

Advertised: **September 15, 2017**

**ADDENDUM No. 1: OCTOBER 02, 2017  
(ANSWERS to QUESTIONS -- see last page).**

**NCDOT FACILITIES  
MANAGEMENT AND  
RIGHT OF WAY UNITS**

**REQUEST for LETTERS of INTEREST (RFLOI)**

**Disposal of Residual Property**

TITLE: **Disposal of Residual Property**  
USING AGENCY: North Carolina Department of Transportation  
ISSUE DATE: **September 15, 2017**  
SUBMITTAL DEADLINE: **October 20, 2017**  
ISSUING AGENCY: North Carolina Department of Transportation  
Facilities Management Unit  
Right of Way Unit

**SYNOPSIS**

**SUBCONSULTANTS ARE PERMITTED UNDER THIS CONTRACT.**

**The primary and/or subconsultant firm(s) (*if Subconsultants are allowed under this RFLOI*) shall be licensed in one or more of the following categories:**

North Carolina Licensed Real Estate Broker *Or*  
North Carolina Licensed Real Estate Auctioneer *Or*  
North Carolina Licensed Real Estate Auction Firm

This RFLOI is to solicit responses (LETTERS of INTEREST, or LOIs) from qualified firms to provide professional services as described herein.

**The North Carolina Department of Transportation desires to engage three (3) qualified North Carolina Licensed Real Estate Brokers and Three (3) North Carolina Licensed Real Estate Auctioneers or North Carolina Licensed Real Estate Auction Firms to be part of a Pilot Project to dispose of Residue Property as described in Section 2.(b) of House Bill 501 ratified in the 2017 session of the North Carolina General Assembly which reads as follows:**

*“Pilot Program to Reduce Inventory of DOT Residue Property. – No later than January 1, 2018, the Department shall establish a pilot program for disposing of residue property in accordance with Section 1(a) of this act. In implementing this pilot program, the Department shall prepare a request for proposals to select three real estate brokers and three real estate auctioneers or real estate auction firms to dispose of a representative sample of residue properties, selected by the Department, consisting of at least 15 Class A properties, 30 Class B properties, and 45 Class C properties distributed throughout the State. If the quantity of residue property in each class is insufficient to satisfy this minimum, the Department may set a minimum based on the quantity of residue properties available. The term for the initial contracts awarded shall be 180 days.”*

Any Entity wishing to be considered must be properly registered with the Office of the Secretary of State and with the appropriate Licensing or Registration Board or Commission for their respective trade. Any firm proposing to use corporate subsidiaries or subcontractors must include a statement that these companies are properly registered with the same. It will be the responsibility of the selected firm to verify the registration of any corporate subsidiary or subcontractor prior to submitting a Letter of Interest. It is the responsibility of each firm to adhere to all laws of the State of North Carolina.

## **SCOPE OF WORK**

The North Carolina Department of Transportation (NCDOT) is soliciting proposals for the services of a firm/team for the following contract scope of work:

### **Scope of Work**

Each selected Broker, Auctioneer or Auctioneer Firm will be assigned, and responsible for the sale of, one group of residue properties containing a minimum of 3 Class A, 5 Class B, and 8 Class C properties for a total of 16 properties in accordance with §136-19.6(f) – *Methods of Disposition Based on Class of Residue Property*.

It is anticipated that the groups of properties will be assigned in geographically clustered groups within three regions: East, Central, and West. The regions will be defined within the approximate boundaries:

- East – Highway Divisions 1, 2, 3, 4, and 6.
- Central – Highway Divisions 5, 7, 8, 9, and 10.
- West – Highway Divisions 11, 12, 13, 14.

Parcel Classes for residue properties are defined as:

Class A – property of sufficient size and access to allow commercial or residential development.

**\*\*It is anticipated that NCDOT will set reserve prices at a minimum of 75% of the appraised value. Class A properties must be appraised by a NCDOT approved Appraiser – NCDOT will supply a list of approved appraisers.\*\***

Class B – property that enhances the value of adjacent property by allowing more extensive use when joined with the adjacent property.

Class C – property that does not meet the definition of Class A or B and, due to size or lack access, is only of interest to an adjacent property owner.

The selected Broker, Auctioneer or Auction Firm shall:

- 1) Deposit any due diligence and/or earnest money into their firm's trust account.
- 2) Be responsible for ensuring qualified buyers.
- 3) Manage the sale of each property through the point where an offer to purchase contract is accepted by NCDOT.

**CONTRACT TIME: 180 days**

**CONTRACT PAYMENT TYPE: As this is a Pilot Program, each interested party shall, as part of their submittal, include a proposed compensation model.**

## **SUBMITTAL REQUIREMENTS**

All LOIs are limited to **TEN (10)** pages (RS-2 forms are not included in the page count) inclusive of the cover sheet, and shall be typed on 8-1/2" x 11" sheets, single-spaced, one-sided.

All LOIs shall include proof of the appropriate licensure (Broker, Auctioneer, or Auction Firm). Proof of licensure will not count toward the 10 page limit.

LOIs containing more than TEN (**10**) pages, excluding proof of licensure, will not be considered.

*Electronic LOIs are preferred; however, hard copies will also be accepted.*

LOIs may be submitted electronically in .pdf format using software such as Adobe, CutePDF PDF Writer, Docudesk deskPDF, etc.

One copy of the LOI should be sent as a .pdf file, **through NCDOT's FTS System**, to: [tlriddick@ncdot.gov](mailto:tlriddick@ncdot.gov). **FTS system will send you an electronic receipt when your LOI is uploaded to NCDOT's FTS system.** Paper copies are not required. The subject line should contain the Firm's Name, and "**LOI for NCDOT Residual Property Disposal**".

