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General Information

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Procurement Folder: 71712

SO Doc Code: CRFQ

Procurement Type: Central Master Agreement

SO Dept: 0702

Vendor ID: VS0000003275 

SO Doc ID: TAX1500000006

Legal Name: RTC GIS, Inc.

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Alias/DBA: Resource Technologies Corporation

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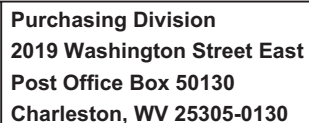
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Solicitation Description: Valuation of reserve/producing coal property & Gas property

Total of Header Attachments: 0

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State Of West Virginia Solicitation Response

Solicitation Description : Valuation of reserve/producing coal property & Gas property

Proc Type : Central Master Agreement

Date issued	Solicitation Closes	Solicitation No	Version
	2015-03-04 13:30:00	SR 0702 ESR02271500000002261	1

VENDOR

VS0000003275

RTC GIS, Inc.

Resource Technologies Corporation

FOR INFORMATION CONTACT THE BUYER

Evelyn Melton
(304) 558-7023
evelyn.p.melton@wv.gov

Signature X

FEIN #

DATE _____

All offers subject to all terms and conditions contained in this solicitation

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
1	Valuation Services	1.00000	HOUR	\$36,000.00	

Comm Code	Manufacturer	Specification	Model #
94131501			

Extended Description : Quantity Valuation Services

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
2	Environmental non governmental services	1.00000	HOUR	\$70,000.00	

Comm Code	Manufacturer	Specification	Model #
94131501			

Extended Description : Geotechnical Services

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
3	Professional engineering services	1.00000	HOUR	\$8,750.00	

Comm Code	Manufacturer	Specification	Model #
81100000			

Extended Description : Professional Engineering Services

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
4	Technical assistance non governmental services	1.00000	HOUR	\$25,000.00	

Comm Code	Manufacturer	Specification	Model #
94131503			

Extended Description : Senior Technical Services

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
5	Technical assistance non governmental services	1.00000	HOUR	\$12,000.00	

Comm Code	Manufacturer	Specification	Model #
94131503			

Extended Description : Staff Technical Services

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
6	Technical assistance non governmental services	1.00000	HOUR	\$26,000.00	

Comm Code	Manufacturer	Specification	Model #
94131503			

Extended Description : Assistant Staff Technical Services

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
7	Clerical services	1.00000	HOUR	\$4,500.00	

Comm Code	Manufacturer	Specification	Model #
80161504			

Extended Description : Clerical and Non-Professional Services

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
8	Expert witness service	1.00000	HOUR	\$12,000.00	

Comm Code	Manufacturer	Specification	Model #
80121903			

Extended Description : Court Appearance/Witness Fee

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
9	Legal assistance services	1.00000	HOUR	\$16,000.00	

Comm Code	Manufacturer	Specification	Model #
94131603			

Extended Description :	Pre-Trial Preparation Services
	THE WEST VIRGINIA PURCHASING DIVISION IS SOLICITING BIDS ON BEHALF OF THE STATE TAX

IMPORTANT

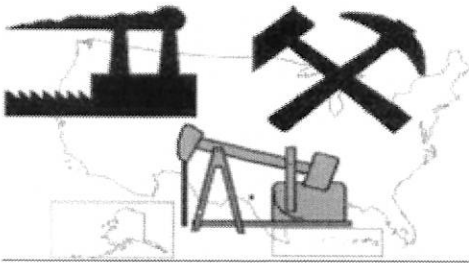
Please complete the information below and affix the label to the outside of your bid envelope. Thank you.

Sealed Bid Enclosed

RFQ Number: 0202 TAX1500000006
Buyer: State Tax Dept - Property Tax
Bid Opening Date: March 04, 2015
Bid Opening Time: 1:30 PM

Mail To:

WV PURCHASING DIVISION
2019 WASHINGTON ST E
CHARLESTON WV 25305



RESOURCE TECHNOLOGIES CORPORATION

248 E Calder Way, Suite 305, State College, PA 16801
PO Box 242, State College, PA 16804

814-237-4009 f: 237-1769
www.resourcetec.com

PROPOSAL FOR CRFQ_TAX1500000006 ASSISTANCE WITH COAL VALUATION

Description: Valuation of Reserve/Producing Coal Property
& Gas Property

Solicitation Number: CRFQ 0702 TAX1500000006

Bid Submission Date: March 04, 2015

Contract Manager: April Saldaña
RTC GIS, Inc.
dba Resource Technologies Corporation

Vendor Address: 248 E. Calder Way, Ste. 305, State College, PA 16801
P.O. Box 242, State College, PA 16804

Phone Number: 814-237-4009

Fax Number: 814-237-1769

Email Address: april@resourcetec.com

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1.0 QUALIFICATIONS

1.1 RTC's Staff & Proposed Staffing Plan

RTC GIS, Inc.'s (dba Resource Technologies Corporation (RTC)) professional staff includes Licenced Appraisers, Professional Geologists, Mapping and Title Specialists, and Certified Property Evaluators.

Since the implementation of the West Virginia's Reserve Coal Valuation model in 1999, RTC has provided on-going consulting, staff support, testimony, mapping, data processing, technical assistance, and management as required by the state. The contract has varied from year to year based on the states' staffing and professional requirements. RTC has guaranteed that it will have sufficient professional staff available for Board of Review and Equalization (BRE) hearings throughout the state. RTC also provides the tools needed by the state personnel to complete hearing requests.

Jeffrey Kern is a tested and re-certified senior member of the American Society of Appraisers (ASA) and is a Certified General Appraiser in numerous states. Mr. Kern has taught appraisal and assessment courses to professionals requiring continuing education credits. These courses have included:

- Mineral Valuation
- Oil and Gas Valuation
- The use of Geographic Information Systems Technology in Assessment
- Aerial Imagery and Mine Operations Monitoring
- Statistics and Ratio Studies for Assessors
- Appraisal of Forest Resources
- Uniform Standards of Professional Appraisal Practice.

He is a designated Member of the International Institute of Mineral Appraisers, a Senior Member of the American Society of Appraisers (designated in Mines, Oil and Gas, and Business Appraisal), a member of the International Association of Assessing Officers, and the National Association of Independent Fee Appraisers. He previously served on the Board of Directors for the International Mineral Economics and Management Society. He is certified in Pennsylvania as an Ad Valorem Property Tax Evaluator. Mr. Kern is licensed as a State Certified General Appraiser in West Virginia, New York, New Jersey, Pennsylvania, Ohio, Indiana, Georgia, Maryland, Delaware, and Virginia.

Mr. Kern authored the chapters on Mineral Appraisal and Mineral Taxation in the 3rd Edition of "Property Taxation for Professionals". He authored the USGS textbook entitled "Use of Aerial Imagery for Surface Mine Evaluation and Monitoring". He has authored numerous articles and provided presentations on Mineral Valuation and Mineral Markets. Mr. Kern has testified in front of various legislative committees and in various state and federal courts. His article concerning the "Development and Use of the Discount Rate in Mineral Appraisals" will be used as a chapter in the upcoming Appraisal Manual to be published by the International Institute of Mineral Appraisers. He serves as a peer reviewer for the Society for Mining, Metallurgy, and Exploration.

Mr. Kern has served as the Project Director on the current "Reserve Coal Valuation Model" development, implementation, and support effort for the State of West Virginia, Department of Tax and Revenue, Property Tax Division. He served as the Project Director for a project for the Commonwealth of Pennsylvania designed to determine the financial effect of longwall mining on surface land uses. He served as Project Manager on a review of Kentucky mineral property tax assessment strategies and procedures. He has also served as a Consultant to CLT, Manatron, and 21st Century (mass appraisal companies) on matters of mineral, oil and gas, and farmland valuation.

David Falkenstern (Professional Geologist - PA, PG004612) has over 15 years experience assisting with the valuation of coal and aggregate mining operations and reserve properties. Mr. Falkenstern specializes in mineral pricing, market review, and mine plan review. He also develops large scale mineral valuation systems using Geographic Information Systems to link mineral market conditions, mineral quality, and environmental concerns.

Mr. Falkenstern has served as the Key Technical Consultant on the current "Reserve Coal Valuation Model" development, implementation, and support effort for the State of West Virginia, Department of Tax and Revenue, Property Tax Division. He served as the Senior Director Consultant on a project designed to determine the financial effect of longwall mining on surface land uses for the Commonwealth of Pennsylvania. He served as Technical Associate on a review of Kentucky mineral property tax assessment strategies and procedures. He was the Lead Technical Participant to examine the effect of mountaintop removal on the environment completed for the USGS and the EPA. Mr. Falkenstern has provided testimony in court.

Patrick Federinko (Certified General Appraiser (PA, GA004119) and Professional Geologist (PA, PG002008G) has over 12 years experience in the oil and gas development and production fields. As a Field Development Geologist, Mr. Federinko analyzed well logs and developed depositional models for producing horizons; he assisted in the selection of locations for infield development wells and establishment of proven, probable, and potential reserves. He was also a Well Site Geologist supervising well bore logging operations. He has developed basin wide well log correlation fence diagrams as well as field specific geologic cross sections. He has also supervised drilling operations and well completion operations including but not limited to: logging operations, setting & cementing casing, perforation of production horizons, and hydro-fracturing operations.

Mr. Federinko currently heads-up RTC's oil and gas division where he has supervised over 300 appraisals of oil and gas interests in New York, Pennsylvania, Ohio, and West Virginia. In that capacity, he has developed production estimates, decline curves, and drill strategies. Mr. Federinko has provided testimony in court.

The following degrees and licenses are applicable to this project:

Jeffrey Kern:

- B.S. Geology and Political Science, Dickinson College
- MRP, Pennsylvania State University
- Graduate work in Public Administration, Pennsylvania State University
- Graduate work in Mineral Appraisal and Computer Modeling, Colorado School of Mines
- Licensed State Certified General Appraiser

David Falkenstern:

- B.S. Geoscience, Pennsylvania State University
- M.S. Engineering Geology, Radford University
- Licensed Professional Geologist

Patrick Federinko:

- B.S. Geology, Indiana University of Pennsylvania
- Licensed State Certified General Appraiser
- Licensed Professional Geologist

RTC's professional staff includes Certified Professional Geologists, Professional Engineers, Mapping and Title Specialists, GIS Specialists, Data Processing and Database Administration Specialists, and Certified Property Evaluators. Professional staff are assigned as needed. This project will be managed by three senior staff who will each perform a significant quantity of the work:

- Mr. Jeffrey Kern will serve as Project Manager and will conduct all valuation services. He will be responsible for the entire effort. As the West Virginia Certified General Appraiser, he is responsible for valuation.
- David Falkenstern will lead all coal-related activities (economic data research, coal quantity and quality research, and valuation appeals). As the Lead Technical Specialist in the use of GIS technology and GIS modeling, he will be responsible for the operation of the coal and oil and gas models.
- Patrick Federinko will lead all oil and gas activities (economic data research, regional decline curves, and valuation appeals). He will assist, as required, in the analysis of coal and/or other mineral geology issues.
- Qualified support staff will assist in these activities as supervised.

1.2 RTC's References

RTC is currently providing ongoing mineral valuation services for the Pennsylvania Counties of Cambria, Centre, Fayette, Greene, Indiana, Schuylkill, and Washington. The firm has provided on-going consulting and assistance to the West Virginia Department of Tax and Revenue concerning mineral assessment and taxation since 1999. RTC has provided similar consulting services to the Commonwealth of Kentucky (coal assessment) and the State of Wyoming (oil and gas assessment).

