted by the successful vendor shall become part of the contractual obligation and incorporated by reference into the ensuing contracts. All proposals become property of the State, and will not be returned to the vendor.

### **Signature of Vendor Agent**

Each vendor's proposal and any clarifications to that proposal shall be signed by an officer of the vendor company or a designated agent empowered to bind the firm in a contract.

### **Contractual Agreement**

The contract period shall extend from July 1, 2007, through completion of the Motor Vehicle Excise Tax Phase-out, but shall expire on June 30, 2010.

Payment of fees will be based upon the submission of progress billings detailing actual hours expended, and shall not be submitted more than once per month during the life of the contract.

## **II. GENERAL CONTRACTING TERMS AND CONDITIONS**

The purpose of this section is to give the vendor an understanding of the State's general contractual requirements.

### **Termination**

The State may terminate the contract resulting from this request at any time the contractor fails to carry out its provisions. The State shall give the contractor notice of such termination with stated reasons for the termination. If, after such notice, contractor fails to remedy the conditions contained in the notice, the State shall issue the contractor an order to stop work immediately. Either party may terminate the contract without cause upon giving 190 days written notice.

### **Failure to Perform**

If the contractor does not meet the specifications delineated in the contract, a letter explaining the deficiencies with a 30-day notice will be delivered by the State's agent. If the deficiencies

are not corrected in 30 days, the contract may be cancelled and the vendor may be subject to penalties.

**Equal Employment Opportunities**

The contractor shall comply with all provisions of federal, state, and local regulations to ensure that no employee or applicant for employment is discriminated against because of race, religion, color, sex, sexual preference, marital status, age, handicap, or national origin.

**Contractor's Cooperation**

The contractor shall, at all times, observe and comply with all State of Rhode Island rules and regulations in any way affecting the contract.

**Immunity from Liability**

The contractor will defend and hold the State harmless from all claims, demands, or judgments deriving from alleged professional malpractice of any of its employees or subcontractors.

The selected vendor will be required to provide proof of, a\_\_\_\_\_ Professional Liability coverage according to the following:

- a) Limits - \$ 1,000,000 per occurrence  
\$10,000,000 aggregate

**END**