RTC has provided mineral appraisal services for the United States Department of Justice. These valuations involved properties or estates acquired or owned by the Army Corps of Engineers, Federal Bureau of Prisons, and for tax and estate issues involving the IRS. RTC completes mineral appraisals for various financial institutions including Bank of America, Fifth Third Bank, Wells Fargo, Key Bank, SunTrust, and M&T Bank as well as others. RTC also provides appraisals of oil and gas and other mineral related interests to numerous private clients and law firms. References include:

- Lou Lewis, Chief Assessor, County of Greene, 93 East High Street, Room 201, Waynesburg, PA 15370 (724-852-5240) llewis@co.greene.pa.us
- Brad Boni, Chief Assessor, County of Washington, 100 West Beau Street, Suite 205, Washington, PA 15301 (724-288-6767), bonibrad@co.washington.pa.us
- Tim Kocher, Senior Vice President, Wells Fargo Bank, N.A., 90 South 7th Street, Floor 19, MAC N9305-191, Minneapolis, MN 55402 (612-316-1619) timothy.a.kocher@wellsfargo.com
- Jill Cade, Assistant Vice President, Real Estate Relationship Manager, Commercial Real Estate Services, Wells Fargo Bank, N.A., 90 South 7th Street, Floor 19, MAC N9305-191, Minneapolis, MN 55402 (612-316-4147) jill.m.cade@wellsfargo.com
- David Sharp, SunTrust Robinson Humphrey, 3333 Peachtree Rd, NE, 3rd Floor, Mail Code GA-ATL-1980, Atlanta, GA 30326 (404-439-7627) david.sharp@suntrust.com
- Jeff Amburgey, Director, Property Tax Division, West Virginia Department of Tax and Revenue, Greenbrooke Building, Charleston, WV 25301 (304-558-0792) jeff.a.amburgey@wv.gov
- Brian Iannarone, MAI, CCIM, Corestates Regional Director, Wells Fargo RETECHS, 190 River Road, 3rd Floor NJ3410, Summit, NJ 07901 (908-598-3680) brian.iannarone@wellsfargo.com
- Craig Miller, Fifth Third Bank, Real Estate Valuation Group, 201 East Kennedy Boulevard, Suite 2000, Tampa, FL 33602 (813-306-2419) craig.miller@53.com
- LeAnne Martin, Commercial Banker, M&T Bank, 114 South Atherton Street, State College, PA 16801 (814-234-5195) lmartin@mtb.com
- Franz Ross, Complex Asset Specialist/VP, First Niagara Bank, 14 Lafayette Square, Buffalo, NY 14203 (716-819-5989) franz.ross@fnfg.com
- Ed Bettwy, Right-of-Way Administrator, PennDOT District 9, 1598 North Juniata Street, Hollidaysburg, PA 16648 (814-696-7210) ebettwy@pa.gov

1.3 Experience in the Valuation of Coal & Other Natural Resources

Incorporated in 1980, RTC has specialized in the valuation of coal and other natural resources for 35 years. ore specifically, RTC has appraised mineral, unique commercial, environmental, and industrial businesses and assets including:

- Coal mines and reserves
- Oil & gas wells and reserves
- Aggregate, lime, sand, & other
- mineral reserves & mines
- Hard rock reserves & operations
- Mineral processing & shipping

- | | |
|--|---|
| facilities | • Agricultural properties |
| • Industrial facilities | • Forest lands |
| • Medical facilities | • Nature preserves & park areas |
| • Industrial mineral properties & operations | • Environmentally degraded sites |
| • Rural properties | • Rail, barge, & other transport facilities |

Major clients have included:

- Banking concerns such as Wells Fargo Bank, SunTrust, Bank of America, M&T Bank, Fifth Third Bank, PNC, and various private investment banks.
- Federal agencies such as: U.S. Departments of Justice, Defense, Interior, and General Administration
- State governmental institutions located in Indiana, Kentucky, New Jersey, New York, Ohio, Pennsylvania, Virginia, West Virginia, and Wyoming.
- Local governments located in Greene, Fayette, Schuylkill, Centre, Clinton, Cambria, Indiana, and Washington Counties in Pennsylvania and Campbell and Buchanan Counties in Virginia.
- Various non-profit entities including the Natural Resource Defense Council and Common Cause.
- Numerous private firms and law firms.

Since 1982, our personnel have testified in various federal and state courts as recognized experts in mineral valuation including:

- Federal District Court, Northern District of West Virginia, Middle District of Pennsylvania, Western District of Pennsylvania, and Eastern District of Kentucky
- Superior Court of New Jersey, Monmouth County and Gloucester County
- Commonwealth Court of Pennsylvania, Allegheny County, Centre County, Greene County, and Schuylkill County
- Federal Bankruptcy Court, Pennsylvania

1.4 Experience with Mass-Appraisal Systems

RTC has created and maintained mass-appraisal systems to value mineral estates in:

- Greene County, PA
- Fayette County, PA
- Schuylkill County, PA
- Centre County, PA
- Washington County, PA

In each of these systems, the mineral records are Mass-Appraised, using GIS technology, based on location, mineral quality and mineral activity (active mining).

RTC has consulted with and improved standing data systems in:

- Indiana County, PA (8,000 mineral records)
- Buchanan County, VA (45,000 mineral records)
- State of West Virginia, Property Tax Department (850,000 mineral records).

RTC was also appointed to review and recommend changes to the mineral assessment system used by the Commonwealth of Kentucky.

RTC is familiar with Tyler's IAS System, Vision's Mass Appraisal System, Harris/Govern's Software Tax Assessment system, Evaluation and Technical Services' Mass Appraisal System, 21st Century's Valuation System, and the system developed by Manatron. RTC has developed system modules for these using Citrix and Microsoft platforms.

1.5 Experienced Licensed Mineral Appraiser

Mr. Jeffrey Kern is a Mineral Appraiser certified by the International Institute of Mineral Appraisers, member number 1999-3. Mr. Kern was tested and re-certified as a Mines and Quarries Expert for the American Society of Appraisers. Mr. Kern has taught accredited Continuing Education courses for the Appraisal Institute, Institute of Certified Public Accountants, The Bar Association, The Pennsylvania Assessors Association, and The Virginia Assessors Association.

1.6 Experienced WV Licensed Appraiser

Mr. Jeffrey Kern holds a State Certified General Appraiser license with the state of West Virginia (license number 226).

1.7 Experience in Database Management

RTC has significant experience in database management since the inception of the company in 1980. RTC's database management projects are listed below.

West Virginia Reserve Coal Valuation Model: Since 1999, RTC has served as West Virginia's Property Tax Division's mineral technical expert. RTC was first appointed to the project as the result of a West Virginia Supreme Court decision requiring the state to revise its coal strategies and procedures. Until 1999, the state's valuations lacked credibility, uniformity, and fairness. They did not assign a relative fair-market value to the coal resources as assessed. The goal as defined by the court order, the state's constitution, and the secretary of revenues guidance was to develop a procedure that would allow the state to assess coal fairly and equitably using a mass appraisal system.

RTC worked with personnel from the Department of Tax and Revenue, the West Virginia Geologic and Economic Survey, the Department of Environment Protection, the West Virginia Coal Association, the University of West Virginia, and members of the

legislature to develop a fair and efficient system of mass appraisal for coal taxation. To complete the project, RTC developed the formulas, procedures, forms, and factors used to assess the relative value of more than 850,000 coal records annually.

RTC developed the initial digital geologic maps used by the system; mapped a large portion of the properties addressed by the system; and collected much of the original lease, price, mining, and other data used by the system. RTC provided testimony to various legislative review committees and the legislature as a whole.

This project was managed by Mr. Jeffrey Amburgey, Director, Property Tax Division, West Virginia Department of Tax and Revenue, Greenbrooke Building, Charleston, WV 25301 (304-558-0792) jeff.a.amburgey@wv.gov.

Analysis of the Effect of Longwall Mining on Surface Land Values: Completed in 2001, this project was funded by the Pennsylvania Department of Environmental Protection. The purpose of the project was to determine what, if any, financial effect longwall mining had on overlying and nearby land values and communities. The state was required to address highly politicized competing claims concerning the potential detrimental effects of longwall mining on the surface community.

RTC used advanced GIS and database modeling to examine ten-years worth of land sales and assessment records in multiple counties in Pennsylvania. Using GIS technology, dynamic maps of longwall panel timing was matched to land sales records, assessment appeal records, and confidential damage payments. The process allowed RTC to quantify mining's effect on land values. The report was incorporated into procedures adopted by the state and is available through the state's web service.

This project was managed by Mr. Lawrence Ruane, Pennsylvania Department of Protection, Rachel Carson State Office Building, 400 Market Street, Harrisburg, PA 17101 (717-783-8845) lrune@state.pa.us.

Greene County, Pennsylvania, Mineral Valuation for Tax Assessment: RTC performs annual tax assessments of all mineral properties in Greene County, Pennsylvania. RTC collects and processes all data, develops all values, updates and maintains the County's tax assessment database, and provides support at all appeal hearings. Minerals comprise nearly \$1 billion in value in this County. Since minerals comprise a large portion of the County's tax base, RTC is entrusted with managing the identification and enumeration of more than one third of the County, municipal, and School Districts' income.

RTC began this effort in 1990 and has continuously provided the service for 20 years. This project was managed by Mr. H. John Frazier, Chief Assessor, County of Greene, 93 East High Street, Room 201, Waynesburg, PA (retired). Lou Lewis (724-852-5240) llewis@co.greene.pa.us is the current Chief Assessor.

Oil and Gas Property Valuations: RTC completes the appraisal of oil and gas estates and oil and gas operations throughout Pennsylvania, New York, Ohio, and West Virginia. These valuations involve reserves or resources in oil and gas fields, leased reserves in producing regions, and producing properties. With the advent of the Marcellus

and the Utica plays, RTC has completed hundreds of these appraisals for a number of firms specializing in estate planning. The projects require knowledge of the oil and gas industry, familiarity with the oil and gas market, statistical examination of the drilling and development activity, experience in the geology of the oil and gas plays, and knowledge of SEC and IRS requirements.

RTC completes each appraisal within 30 business days, including site visits. A long-term client has been Brann, Williams, Caldwell & Sheetz, 111 West Main Street, Troy, PA 16947 (570-297-2192) evanwilliamsiii@bwcs-law.com.

1.8 Experience with Multi-Layer GIS Mineral & Economic Analysis

RTC designs and develops sophisticated GIS systems to not only estimate coal reserves but also track and predict market conditions. The projects listed above require multi-layer GIS systems to develop credible appraisal results. For example, the West Virginia Reserve Coal Valuation Model requires the input of at least 20 different geographic based data tables including:

- Mineral Parcels
- Mineral Parcels with contiguous owners
- Incorporated Areas
- Coal Thickness
- Coal Outcrop
- Minedout Coal
- Coal Quality
 - BTU
 - Sulfur
 - Ash
 - Volatility
 - Environmental Influences
- Coal Leasing Activity
- Oil & Gas Well Activity
- Coal Mines
 - Active
 - Recently Closed
 - Historical
- FERC Coal Sales
- WVPSC Coal Sales
- Coal Royalty
- Coal Production

Each GIS layer contains data that influences the value of every mineral parcel across the state. It is important that creation, maintenance, quality control, and analysis are correct because it could lead to varying tax rates for West Virginia's mineral owners.

Another example of using a multi-layer GIS to assess property is Pennsylvania's Clean and Green program. Rather than property value being based on market analysis,

Pennsylvania allows farmland to be valued based on the productivity of that land, thus saving farmers a considerable tax burden. Input layers include:

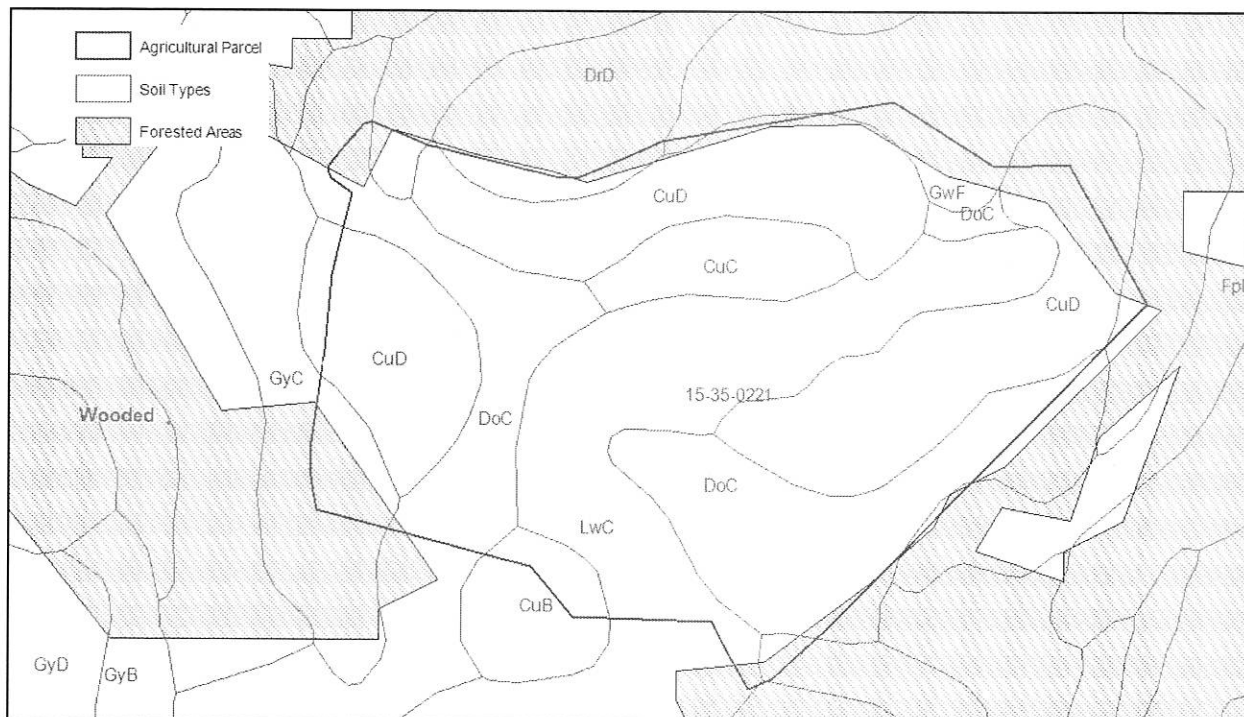
- Agricultural Parcels
- Department of Agriculture Soil Maps
- Forest Maps
- Department of Agriculture Productive Rate Maps.

Using a GIS program created in-house, the area of each separate soil type on each agricultural parcel is calculated. Additionally, forested acres are also calculated because they are not productive for farming. The productivity rate maps, which provide a \$/acre value for each soil type, are then applied to determine the total value of the parcel (see image below).

RTC has performed this service for:

- Washington County
- Fayette County
- Bedford County
- Centre County
- Lycoming County.

While much simpler than West Virginia's Reserve Coal Valuation Model, RTC's Clean and Green program is an elegant example of a multi-layer GIS analysis to value property.



2.0 MANDATORY REQUIREMENTS

2.1 Contract Service Requirements & Deliverables

2.1.1 Compilation & Evaluation of Economic Data

2.1.1.1 Development of Economic Valuation Variables

Coal production in West Virginia has fallen significantly in each of the past three years (see table below) resulting in the reduction of an overall coal reserve tax base. Also, the loss of production has occurred only in the southern part of the state.

West Virginia Coal Production	
2011	138,123,881
2012	123,207,841
2013	115,950,702

West Virginia Legislative Rule §110-11, *Valuation of Active and Reserve Coal Property for Ad Valorem Property Tax Purposes*, describes the economic data research necessary to value reserve and producing coal properties. These include:

- Coal prices, discount rate, sales and leases
- Completion of coal and market pricing research and delivery of report
- Statistical analysis and review of coal market factors (T-Factors)
 - Market interest factor (relative position of transactions)
 - Market mineability factor (relative position of mines)
 - Prime coal bed factor (coal bed most likely to be mined)
 - Environmental factor
 - Use conflict factor (oil and gas wells)
 - Volatility factor
- Review of coal quality information
 - Thickness, BTU, sulfur, volatility, washability
- Review of digital mapping
 - Property and ownership records
 - Coal bed mapping.

The following tasks are required to develop the economic valuation variables:

- RTC will review the Tax Year 2015 variables to establish basis for Tax Year 2016. The examination includes:
 - geographic analysis
 - consistency with actual market rates (mineral property sales analysis)
- RTC will complete a T-Factor analysis to be used as base factors and default values in Tax Year 2016. This task must be completed by May of 2015 in order to meet the new legislative deadlines.

- The regional price for coal (by type) as developed from FERC and WVPSC data must also be published in time for public comment before the Tax Year 2016 values are estimated. This must also be completed by the end of May 2015 in order to meet legislative deadlines.
- A survey of current royalty rates must also be completed within the same time frame.
- RTC will complete and test integrated geospatial analysis including adjacency analysis, proximity of transactions, new transaction basis, new environmental conflict basis, etc.
- RTC will assist the State in running the reserve coal valuation model in a timely fashion.
- RTC will assist the State in reviewing results for accuracy, consistency, and compliance with the legislative mandates.

The State has also embarked on a significant number of data updates. RTC will assist in these efforts as required:

- The agency is re-mapping all coal seams for Tax Year 2016
- Update the environmental factor tables
- Continued improvement to the property maps and ownership database
- Audit the declared mineable acres of coal when compared to the State's mapping of coal
- Update data collection and reporting forms
- Assist in the implementation of a new mapping server.

RTC will work with the Department's professional staff in all tasks. RTC will participate in staff training as required. RTC will participate in hearings, public presentations, interdepartmental efforts, and legislative efforts as required.

Valuation of Coal and O&G Properties

The State has been exploring various options for improving the assessment of oil and gas reserve properties. Currently, by statute, the reserve value is based on delay rental lease rates which is believed to be below market value. RTC will assist the State in developing equitable market responsive valuation measures that can be applied to the appraisal of currently undeveloped oil and gas properties.

West Virginia Legislative Rule §110-11J *Valuation of Producing and Reserve Oil & Natural Gas for Ad Valorem Property Tax Purposes*, describes the economic data research necessary to value producing oil and gas properties. These include assisting in the development of:

- Capitalization factor
- Determining the net value of oil & gas (gross less (royalties + operations + maintenance costs))
- Estimating industry operating expenses
- Developing industry production decline rates based on:
 - Formation
 - Region.

RTC will assist the State in developing appropriate ultimate recovery estimates and decline curves for each producing horizon. The analysis will look at oil wells, oil and gas wells, dry-gas wells, and wet-gas wells. Significant emphasis will be placed on the geotechnical and market factors that delineate the recovery potential of reserve properties. RTC will work with the Geologic and Economic Survey, Tax Department personnel, and industry personnel to ensure that estimates are accurate, equitable, and consistent with the law.

2.1.2 Actual Valuation - Reserve and Producing Coal Properties

2.1.2.1 Utilization of Variables to Estimate the Assessments

RTC will rewrite or modify and test software to comply with new T-factors and revised procedures mandated by legislature. RTC will rewrite or modify and test software and develop new procedure manuals for revisions including:

- Parcel assemblage
- Prime seam revision
- Threshold, spot market input
- Adapt model to the West Virginia Integrated Assessment System (IAS)
- New/revised coal maps
- New property maps and ownership data
- New economic factors.

RTC plans to complete a total test run at least one month before the data is to be transferred to the IAS system. To better assist the State, RTC will:

- Provide technical and hardware assistance with actual model run and analysis
- Complete an "Audit" process of selected properties.
- The anticipated values will be compared to the Tax Year 2015 results to examine the effect of the Board of Review and other adjustments.

RTC will work with the Department's professional staff in all tasks. RTC will participate in staff training as required. RTC will participate in hearings, public presentations, interdepartmental efforts, and legislative efforts as required.

RTC will defend all values and the valuation process in front of hearing boards and in courts of law.

A synopsis of the basic tasks required is listed below:

1. Data Analysis on Tax Years 2014 and 2015.
 - a) Review of tax to establish basis for next year (geographic, consistency, and t-factor analysis - to be used as base factors and default values in Tax Year 2016
 - b) Review coal mapping, coal assignments, and recorded acres of coal to establish statistical basis for t-factors
 - c) Model of Tax Year 2015 to examine effect of Board of Review and other adjustments
2. Development of New Baseline Parameters for T-factors.
 - a) Statistical analysis and testing: Wells, Environmental, Mines, Vol, Trans, Coal Quality, Royalty, Prices, etc.
 - b) Complete and test integrated geospacial analysis including adjacency analysis, proximity of transactions, new transaction basis, new environmental conflict basis, etc.
3. Assistance with Board of Review and Legislative Matters.
 - a) Assist in legislative reports, analysis, and testimony
 - b) Provide testimony
4. Complete and Implement Electronic Filing.
5. Complete and Implement Revised Data Collection Forms.
6. Parcel Mapping.
7. Property and Ownership Mapping and Records.
 - a) Develop and implement procedures
 - b) Train and monitor staff
 - c) Merge and test Data
8. Develop and Implement Training Program for New Staff.
9. Complete "Audit" process of selected properties.
10. Complete and Implement Electronic Reporting/Editing.
11. Assist with Geology, Property Records, Databases, and Preparation for this Year's Model Run. Review of comparative sales and leases - BTU, Sulfur, Ash, Thickness, Drainage, splits.

12. Rewrite and Test Software to Comply with New T-Factors and Revised Procedures Mandated by Legislature.

- a) Rewrite and test software and develop new procedure manuals for revisions including parcel assemblage, prime seam revision, threshold, spot market input, etc.
- b) Develop base for IAS report or develop report output.
- c) Complete a total test run(s) at least 30 days before revised tax deadlines to ensure results.

13. Complete Coal and Market Pricing Research and Deliver Report.

14. Assist with Actual Model Run and Analysis.

15. Participate In and Prepare for Task Force & Committee Meetings.

16. Assist with Board of Review.

Reserve oil and gas valuation will follow West Virginia Legislative Rule §110-1J, *Valuation of Producing and Reserve Oil and Natural Gas for Ad Valorem Property Tax Purposes*.

As required, RTC will assist in the valuation of active wells as:

- Home use only wells
- Industrial use wells
- Non-producing acreage
- Plugged and abandoned acreage
- Barren oil & natural gas areas
- Wells that produce oil & natural gas
- Storage area wells
- Farm properties
- Pre-production/permit leaseholds - chattel real accounts
- Flat rate royalty accounts.

Oil and gas tasks will be defined by the Department as determined by the Tax Commissioner.

RTC will assist with annual reports that state the variables.

2.1.3 Valuation Appeals & Legislative Matters

2.1.3.1 Defend Values Upon Appeals

For each of the past 15 years, with the exception of this year, RTC has represented the West Virginia Property Tax Division at Board of Review and Equalization (BRE) hearings in various counties. Additionally, RTC staff regularly participates in Pennsylvania County Commission Tax Hearings regarding mineral valuation as well as appearing in Federal Bankruptcy Court.

At BRE's, RTC serves as the State Tax Department's expert and assists County Commissioners in answering taxpayer questions. Additionally, RTC will assist with reports, analysis, and testimony required by the West Virginia State Legislature. Testimony may also be required in West Virginia Circuit Court if the BRE's are unable to satisfy valuation grievances. RTC will participate in Task Force & Committee meetings.

For reserve oil and gas properties, RTC will appear at BRE's when oil & gas questions arise. At BRE's, RTC serves as the State Tax Department's expert and assists County Commissioners in answering taxpayer questions. Additionally, RTC will assist with reports, analysis, and testimony required by the West Virginia State Legislature. Testimony may also be required in West Virginia Circuit Court if the BRE's are unable to satisfy valuation grievances.

3.0 CONTRACT AWARD PRICING

It has been RTC's experience that staff commitment is related to the particular needs of the Department at any given time. These are defined by legislative, management, public, and industry requirements. The particular expertise required in a consultant arrangement is also defined by the expertise resident within the Department. RTC will endeavor to assign the most appropriate personnel to the tasks as they occur during the length of the contract. Therefore, the costs listed in the required cost summary chart are estimates based on current and planned staffing within the Department.

The hours and costs shown below are estimates based on previous years' activities for a twelve-month contract.

COST SHEET			
<i>Hours are based on a 12-month contract</i>			
Service	Rate (\$/hr)	Hours	Total
1. Valuation Services, Hearing Testimony, Management	\$225	160	\$36,000
2. Geotechnical Services, Testimony	\$175	400	\$70,000
3. Professional Engineering Services	\$175	50	\$8,750
4. Senior Technical Services	\$125	200	\$25,000
5. Staff Technical Services	\$80	150	\$12,000
6. Assistant Staff Technical Services	\$65	400	\$26,000
7. Clerical and Non-Professional Services	\$45	100	\$4,500
8. Court Appearance/Witness Fee	\$300	40	\$12,000
9. Pre-Trial Preparation Services	\$200	80	\$16,000
Grand Total		1,580	\$210,250



Purchasing Division
2019 Washington Street East
Post Office Box 50130
Charleston, WV 25305-0130

State of West Virginia
Request for Quotation

Proc Folder: 71712

Doc Description: Valuation of reserve/producing coal property & Gas property

Proc Type: Central Master Agreement

Date Issued	Solicitation Closes	Solicitation No	Version
2015-01-29	2015-03-04 13:30:00	CRFQ 0702 TAX1500000006	1

BID RECEIVING LOCATION

BID CLERK

DEPARTMENT OF ADMINISTRATION

PURCHASING DIVISION

2019 WASHINGTON ST E

CHARLESTON

WV 25305

US

VENDOR

Vendor Name, Address and Telephone Number:

FOR INFORMATION CONTACT THE BUYER

Evelyn Melton

(304) 558-7023

evelyn.p.melton@wv.gov

Signature X

FEIN #

25-1850143

DATE

03/02/2015

All offers subject to all terms and conditions contained in this solicitation

INVOICE TO		SHIP TO	
OPERATIONS DIVISION TAX DIVISION OF PO BOX 11748		PROPERTY TAX DIVISION TAX DIVISION OF ALBERT T SUMMERS CENTER 1124 SMITH ST	
CHARLESTON	WV25339-1748	CHARLESTON	WV 25301
US		US	

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
1	Valuation Services	1.00000	HOUR		

Comm Code	Manufacturer	Specification	Model #
94131501			

Extended Description :
Quantity Valuation Services

INVOICE TO		SHIP TO	
OPERATIONS DIVISION TAX DIVISION OF PO BOX 11748		PROPERTY TAX DIVISION TAX DIVISION OF ALBERT T SUMMERS CENTER 1124 SMITH ST	
CHARLESTON	WV25339-1748	CHARLESTON	WV 25301
US		US	

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
2	Environmental non governmental services	1.00000	HOUR		

Comm Code	Manufacturer	Specification	Model #
94131501			

Extended Description :
Geotechnical Services

INVOICE TO		SHIP TO	
OPERATIONS DIVISION TAX DIVISION OF PO BOX 11748		PROPERTY TAX DIVISION TAX DIVISION OF ALBERT T SUMMERS CENTER 1124 SMITH ST	
CHARLESTON	WV25339-1748	CHARLESTON	WV 25301
US		US	

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
3	Professional engineering services	1.00000	HOUR		

Comm Code	Manufacturer	Specification	Model #
81100000			

Extended Description :

Professional Engineering Services

INVOICE TO		SHIP TO	
OPERATIONS DIVISION TAX DIVISION OF PO BOX 11748		PROPERTY TAX DIVISION TAX DIVISION OF ALBERT T SUMMERS CENTER 1124 SMITH ST	
CHARLESTON	WV25339-1748	CHARLESTON	WV 25301
US		US	

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
4	Technical assistance non governmental services	1.00000	HOURL		

Comm Code	Manufacturer	Specification	Model #
94131503			

Extended Description :

Senior Technical Services

INVOICE TO		SHIP TO	
OPERATIONS DIVISION TAX DIVISION OF PO BOX 11748		PROPERTY TAX DIVISION TAX DIVISION OF ALBERT T SUMMERS CENTER 1124 SMITH ST	
CHARLESTON	WV25339-1748	CHARLESTON	WV 25301
US		US	

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
5	Technical assistance non governmental services	1.00000	HOURL		

Comm Code	Manufacturer	Specification	Model #
94131503			

Extended Description :

Staff Technical Services

INVOICE TO		SHIP TO	
OPERATIONS DIVISION TAX DIVISION OF PO BOX 11748		PROPERTY TAX DIVISION TAX DIVISION OF ALBERT T SUMMERS CENTER 1124 SMITH ST	
CHARLESTON	WV25339-1748	CHARLESTON	WV 25301
US		US	

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
6	Technical assistance non governmental services	1.00000	HOUR		

Comm Code	Manufacturer	Specification	Model #
94131503			

Extended Description :
Assistant Staff Technical Services

INVOICE TO		SHIP TO	
OPERATIONS DIVISION TAX DIVISION OF PO BOX 11748		PROPERTY TAX DIVISION TAX DIVISION OF ALBERT T SUMMERS CENTER 1124 SMITH ST	
CHARLESTON	WV25339-1748	CHARLESTON	WV 25301
US		US	

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
7	Clerical services	1.00000	HOUR		

Comm Code	Manufacturer	Specification	Model #
80161504			

Extended Description :
Clerical and Non-Professional Services

INVOICE TO		SHIP TO	
OPERATIONS DIVISION TAX DIVISION OF PO BOX 11748		PROPERTY TAX DIVISION TAX DIVISION OF ALBERT T SUMMERS CENTER 1124 SMITH ST	
CHARLESTON	WV25339-1748	CHARLESTON	WV 25301
US		US	

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
8	Expert witness service	1.00000	HOUR		

Comm Code	Manufacturer	Specification	Model #
80121903			

Extended Description :

Court Appearance/Witness Fee

INVOICE TO		SHIP TO	
OPERATIONS DIVISION TAX DIVISION OF PO BOX 11748		PROPERTY TAX DIVISION TAX DIVISION OF ALBERT T SUMMERS CENTER 1124 SMITH ST	
CHARLESTON	WV25339-1748	CHARLESTON	WV 25301
US		US	

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
9	Legal assistance services	1.00000	HOURL		

Comm Code	Manufacturer	Specification	Model #
94131603			

Extended Description :

Pre-Trial Preparation Services

THE WEST VIRGINIA PURCHASING DIVISION IS SOLICITING BIDS ON BEHALF OF THE STATE TAX DEPARTMENT - PROPERTY TAX DIVISION TO ESTABLISH A CONTRACT TO PROVIDE ASSISTANCE WITH THE VALUATION OF RESERVE AND PRODUCING COAL PROPERTIES AND RESERVE OIL AND GAS PROPERTIES FOR PROPERTY TAX PURPOSES.

TAX1500000006	Document Phase Final	Document Description Valuation of reserve/producing coal property & Gas property	Page 6 of 6
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ADDITIONAL TERMS AND CONDITIONS

See attached document(s) for additional Terms and Conditions

INSTRUCTIONS TO VENDORS SUBMITTING BIDS

1. **REVIEW DOCUMENTS THOROUGHLY:** The attached documents contain a solicitation for bids. Please read these instructions and all documents attached in their entirety. These instructions provide critical information about requirements that if overlooked could lead to disqualification of a Vendor's bid. All bids must be submitted in accordance with the provisions contained in these instructions and the Solicitation. Failure to do so may result in disqualification of Vendor's bid.
2. **MANDATORY TERMS:** The Solicitation may contain mandatory provisions identified by the use of the words "must," "will," and "shall." Failure to comply with a mandatory term in the Solicitation will result in bid disqualification.
3. **PREBID MEETING:** The item identified below shall apply to this Solicitation.

☒ A pre-bid meeting will not be held prior to bid opening.

☐ A **NON-MANDATORY PRE-BID** meeting will be held at the following place and time:

☐ A **MANDATORY PRE-BID** meeting will be held at the following place and time:

All Vendors submitting a bid must attend the mandatory pre-bid meeting. Failure to attend the mandatory pre-bid meeting shall result in disqualification of the Vendor's bid. No one person attending the pre-bid meeting may represent more than one Vendor.

An attendance sheet provided at the pre-bid meeting shall serve as the official document verifying attendance. The State will not accept any other form of proof or documentation to verify attendance. Any person attending the pre-bid meeting on behalf of a Vendor must list on the attendance sheet his or her name and the name of the Vendor he or she is representing. Additionally, the person attending the pre-bid meeting should include the Vendor's E-Mail address, phone number, and Fax number on the attendance sheet. It is the Vendor's responsibility to locate the attendance sheet and provide the required information. Failure to complete the attendance sheet as required may result in disqualification of Vendor's bid.

All Vendors should arrive prior to the starting time for the pre-bid. Vendors who arrive after the starting time but prior to the end of the pre-bid will be permitted to sign in, but are charged with knowing all matters discussed at the pre-bid.

Questions submitted at least five business days prior to a scheduled pre-bid will be discussed at the pre-bid meeting if possible. Any discussions or answers to questions at the pre-bid meeting are preliminary in nature and are non-binding. Official and binding answers to questions will be published in a written addendum to the Solicitation prior to bid opening.

4. **VENDOR QUESTION DEADLINE:** Vendors may submit questions relating to this Solicitation to the Purchasing Division. Questions must be submitted in writing. All questions must be submitted on or before the date listed below and to the address listed below in order to be considered. A written response will be published in a Solicitation addendum if a response is possible and appropriate. Non-written discussions, conversations, or questions and answers regarding this Solicitation are preliminary in nature and are non-binding. Submitted e-mails should have solicitation number in the subject line.

Question Submission Deadline: **FEBRUARY 11, 2015 - end of business**

Submit Questions to: Evelyn P. Melton
 2019 Washington Street, East
 Charleston, WV 25305
 Fax: (304) 558-4115 (Vendors should not use this fax number for bid submission)
 Email: evelyn.p.melton@wv.gov

5. **VERBAL COMMUNICATION:** Any verbal communication between the Vendor and any State personnel is not binding, including verbal communication at the mandatory pre-bid conference. Only information issued in writing and added to the Solicitation by an official written addendum by the Purchasing Division is binding.
6. **BID SUBMISSION:** All bids must be submitted electronically through wvOASIS or signed and delivered by the Vendor to the Purchasing Division at the address listed below on or before the date and time of the bid opening. Any bid received by the Purchasing Division staff is considered to be in the possession of the Purchasing Division and will not be returned for any reason. The Purchasing Division will not accept bids, modification of bids, or addendum acknowledgment forms via e-mail. Acceptable delivery methods include electronic submission via wvOASIS, hand delivery, delivery by courier, or facsimile. The bid delivery address is:

Department of Administration, Purchasing Division
 2019 Washington Street East
 Charleston, WV 25305-0130

A bid that is not submitted electronically through wvOASIS should contain the information listed below on the face of the envelope or the bid may be rejected by the Purchasing Division.:

SEALED BID:

BUYER:

SOLICITATION NO.:

BID OPENING DATE:

BID OPENING TIME:

FAX NUMBER:

In the event that Vendor is responding to a request for proposal, and chooses to respond in a manner other than by electronic submission through wvOASIS, the Vendor shall submit one original technical and one original cost proposal plus convenience copies of each to the Purchasing Division at the address shown above. Additionally, if Vendor does not submit its bid through wvOASIS, the Vendor should identify the bid type as either a technical or cost proposal on the face of each bid envelope submitted in response to a request for proposal as follows:

BID TYPE: (This only applies to CRFP)

☐ Technical

☐ Cost

7. **BID OPENING:** Bids submitted in response to this Solicitation will be opened at the location identified below on the date and time listed below. Delivery of a bid after the bid opening date and time will result in bid disqualification. For purposes of this Solicitation, a bid is considered delivered when confirmation of delivery is provided by wvOASIS (in the case of electronic submission) or when the bid is time stamped by the official Purchasing Division time clock (in the case of hand delivery).

March 4, 2015 - Wednesday @ 1:30 P.M.

Bid Opening Date and Time:
 Bid Opening Location: Department of Administration, Purchasing Division
 2019 Washington Street East
 Charleston, WV 25305-0130

8. **ADDENDUM ACKNOWLEDGEMENT:** Changes or revisions to this Solicitation will be made by an official written addendum issued by the Purchasing Division. Vendor should acknowledge receipt of all addenda issued with this Solicitation by completing an Addendum Acknowledgment Form, a copy of which is included herewith. Failure to acknowledge addenda may result in bid disqualification. The addendum acknowledgement should be submitted with the bid to expedite document processing.

9. **BID FORMATTING:** Vendor should type or electronically enter the information onto its bid to prevent errors in the evaluation. Failure to type or electronically enter the information may result in bid disqualification.
10. **ALTERNATES:** Any model, brand, or specification listed in this Solicitation establishes the acceptable level of quality only and is not intended to reflect a preference for, or in any way favor, a particular brand or vendor. Vendors may bid alternates to a listed model or brand provided that the alternate is at least equal to the model or brand and complies with the required specifications. The equality of any alternate being bid shall be determined by the State at its sole discretion. Any Vendor bidding an alternate model or brand should clearly identify the alternate items in its bid and should include manufacturer's specifications, industry literature, and/or any other relevant documentation demonstrating the equality of the alternate items. Failure to provide information for alternate items may be grounds for rejection of a Vendor's bid.
11. **EXCEPTIONS AND CLARIFICATIONS:** The Solicitation contains the specifications that shall form the basis of a contractual agreement. Vendor shall clearly mark any exceptions, clarifications, or other proposed modifications in its bid. Exceptions to, clarifications of, or modifications of a requirement or term and condition of the Solicitation may result in bid disqualification.
12. **COMMUNICATION LIMITATIONS:** In accordance with West Virginia Code of State Rules §148-1-6.6, communication with the State of West Virginia or any of its employees regarding this Solicitation during the solicitation, bid, evaluation or award periods, except through the Purchasing Division, is strictly prohibited without prior Purchasing Division approval. Purchasing Division approval for such communication is implied for all agency delegated and exempt purchases.
13. **REGISTRATION:** Prior to Contract award, the apparent successful Vendor must be properly registered with the West Virginia Purchasing Division and must have paid the \$125 fee, if applicable.
14. **UNIT PRICE:** Unit prices shall prevail in cases of a discrepancy in the Vendor's bid.
15. **PREFERENCE:** Vendor Preference may only be granted upon written request and only in accordance with the West Virginia Code § 5A-3-37 and the West Virginia Code of State Rules. A Vendor Preference Certificate form has been attached hereto to allow Vendor to apply for the preference. Vendor's failure to submit the Vendor Preference Certificate form with its bid will result in denial of Vendor Preference. Vendor Preference does not apply to construction projects.
16. **SMALL, WOMEN-OWNED, OR MINORITY-OWNED BUSINESSES:** For any solicitations publicly advertised for bid, in accordance with West Virginia Code §5A-3-37(a)(7) and W. Va. CSR § 148-22-9, any non-resident vendor certified as a small, women-owned, or minority-owned business under W. Va. CSR § 148-22-9 shall be provided the

same preference made available to any resident vendor. Any non-resident small, women-owned, or minority-owned business must identify itself as such in writing, must submit that writing to the Purchasing Division with its bid, and must be properly certified under W. Va. CSR § 148-22-9 prior to contract award to receive the preferences made available to resident vendors. Preference for a non-resident small, women-owned, or minority owned business shall be applied in accordance with W. Va. CSR § 148-22-9.

- 17. WAIVER OF MINOR IRREGULARITIES:** The Director reserves the right to waive minor irregularities in bids or specifications in accordance with West Virginia Code of State Rules § 148-1-4.6.

GENERAL TERMS AND CONDITIONS:

1. **CONTRACTUAL AGREEMENT:** Issuance of a Award Document signed by the Purchasing Division Director, or his designee, and approved as to form by the Attorney General's office constitutes acceptance of this Contract made by and between the State of West Virginia and the Vendor. Vendor's signature on its bid signifies Vendor's agreement to be bound by and accept the terms and conditions contained in this Contract.

2. **DEFINITIONS:** As used in this Solicitation/Contract, the following terms shall have the meanings attributed to them below. Additional definitions may be found in the specifications included with this Solicitation/Contract.
 - 2.1. **"Agency" or "Agencies"** means the agency, board, commission, or other entity of the State of West Virginia that is identified on the first page of the Solicitation or any other public entity seeking to procure goods or services under this Contract.
 - 2.2. **"Contract"** means the binding agreement that is entered into between the State and the Vendor to provide the goods or services requested in the Solicitation.
 - 2.3. **"Director"** means the Director of the West Virginia Department of Administration, Purchasing Division.
 - 2.4. **"Purchasing Division"** means the West Virginia Department of Administration, Purchasing Division.
 - 2.5. **"Award Document"** means the document signed by the Agency and the Purchasing Division, and approved as to form by the Attorney General, that identifies the Vendor as the contract holder.
 - 2.6. **"Solicitation"** means the official notice of an opportunity to supply the State with goods or services that is published by the Purchasing Division.
 - 2.7. **"State"** means the State of West Virginia and/or any of its agencies, commissions, boards, etc. as context requires.
 - 2.8. **"Vendor" or "Vendors"** means any entity submitting a bid in response to the Solicitation, the entity that has been selected as the lowest responsible bidder, or the entity that has been awarded the Contract as context requires.

3. **CONTRACT TERM; RENEWAL; EXTENSION:** The term of this Contract shall be determined in accordance with the category that has been identified as applicable to this Contract below:

☒ **Term Contract**

Initial Contract Term: This Contract becomes effective on _____
upon award _____ and extends for a period of _____ one (1)
year(s).

Renewal Term: This Contract may be renewed upon the mutual written consent of the Agency, and the Vendor, with approval of the Purchasing Division and the Attorney General's office (Attorney General approval is as to form only). Any request for renewal should be submitted to the Purchasing Division thirty (30) days prior to the expiration date of the initial contract term or appropriate renewal term. A Contract renewal shall be in accordance with the terms and conditions of the original contract. Renewal of this Contract is limited to three (3) successive one (1) year periods or multiple renewal periods of less than one year, provided that the multiple renewal periods do not exceed 36 months in total. Automatic renewal of this Contract is prohibited. Notwithstanding the foregoing, Purchasing Division approval is not required on agency delegated or exempt purchases. Attorney General approval may be required for vendor terms and conditions.

Delivery Order Limitations: In the event that this contract permits delivery orders, a delivery order may only be issued during the time this Contract is in effect. Any delivery order issued within one year of the expiration of this Contract shall be effective for one year from the date the delivery order is issued. No delivery order may be extended beyond one year after this Contract has expired.

- ☐ **Fixed Period Contract:** This Contract becomes effective upon Vendor's receipt of the notice to proceed and must be completed within _____ days.

- ☐ **Fixed Period Contract with Renewals:** This Contract becomes effective upon Vendor's receipt of the notice to proceed and part of the Contract more fully described in the attached specifications must be completed within _____ days. Upon completion, the vendor agrees that maintenance, monitoring, or warranty services will be provided for one year thereafter with an additional _____ successive one year renewal periods or multiple renewal periods of less than one year provided that the multiple renewal periods do not exceed _____ months in total. Automatic renewal of this Contract is prohibited.

- ☐ **One Time Purchase:** The term of this Contract shall run from the issuance of the Award Document until all of the goods contracted for have been delivered, but in no event will this Contract extend for more than one fiscal year.

- ☐ **Other:** See attached.

4. **NOTICE TO PROCEED:** Vendor shall begin performance of this Contract immediately upon receiving notice to proceed unless otherwise instructed by the Agency. Unless otherwise specified, the fully executed Award Document will be considered notice to proceed.
5. **QUANTITIES:** The quantities required under this Contract shall be determined in accordance with the category that has been identified as applicable to this Contract below.
 - ☒ **Open End Contract:** Quantities listed in this Solicitation are approximations only, based on estimates supplied by the Agency. It is understood and agreed that the Contract shall cover the quantities actually ordered for delivery during the term of the Contract, whether more or less than the quantities shown.
 - ☐ **Service:** The scope of the service to be provided will be more clearly defined in the specifications included herewith.
 - ☐ **Combined Service and Goods:** The scope of the service and deliverable goods to be provided will be more clearly defined in the specifications included herewith.
 - ☐ **One Time Purchase:** This Contract is for the purchase of a set quantity of goods that are identified in the specifications included herewith. Once those items have been delivered, no additional goods may be procured under this Contract without an appropriate change order approved by the Vendor, Agency, Purchasing Division, and Attorney General's office.
6. **PRICING:** The pricing set forth herein is firm for the life of the Contract, unless specified elsewhere within this Solicitation/Contract by the State. A Vendor's inclusion of price adjustment provisions in its bid, without an express authorization from the State in the Solicitation to do so, may result in bid disqualification.
7. **EMERGENCY PURCHASES:** The Purchasing Division Director may authorize the Agency to purchase goods or services in the open market that Vendor would otherwise provide under this Contract if those goods or services are for immediate or expedited delivery in an emergency. Emergencies shall include, but are not limited to, delays in transportation or an unanticipated increase in the volume of work. An emergency purchase in the open market, approved by the Purchasing Division Director, shall not constitute of breach of this Contract and shall not entitle the Vendor to any form of compensation or damages. This provision does not excuse the State from fulfilling its obligations under a One Time Purchase contract.
8. **REQUIRED DOCUMENTS:** All of the items checked below must be provided to the Purchasing Division by the Vendor as specified below.

☐ **BID BOND:** All Vendors shall furnish a bid bond in the amount of five percent (5%) of the total amount of the bid protecting the State of West Virginia. The bid bond must be submitted with the bid.

☐ **PERFORMANCE BOND:** The apparent successful Vendor shall provide a performance bond in the amount of _____. The performance bond must be received by the Purchasing Division prior to Contract award. On construction contracts, the performance bond must be 100% of the Contract value.

☐ **LABOR/MATERIAL PAYMENT BOND:** The apparent successful Vendor shall provide a labor/material payment bond in the amount of 100% of the Contract value. The labor/material payment bond must be delivered to the Purchasing Division prior to Contract award.

In lieu of the Bid Bond, Performance Bond, and Labor/Material Payment Bond, the Vendor may provide certified checks, cashier's checks, or irrevocable letters of credit. Any certified check, cashier's check, or irrevocable letter of credit provided in lieu of a bond must be of the same amount and delivered on the same schedule as the bond it replaces. A letter of credit submitted in lieu of a performance and labor/material payment bond will only be allowed for projects under \$100,000. Personal or business checks are not acceptable.

☐ **MAINTENANCE BOND:** The apparent successful Vendor shall provide a two (2) year maintenance bond covering the roofing system. The maintenance bond must be issued and delivered to the Purchasing Division prior to Contract award.

☐ **INSURANCE:** The apparent successful Vendor shall furnish proof of the following insurance prior to Contract award and shall list the state as a certificate holder:

☐ **Commercial General Liability Insurance:** In the amount of _____ or more.

☐ **Builders Risk Insurance:** In an amount equal to 100% of the amount of the Contract.

☐
☐
☐
☐
☐

The apparent successful Vendor shall also furnish proof of any additional insurance requirements contained in the specifications prior to Contract award regardless of whether or not that insurance requirement is listed above.

- ☐ **LICENSE(S) / CERTIFICATIONS / PERMITS:** In addition to anything required under the Section entitled Licensing, of the General Terms and Conditions, the apparent successful Vendor shall furnish proof of the following licenses, certifications, and/or permits prior to Contract award, in a form acceptable to the Purchasing Division.

☐
☐
☐
☐

The apparent successful Vendor shall also furnish proof of any additional licenses or certifications contained in the specifications prior to Contract award regardless of whether or not that requirement is listed above.

- 9. WORKERS' COMPENSATION INSURANCE:** The apparent successful Vendor shall comply with laws relating to workers compensation, shall maintain workers' compensation insurance when required, and shall furnish proof of workers' compensation insurance upon request.
- 10. LITIGATION BOND:** The Director reserves the right to require any Vendor that files a protest of an award to submit a litigation bond in the amount equal to one percent of the lowest bid submitted or \$5,000, whichever is greater. The entire amount of the bond shall be forfeited if the hearing officer determines that the protest was filed for frivolous or improper purpose, including but not limited to, the purpose of harassing, causing unnecessary delay, or needless expense for the Agency. All litigation bonds shall be made payable to the Purchasing Division. In lieu of a bond, the protester may submit a cashier's check or certified check payable to the Purchasing Division. Cashier's or certified checks will be deposited with and held by the State Treasurer's office. If it is determined that the protest has not been filed for frivolous or improper purpose, the bond or deposit shall be returned in its entirety.
- 11. LIQUIDATED DAMAGES:** Vendor shall pay liquidated damages in the amount of _____ for _____.
This clause shall in no way be considered exclusive and shall not limit the State or Agency's right to pursue any other available remedy.

- 12. ACCEPTANCE/REJECTION:** The State may accept or reject any bid in whole, or in part. Vendor's signature on its bid signifies acceptance of the terms and conditions contained in the Solicitation and Vendor agrees to be bound by the terms of the Contract, as reflected in the Award Document, upon receipt.
- 13. FUNDING:** This Contract shall continue for the term stated herein, contingent upon funds being appropriated by the Legislature or otherwise being made available. In the event funds are not appropriated or otherwise made available, this Contract becomes void and of no effect beginning on July 1 of the fiscal year for which funding has not been appropriated or otherwise made available.
- 14. PAYMENT:** Payment in advance is prohibited under this Contract. Payment may only be made after the delivery and acceptance of goods or services. The Vendor shall submit invoices, in arrears.
- 15. TAXES:** The Vendor shall pay any applicable sales, use, personal property or any other taxes arising out of this Contract and the transactions contemplated thereby. The State of West Virginia is exempt from federal and state taxes and will not pay or reimburse such taxes.
- 16. CANCELLATION:** The Purchasing Division Director reserves the right to cancel this Contract immediately upon written notice to the vendor if the materials or workmanship supplied do not conform to the specifications contained in the Contract. The Purchasing Division Director may also cancel any purchase or Contract upon 30 days written notice to the Vendor in accordance with West Virginia Code of State Rules § 148-1-7.16.2.
- 17. TIME:** Time is of the essence with regard to all matters of time and performance in this Contract.
- 18. APPLICABLE LAW:** This Contract is governed by and interpreted under West Virginia law without giving effect to its choice of law principles. Any information provided in specification manuals, or any other source, verbal or written, which contradicts or violates the West Virginia Constitution, West Virginia Code or West Virginia Code of State Rules is void and of no effect.
- 19. COMPLIANCE:** Vendor shall comply with all applicable federal, state, and local laws, regulations and ordinances. By submitting a bid, Vendor acknowledges that it has reviewed, understands, and will comply with all applicable law.
- 20. PREVAILING WAGE:** On any contract for the construction of a public improvement, Vendor and any subcontractors utilized by Vendor shall pay a rate or rates of wages which shall not be less than the fair minimum rate or rates of wages (prevailing wage), as established by the West Virginia Division of Labor under West Virginia Code §§ 21-5A-1 et seq. and available at <http://www.sos.wv.gov/administrative-law/wagerates/Pages/default.aspx>. Vendor shall be responsible for ensuring compliance with

prevailing wage requirements and determining when prevailing wage requirements are applicable. The required contract provisions contained in West Virginia Code of State Rules § 42-7-3 are specifically incorporated herein by reference.

21. **ARBITRATION:** Any references made to arbitration contained in this Contract, Vendor's bid, or in any American Institute of Architects documents pertaining to this Contract are hereby deleted, void, and of no effect.
22. **MODIFICATIONS:** This writing is the parties' final expression of intent. Notwithstanding anything contained in this Contract to the contrary, no modification of this Contract shall be binding without mutual written consent of the Agency, and the Vendor, with approval of the Purchasing Division and the Attorney General's office (Attorney General approval is as to form only). No Change shall be implemented by the Vendor until such time as the Vendor receives an approved written change order from the Purchasing Division.
23. **WAIVER:** The failure of either party to insist upon a strict performance of any of the terms or provision of this Contract, or to exercise any option, right, or remedy herein contained, shall not be construed as a waiver or a relinquishment for the future of such term, provision, option, right, or remedy, but the same shall continue in full force and effect. Any waiver must be expressly stated in writing and signed by the waiving party.
24. **SUBSEQUENT FORMS:** The terms and conditions contained in this Contract shall supersede any and all subsequent terms and conditions which may appear on any form documents submitted by Vendor to the Agency or Purchasing Division such as price lists, order forms, invoices, sales agreements, or maintenance agreements, and includes internet websites or other electronic documents. Acceptance or use of Vendor's forms does not constitute acceptance of the terms and conditions contained thereon.
25. **ASSIGNMENT:** Neither this Contract nor any monies due, or to become due hereunder, may be assigned by the Vendor without the express written consent of the Agency, the Purchasing Division, the Attorney General's office (as to form only), and any other government agency or office that may be required to approve such assignments. Notwithstanding the foregoing, Purchasing Division approval may or may not be required on certain agency delegated or exempt purchases.
26. **WARRANTY:** The Vendor expressly warrants that the goods and/or services covered by this Contract will: (a) conform to the specifications, drawings, samples, or other description furnished or specified by the Agency; (b) be merchantable and fit for the purpose intended; and (c) be free from defect in material and workmanship.
27. **STATE EMPLOYEES:** State employees are not permitted to utilize this Contract for personal use and the Vendor is prohibited from permitting or facilitating the same.
28. **BANKRUPTCY:** In the event the Vendor files for bankruptcy protection, the State of West Virginia may deem this Contract null and void, and terminate this Contract without notice.

29. CONFIDENTIALITY: The Vendor agrees that it will not disclose to anyone, directly or indirectly, any such personally identifiable information or other confidential information gained from the Agency, unless the individual who is the subject of the information consents to the disclosure in writing or the disclosure is made pursuant to the Agency's policies, procedures, and rules. Vendor further agrees to comply with the Confidentiality Policies and Information Security Accountability Requirements, set forth in <http://www.state.wv.us/admin/purchase/privacy/default.html>.

30. DISCLOSURE: Vendor's response to the Solicitation and the resulting Contract are considered public documents and will be disclosed to the public in accordance with the laws, rules, and policies governing the West Virginia Purchasing Division. Those laws include, but are not limited to, the Freedom of Information Act found in West Virginia Code §§ 29B-1-1 et seq. and the competitive bidding laws found West Virginia Code §§ 5A-3-1 et seq., 5-22-1 et seq., and 5G-1-1 et seq.

If a Vendor considers any part of its bid to be exempt from public disclosure, Vendor must so indicate by specifically identifying the exempt information, identifying the exemption that applies, providing a detailed justification for the exemption, segregating the exempt information from the general bid information, and submitting the exempt information as part of its bid but in a segregated and clearly identifiable format. Failure to comply with the foregoing requirements will result in public disclosure of the Vendor's bid without further notice. A Vendor's act of marking all or nearly all of its bid as exempt is not sufficient to avoid disclosure and WILL NOT BE HONORED. Vendor's act of marking a bid or any part thereof as "confidential" or "proprietary" is not sufficient to avoid disclosure and WILL NOT BE HONORED. A legend or other statement indicating that all or substantially all of the bid is exempt from disclosure is not sufficient to avoid disclosure and WILL NOT BE HONORED. Additionally, pricing or cost information will not be considered exempt from disclosure and requests to withhold publication of pricing or cost information WILL NOT BE HONORED.

Vendor will be required to defend any claimed exemption for nondisclosure in the event of an administrative or judicial challenge to the State's nondisclosure. Vendor must indemnify the State for any costs incurred related to any exemptions claimed by Vendor. Any questions regarding the applicability of the various public records laws should be addressed to your own legal counsel prior to bid submission.

31. LICENSING: In accordance with West Virginia Code of State Rules §148-1-6.1.7, Vendor must be licensed and in good standing in accordance with any and all state and local laws and requirements by any state or local agency of West Virginia, including, but not limited to, the West Virginia Secretary of State's Office, the West Virginia Tax Department, West Virginia Insurance Commission, or any other state agency or political subdivision. Upon request, the Vendor must provide all necessary releases to obtain information to enable the Purchasing Division Director or the Agency to verify that the Vendor is licensed and in good standing with the above entities.

- 32. ANTITRUST:** In submitting a bid to, signing a contract with, or accepting a Award Document from any agency of the State of West Virginia, the Vendor agrees to convey, sell, assign, or transfer to the State of West Virginia all rights, title, and interest in and to all causes of action it may now or hereafter acquire under the antitrust laws of the United States and the State of West Virginia for price fixing and/or unreasonable restraints of trade relating to the particular commodities or services purchased or acquired by the State of West Virginia. Such assignment shall be made and become effective at the time the purchasing agency tenders the initial payment to Vendor.
- 33. VENDOR CERTIFICATIONS:** By signing its bid or entering into this Contract, Vendor certifies (1) that its bid or offer was made without prior understanding, agreement, or connection with any corporation, firm, limited liability company, partnership, person or entity submitting a bid or offer for the same material, supplies, equipment or services; (2) that its bid or offer is in all respects fair and without collusion or fraud; (3) that this Contract is accepted or entered into without any prior understanding, agreement, or connection to any other entity that could be considered a violation of law; and (4) that it has reviewed this Solicitation in its entirety; understands the requirements, terms and conditions, and other information contained herein. Vendor's signature on its bid or offer also affirms that neither it nor its representatives have any interest, nor shall acquire any interest, direct or indirect, which would compromise the performance of its services hereunder. Any such interests shall be promptly presented in detail to the Agency. The individual signing this bid or offer on behalf of Vendor certifies that he or she is authorized by the Vendor to execute this bid or offer or any documents related thereto on Vendor's behalf; that he or she is authorized to bind the Vendor in a contractual relationship; and that, to the best of his or her knowledge, the Vendor has properly registered with any State agency that may require registration.
- 34. PURCHASING CARD ACCEPTANCE:** The State of West Virginia currently utilizes a Purchasing Card program, administered under contract by a banking institution, to process payment for goods and services. The Vendor must accept the State of West Virginia's Purchasing Card for payment of all orders under this Contract unless the box below is checked.
- ☒ Vendor is not required to accept the State of West Virginia's Purchasing Card as payment for all goods and services.
- 35. VENDOR RELATIONSHIP:** The relationship of the Vendor to the State shall be that of an independent contractor and no principal-agent relationship or employer-employee relationship is contemplated or created by this Contract. The Vendor as an independent contractor is solely liable for the acts and omissions of its employees and agents. Vendor shall be responsible for selecting, supervising, and compensating any and all individuals employed pursuant to the terms of this Solicitation and resulting contract. Neither the Vendor, nor any employees or subcontractors of the Vendor, shall be deemed to be employees of the State for any purpose whatsoever. Vendor shall be exclusively responsible for payment of employees and contractors for all wages and salaries, taxes, withholding payments, penalties, fees, fringe benefits, professional liability insurance premiums, contributions to insurance and pension, or other deferred compensation plans, including but

not limited to, Workers' Compensation and Social Security obligations, licensing fees, etc. and the filing of all necessary documents, forms, and returns pertinent to all of the foregoing. Vendor shall hold harmless the State, and shall provide the State and Agency with a defense against any and all claims including, but not limited to, the foregoing payments, withholdings, contributions, taxes, Social Security taxes, and employer income tax returns.

- 36. INDEMNIFICATION:** The Vendor agrees to indemnify, defend, and hold harmless the State and the Agency, their officers, and employees from and against: (1) Any claims or losses for services rendered by any subcontractor, person, or firm performing or supplying services, materials, or supplies in connection with the performance of the Contract; (2) Any claims or losses resulting to any person or entity injured or damaged by the Vendor, its officers, employees, or subcontractors by the publication, translation, reproduction, delivery, performance, use, or disposition of any data used under the Contract in a manner not authorized by the Contract, or by Federal or State statutes or regulations; and (3) Any failure of the Vendor, its officers, employees, or subcontractors to observe State and Federal laws including, but not limited to, labor and wage and hour laws.
- 37. PURCHASING AFFIDAVIT:** In accordance with West Virginia Code § 5A-3-10a, all Vendors are required to sign, notarize, and submit the Purchasing Affidavit stating that neither the Vendor nor a related party owe a debt to the State in excess of \$1,000. The affidavit must be submitted prior to award, but should be submitted with the Vendor's bid. A copy of the Purchasing Affidavit is included herewith.
- 38. ADDITIONAL AGENCY AND LOCAL GOVERNMENT USE:** This Contract may be utilized by and extends to other agencies, spending units, and political subdivisions of the State of West Virginia; county, municipal, and other local government bodies; and school districts ("Other Government Entities"). This Contract shall be extended to the aforementioned Other Government Entities on the same prices, terms, and conditions as those offered and agreed to in this Contract. If the Vendor does not wish to extend the prices, terms, and conditions of its bid and subsequent contract to the Other Government Entities, the Vendor must clearly indicate such refusal in its bid. A refusal to extend this Contract to the Other Government Entities shall not impact or influence the award of this Contract in any manner.
- 39. CONFLICT OF INTEREST:** Vendor, its officers or members or employees, shall not presently have or acquire an interest, direct or indirect, which would conflict with or compromise the performance of its obligations hereunder. Vendor shall periodically inquire of its officers, members and employees to ensure that a conflict of interest does not arise. Any conflict of interest discovered shall be promptly presented in detail to the Agency.
- 40. REPORTS:** Vendor shall provide the Agency and/or the Purchasing Division with the following reports identified by a checked box below:
- ☒ Such reports as the Agency and/or the Purchasing Division may request. Requested reports may include, but are not limited to, quantities purchased, agencies utilizing the contract, total contract expenditures by agency, etc.

- ☐ Quarterly reports detailing the total quantity of purchases in units and dollars, along with a listing of purchases by agency. Quarterly reports should be delivered to the Purchasing Division via email at purchasing.requisitions@wv.gov.

41. BACKGROUND CHECK: In accordance with W. Va. Code § 15-2D-3, the Director of the Division of Protective Services shall require any service provider whose employees are regularly employed on the grounds or in the buildings of the Capitol complex or who have access to sensitive or critical information to submit to a fingerprint-based state and federal background inquiry through the state repository. The service provider is responsible for any costs associated with the fingerprint-based state and federal background inquiry.

After the contract for such services has been approved, but before any such employees are permitted to be on the grounds or in the buildings of the Capitol complex or have access to sensitive or critical information, the service provider shall submit a list of all persons who will be physically present and working at the Capitol complex to the Director of the Division of Protective Services for purposes of verifying compliance with this provision.

The State reserves the right to prohibit a service provider's employees from accessing sensitive or critical information or to be present at the Capitol complex based upon results addressed from a criminal background check.

Service providers should contact the West Virginia Division of Protective Services by phone at (304) 558-9911 for more information.

42. PREFERENCE FOR USE OF DOMESTIC STEEL PRODUCTS: Except when authorized by the Director of the Purchasing Division pursuant to W. Va. Code § 5A-3-56, no contractor may use or supply steel products for a State Contract Project other than those steel products made in the United States. A contractor who uses steel products in violation of this section may be subject to civil penalties pursuant to W. Va. Code § 5A-3-56. As used in this section:

- a. "State Contract Project" means any erection or construction of, or any addition to, alteration of or other improvement to any building or structure, including, but not limited to, roads or highways, or the installation of any heating or cooling or ventilating plants or other equipment, or the supply of and materials for such projects, pursuant to a contract with the State of West Virginia for which bids were solicited on or after June 6, 2001.
- b. "Steel Products" means products rolled, formed, shaped, drawn, extruded, forged, cast, fabricated or otherwise similarly processed, or processed by a combination of two or more or such operations, from steel made by the open hearth, basic oxygen, electric furnace, Bessemer or other steel making process. The Purchasing Division Director may, in writing, authorize the use of foreign steel products if:
- c. The cost for each contract item used does not exceed one tenth of one percent (.1%) of the total contract cost or two thousand five hundred dollars (\$2,500.00), whichever is greater.

For the purposes of this section, the cost is the value of the steel product as delivered to the project; or

- d. The Director of the Purchasing Division determines that specified steel materials are not produced in the United States in sufficient quantity or otherwise are not reasonably available to meet contract requirements.

43. PREFERENCE FOR USE OF DOMESTIC ALUMINUM, GLASS, AND STEEL: In Accordance with W. Va. Code § 5-19-1 et seq., and W. Va. CSR § 148-10-1 et seq., for every contract or subcontract, subject to the limitations contained herein, for the construction, reconstruction, alteration, repair, improvement or maintenance of public works or for the purchase of any item of machinery or equipment to be used at sites of public works, only domestic aluminum, glass or steel products shall be supplied unless the spending officer determines, in writing, after the receipt of offers or bids, (1) that the cost of domestic aluminum, glass or steel products is unreasonable or inconsistent with the public interest of the State of West Virginia, (2) that domestic aluminum, glass or steel products are not produced in sufficient quantities to meet the contract requirements, or (3) the available domestic aluminum, glass, or steel do not meet the contract specifications. This provision only applies to public works contracts awarded in an amount more than fifty thousand dollars (\$50,000) or public works contracts that require more than ten thousand pounds of steel products.

The cost of domestic aluminum, glass, or steel products may be unreasonable if the cost is more than twenty percent (20%) of the bid or offered price for foreign made aluminum, glass, or steel products. If the domestic aluminum, glass or steel products to be supplied or produced in a "substantial labor surplus area", as defined by the United States Department of Labor, the cost of domestic aluminum, glass, or steel products may be unreasonable if the cost is more than thirty percent (30%) of the bid or offered price for foreign made aluminum, glass, or steel products.

This preference shall be applied to an item of machinery or equipment, as indicated above, when the item is a single unit of equipment or machinery manufactured primarily of aluminum, glass or steel, is part of a public works contract and has the sole purpose or of being a permanent part of a single public works project. This provision does not apply to equipment or machinery purchased by a spending unit for use by that spending unit and not as part of a single public works project.

All bids and offers including domestic aluminum, glass or steel products that exceed bid or offer prices including foreign aluminum, glass or steel products after application of the preferences provided in this provision may be reduced to a price equal to or lower than the lowest bid or offer price for foreign aluminum, glass or steel products plus the applicable preference. If the reduced bid or offer prices are made in writing and supersede the prior bid or offer prices, all bids or offers, including the reduced bid or offer prices, will be reevaluated in accordance with this rule.

REQUEST FOR QUOTATION
For
CRFQ_TAX1500000006 - Assistance with Coal Valuation

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SPECIFICATIONS

1. **PURPOSE AND SCOPE:** The West Virginia Purchasing Division is soliciting bids on behalf of State Tax Department- Property Tax Division (hereinafter referred to as the "Agency") to establish a contract to provide assistance with the valuation of reserve and producing coal properties and reserve oil & gas properties for property tax purposes.
2. **DEFINITIONS:** The terms listed below shall have the meanings assigned to them below. Additional definitions can be found in section 2 of the General Terms and Conditions.
 - 2.1 **"Contract Services"** means assisting the agency in economic data and other information to value reserve and producing coal properties as well assisting with valuation appeals and legislative matters relative to coal valuation.
 - 2.2 **"Pricing Section"** means the pages upon which Vendor should list its proposed price for the Contract Services.
 - 2.3 **"CRFQ"** means the official request for quotation published by the Purchasing Division and identified as CRFQ_TAX1500000006

3. **QUALIFICATIONS:** Vendor shall have the following minimum qualifications:

Any Vendor submitting a quotation under this procurement shall bear the burden of proving that it meets or exceeds the minimum qualifications set forth in the RFQ. The vendor must certify that they meet the following criteria by providing a resume and/or portfolio with references. Those quotations not meeting the mandatory specifications will be eliminated from further consideration. Vendor has:

- 3.1. A minimum of five years' experience in the valuation of coal and other natural resources.
- 3.2. Created and maintained a mass-appraisal system.
- 3.3. A minimum of one (1) licensed mineral appraiser on staff.
- 3.4. A minimum of one (1) WV Appraisal licensed member on staff.
- 3.5. A minimum of five years' experience in database management.

REQUEST FOR QUOTATION
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3.6. Must be able to administer multi-layer GIS mineral and economic analysis.

4. MANDATORY REQUIREMENTS:

4.1 General Mandatory Contract Services Requirements and Deliverables: All Contract Services must meet or exceed the general mandatory requirements listed below.

4.1.1 Assist the Agency in the compilation and evaluation of the economic data necessary to value reserve and producing coal properties.

4.1.1.1 Development of the economic valuation variables that the Department must file annually with the Secretary of State.

4.1.2 Assist the Agency in the actual valuation of reserve and producing coal properties.

4.1.2.1 Utilize the above-mentioned variables to estimate the assessments of coal properties throughout the state,

4.1.3 Assist the Agency with valuation appeals and with legislative matters relative to reserve and producing coal properties.

4.1.3.1 Defend values upon appeal by taxpayers

5. CONTRACT AWARD:

5.1 Contract Award: The Contract is intended to provide Agency with a purchase price for the Contract Services. The Contract shall be awarded to the Vendor that provides the Contract Services meeting the required specifications for the lowest overall total cost as shown on the Pricing Section.

5.2 Pricing Section: Vendor should complete the Pricing Section by providing an hourly rate for the Service required on the Pricing Section. . Vendor should complete the Pricing Section in full as failure to complete the Pricing Section in its entirety may result in Vendor's bid being disqualified.

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Notwithstanding the foregoing, the Purchasing Division may correct errors as it deems appropriate. Vendor should type or electronically enter the information into the Pricing Section to prevent errors in the evaluation.

6. **PERFORMANCE:** Vendor and Agency shall agree upon a schedule for performance of Contract Services and Contract Services Deliverables, unless such a schedule is already included herein by Agency. In the event that this Contract is designated as an open-end contract, Vendor shall perform in accordance with the release orders that may be issued against this Contract.
7. **PAYMENT:** Agency shall pay an hourly rate as shown on the Pricing Section, for all Contract Services performed and accepted under this Contract. Vendor shall accept payment in accordance with the payment procedures of the State of West Virginia.
8. **TRAVEL:** Vendor shall be responsible for all mileage and travel costs, including travel time, associated with performance of this Contract. Any anticipated mileage or travel costs may be included in the flat fee or hourly rate listed on Vendor's bid, but such costs will not be paid by the Agency separately.
9. **FACILITIES ACCESS:** Performance of Contract Services may require access cards and/or keys to gain entrance to Agency's facilities. In the event that access cards and/or keys are required:
 - 9.1. Vendor must identify principal service personnel which will be issued access cards and/or keys to perform service.
 - 9.2. Vendor will be responsible for controlling cards and keys and will pay replacement fee, if the cards or keys become lost or stolen.
 - 9.3. Vendor shall notify Agency immediately of any lost, stolen, or missing card or key.
 - 9.4. Anyone performing under this Contract will be subject to Agency's security protocol and procedures.
 - 9.5. Vendor shall inform all staff of Agency's security protocol and procedures.

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10. VENDOR DEFAULT:

10.1. The following shall be considered a vendor default under this Contract.

10.1.1. Failure to perform Contract Services in accordance with the requirements contained herein.

10.1.2. Failure to comply with other specifications and requirements contained herein.

10.1.3. Failure to comply with any laws, rules, and ordinances applicable to the Contract Services provided under this Contract.

10.1.4. Failure to remedy deficient performance upon request.

10.2. The following remedies shall be available to Agency upon default.

10.2.1. Cancellation of the Contract.

10.2.2. Cancellation of one or more release orders issued under this Contract.

10.2.3. Any other remedies available in law or equity.

11. MISCELLANEOUS:

11.1. Contract Manager: During its performance of this Contract, Vendor must designate and maintain a primary contract manager responsible for overseeing Vendor's responsibilities under this Contract. The Contract manager must be available during normal business hours to address any customer service or other issues related to this Contract. Vendor should list its Contract manager and his or her contact information below.

Contract Manager: April Saldana
Vendor's Address: Po Box 242
State College PA 16801
Telephone Number: 814-237-4009
Fax Number: 814-237-1069
Email Address: April@resourceec.com

CERTIFICATION AND SIGNATURE PAGE

By signing below, or submitting documentation through wvOASIS, I certify that I have reviewed this Solicitation in its entirety; understand the requirements, terms and conditions, and other information contained herein; that I am submitting this bid, offer or proposal for review and consideration; that I am authorized by the vendor to execute and submit this bid, offer, or proposal, or any documents related thereto on vendor's behalf; that I am authorized to bind the vendor in a contractual relationship; and that to the best of my knowledge, the vendor has properly registered with any State agency that may require registration.

RTC BIS, Inc. dba Resource Technologies Corporation
(Company)

Jeffrey Kern President
(Authorized Signature) (Representative Name, Title)

814-237-4009 / 814-237-1769 / 03/02/2015
(Phone Number) (Fax Number) (Date)

ADDENDUM ACKNOWLEDGEMENT FORM
SOLICITATION NO.: CRFQ_TAX1500000006

Instructions: Please acknowledge receipt of all addenda issued with this solicitation by completing this addendum acknowledgment form. Check the box next to each addendum received and sign below. Failure to acknowledge addenda may result in bid disqualification.

Acknowledgment: I hereby acknowledge receipt of the following addenda and have made the necessary revisions to my proposal, plans and/or specification, etc.

Addendum Numbers Received:

(Check the box next to each addendum received)

- | | |
|--|---|
| <input checked="" type="checkbox"/> Addendum No. 1 | <input checked="" type="checkbox"/> Addendum No. 6 |
| <input checked="" type="checkbox"/> Addendum No. 2 | <input checked="" type="checkbox"/> Addendum No. 7 |
| <input checked="" type="checkbox"/> Addendum No. 3 | <input checked="" type="checkbox"/> Addendum No. 8 |
| <input checked="" type="checkbox"/> Addendum No. 4 | <input checked="" type="checkbox"/> Addendum No. 9 |
| <input checked="" type="checkbox"/> Addendum No. 5 | <input checked="" type="checkbox"/> Addendum No. 10 |

I understand that failure to confirm the receipt of addenda may be cause for rejection of this bid. I further understand that any verbal representation made or assumed to be made during any oral discussion held between Vendor's representatives and any state personnel is not binding. Only the information issued in writing and added to the specifications by an official addendum is binding.

RTC GIS Inc. dba Resource Technologies Corporation
Company

[Signature]
Authorized Signature

03/02/2015
Date

NOTE: This addendum acknowledgement should be submitted with the bid to expedite document processing.

RFQ No. TAX1500000006STATE OF WEST VIRGINIA
Purchasing Division**PURCHASING AFFIDAVIT**

MANDATE: Under W. Va. Code §5A-3-10a, no contract or renewal of any contract may be awarded by the state or any of its political subdivisions to any vendor or prospective vendor when the vendor or prospective vendor or a related party to the vendor or prospective vendor is a debtor and: (1) the debt owed is an amount greater than one thousand dollars in the aggregate; or (2) the debtor is in employer default.

EXCEPTION: The prohibition listed above does not apply where a vendor has contested any tax administered pursuant to chapter eleven of the W. Va. Code, workers' compensation premium, permit fee or environmental fee or assessment and the matter has not become final or where the vendor has entered into a payment plan or agreement and the vendor is not in default of any of the provisions of such plan or agreement.

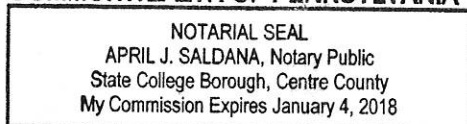
DEFINITIONS:

"Debt" means any assessment, premium, penalty, fine, tax or other amount of money owed to the state or any of its political subdivisions because of a judgment, fine, permit violation, license assessment, defaulted workers' compensation premium, penalty or other assessment presently delinquent or due and required to be paid to the state or any of its political subdivisions, including any interest or additional penalties accrued thereon.

"Employer default" means having an outstanding balance or liability to the old fund or to the uninsured employers' fund or being in policy default, as defined in W. Va. Code § 23-2c-2, failure to maintain mandatory workers' compensation coverage, or failure to fully meet its obligations as a workers' compensation self-insured employer. An employer is not in employer default if it has entered into a repayment agreement with the Insurance Commissioner and remains in compliance with the obligations under the repayment agreement.

"Related party" means a party, whether an individual, corporation, partnership, association, limited liability company or any other form or business association or other entity whatsoever, related to any vendor by blood, marriage, ownership or contract through which the party has a relationship of ownership or other interest with the vendor so that the party will actually or by effect receive or control a portion of the benefit, profit or other consideration from performance of a vendor contract with the party receiving an amount that meets or exceeds five percent of the total contract amount.

AFFIRMATION: By signing this form, the vendor's authorized signer affirms and acknowledges under penalty of law for false swearing (W. Va. Code §61-5-3) that neither vendor nor any related party owe a debt as defined above and that neither vendor nor any related party are in employer default as defined above, unless the debt or employer default is permitted under the exception above.

WITNESS THE FOLLOWING SIGNATURE:Vendor's Name: RTC GIS, Inc. dba Resource Technologies CorporationAuthorized Signature: _____ Date: 03/02/2015State of PennsylvaniaCounty of Centre, to-wit:Taken, subscribed, and sworn to before me this 02 day of March, 2015.My Commission expires January 04, 2018.AFFIX SEAL HERE
COMMONWEALTH OF PENNSYLVANIA

NOTARY PUBLIC

Purchasing Affidavit (Revised 07/01/2012)

VENDOR PREFERENCE CERTIFICATE

Certification and application* is hereby made for Preference in accordance with **West Virginia Code**, §5A-3-37. (Does not apply to construction contracts). **West Virginia Code**, §5A-3-37, provides an opportunity for qualifying vendors to request (at the time of bid) preference for their residency status. Such preference is an evaluation method only and will be applied only to the cost bid in accordance with the **West Virginia Code**. This certificate for application is to be used to request such preference. The Purchasing Division will make the determination of the Vendor Preference, if applicable.

1. Application is made for 2.5% vendor preference for the reason checked:

- ____ Bidder is an individual resident vendor and has resided continuously in West Virginia for four (4) years immediately preceding the date of this certification; **or**,
 ____ Bidder is a partnership, association or corporation resident vendor and has maintained its headquarters or principal place of business continuously in West Virginia for four (4) years immediately preceding the date of this certification; or 80% of the ownership interest of Bidder is held by another individual, partnership, association or corporation resident vendor who has maintained its headquarters or principal place of business continuously in West Virginia for four (4) years immediately preceding the date of this certification; **or**,
 ____ Bidder is a nonresident vendor which has an affiliate or subsidiary which employs a minimum of one hundred state residents and which has maintained its headquarters or principal place of business within West Virginia continuously for the four (4) years immediately preceding the date of this certification; **or**,

2. Application is made for 2.5% vendor preference for the reason checked:

- ____ Bidder is a resident vendor who certifies that, during the life of the contract, on average at least 75% of the employees working on the project being bid are residents of West Virginia who have resided in the state continuously for the two years immediately preceding submission of this bid; **or**,

3. Application is made for 2.5% vendor preference for the reason checked:

- ____ Bidder is a nonresident vendor employing a minimum of one hundred state residents or is a nonresident vendor with an affiliate or subsidiary which maintains its headquarters or principal place of business within West Virginia employing a minimum of one hundred state residents who certifies that, during the life of the contract, on average at least 75% of the employees or Bidder's affiliate's or subsidiary's employees are residents of West Virginia who have resided in the state continuously for the two years immediately preceding submission of this bid; **or**,

4. Application is made for 5% vendor preference for the reason checked:

- ____ Bidder meets either the requirement of both subdivisions (1) and (2) or subdivision (1) and (3) as stated above; **or**,

5. Application is made for 3.5% vendor preference who is a veteran for the reason checked:

- ____ Bidder is an individual resident vendor who is a veteran of the United States armed forces, the reserves or the National Guard and has resided in West Virginia continuously for the four years immediately preceding the date on which the bid is submitted; **or**,

6. Application is made for 3.5% vendor preference who is a veteran for the reason checked:

- ____ Bidder is a resident vendor who is a veteran of the United States armed forces, the reserves or the National Guard, if, for purposes of producing or distributing the commodities or completing the project which is the subject of the vendor's bid and continuously over the entire term of the project, on average at least seventy-five percent of the vendor's employees are residents of West Virginia who have resided in the state continuously for the two immediately preceding years.

7. Application is made for preference as a non-resident small, women- and minority-owned business, in accordance with West Virginia Code §5A-3-59 and West Virginia Code of State Rules.

- ✓ Bidder has been or expects to be approved prior to contract award by the Purchasing Division as a certified small, women- and minority-owned business.

Bidder understands if the Secretary of Revenue determines that a Bidder receiving preference has failed to continue to meet the requirements for such preference, the Secretary may order the Director of Purchasing to: (a) reject the bid; or (b) assess a penalty against such Bidder in an amount not to exceed 5% of the bid amount and that such penalty will be paid to the contracting agency or deducted from any unpaid balance on the contract or purchase order.

By submission of this certificate, Bidder agrees to disclose any reasonably requested information to the Purchasing Division and authorizes the Department of Revenue to disclose to the Director of Purchasing appropriate information verifying that Bidder has paid the required business taxes, provided that such information does not contain the amounts of taxes paid nor any other information deemed by the Tax Commissioner to be confidential.

Under penalty of law for false swearing (West Virginia Code, §61-5-3) Bidder hereby certifies that this certificate is true and accurate in all respects; and that if a contract is issued to Bidder and if anything contained within this certificate changes during the term of the contract, Bidder will notify the Purchasing Division in writing immediately.

Bidder: RTC GSS, Inc. dba Resource Tech. Signed: _____

Date: 03/02/2015 Corp. Title: President