If an interested firm does not have an FTS account they should send a request through regular e-mail to [tlriddick@ncdot.gov](mailto:tlriddick@ncdot.gov). A response will be sent via the FTS system that will provide a login username, password, and login procedures.

Hard copies may be submitted to: Mr. T. L. Riddick  
(Delivery) Facilities Management Unit  
1 S. Wilmington Street, Room 514  
Raleigh, NC 27601

(Mail) Mr. T. L. Riddick  
Facilities Management Unit  
1525 Mail Service Center  
Raleigh, NC 27699-1525

LOIs SHALL be received no later than 12:00 P.M., October 20, 2017.

LOIs received after this deadline will not be considered.

**Firms submitting LOIs are encouraged to carefully check them for conformance to the requirements stated above (and any other requirements in this Advertisement). If LOIs are submitted late, exceed the maximum number of pages, or are not sent as specified in this Request for Letters of Interest, they will be disqualified.**

**The Department reserves the right to reject all LOIs and not proceed with procurement.**

**The Department reserves the right to waive any technicality in LOIs, or notify the Firm(s) of such technicality and allow the Firm(s) up to two (2) business days to rectify the technicality.**

## **SELECTION PROCESS**

Following is a general description of the selection process:

- The NCDOT Selection Committee will review all qualifying LOI submittals.
- The Selection Committee MAY, at the Department's discretion, shortlist a minimum of three (3) firms to be interviewed. IF APPLICABLE, dates of shortlisting and dates for interviews are shown in the section SUBMISSION SCHEDULE AND KEY DATES at the end of this RFLOI.
- In order to be considered for selection, firms must submit a complete response to this RFLOI prior to the specified deadlines. Failure to submit all information in a timely manner will result in disqualification.

## **SMALL PROFESSIONAL SERVICE FIRM (SPSF) PARTICIPATION**

The Department encourages the use of Small Professional Services Firms (SPSF). Small businesses determined to be eligible for participation in the SPSF program are those meeting size standards defined by Small Business Administration (SBA) regulations, 13 CFR Part 121 in Sector 54 under the North American Industrial Classification System (NAICS). The SPSF program is a race, ethnicity, and gender neutral program designed to increase the availability of contracting opportunities for small businesses on federal, state or locally funded contracts. SPSF participation is not contingent upon the funding source.

The Firm, at the time the Letter of Interest is submitted, shall submit a listing of all known SPSF firms that will participate in the performance of the identified work. The participation shall be submitted on the Department's Subconsultant Form RS-2. RS-2 forms may be accessed on the Department's website at [NCDOT Electronic Forms](#).

The SPSF must be qualified with the Department to perform the work for which they are listed.

Real-time information about firms doing business with the Department and firms that are SPSF certified through the Contractual Services Unit is available in the Directory of Transportation Firms. The Directory can be accessed on the Department's website at [Directory of Firms](#) -- Complete listing of certified and prequalified firms.

The listing of an individual firm in the Department's directory shall not be construed as an endorsement of the firm.

## **PREQUALIFICATION**

Interested Parties will be considered qualified for this work if they are duly licensed by the Governing Board or Commission for their trade.

## **SELECTION CRITERIA**

**All prequalified firms who submit responsive letters of interest will be considered.**

In selecting a firm/team, the selection committee will take into consideration qualification information including such factors as:

1. **25%** = The firm's demonstrated understanding of the requirements of House Bill 501 ratified in the 2017 session of the North Carolina General Assembly.
2. **25%** = The firm's approach to disposing of Residue Property.
3. **50%** = The firm's experience and staff to perform the type of work required, including any designated sub consultants, based on the following: adequate staff to perform assigned project tasks, outstanding workload, firm's related experience and examples.

After reviewing qualifications, if firms are equal on the evaluation review, then those qualified firms with proposed SPSF participation will be given priority consideration.

## **SUBMISSION ORGANIZATION AND INFORMATION REQUIREMENTS**

The LOI should be addressed to **Mr. T. L. Riddick – Business and Operations Manager, Facilities Management Unit**, and must include the name, address, telephone number, and e-mail address of the prime consultant's contact person for this RFLOI.

The LOI must also include the information outlined below:

### Chapter 1 - Introduction

The Introduction should demonstrate the firm's overall qualifications to fulfill the requirements of the scope of work and should contain the following elements of information:

- Expression of firm's interest in the work;
- Statement of whether firm is on register;
- Date of most recent issuance or renewal of required Professional License
- Statement regarding firm's(') possible conflict of interest for the work; and
- Summation of information contained in the letter of interest.

## Chapter 2 - Team Qualifications

This chapter should elaborate on the general information presented in the introduction, to establish the credentials and experience of the firm to undertake this type of effort. The following must be included:

1. Identify recent, similar projects the firm, acting as the prime contractor, has conducted which demonstrates its ability to conduct and manage the project. Provide a synopsis of each project and include the date completed, and contact person.
2. If subconsultants are involved, provide corresponding information describing their qualifications as requested in bullet number 1 above.

## Chapter 3 - Team Experience

This chapter must provide the names, classifications, and location of the firm's North Carolina employees and resources to be assigned to the advertised work; and the professional credentials and experience of the persons assigned to the project, along with any unique qualifications of key personnel. Although standard personnel resumes may be included, identify pertinent team experience to be applied to this project. Specifically, the Department is interested in the experience, expertise, and total quality of the consultant's proposed team. If principals of the firm will not be actively involved in the study/contract/project, do not list them. The submittal shall clearly indicate the Firm's Project Manager, other key Team Members and his/her qualifications for the proposed work. Also, include the team's organization chart for the Project / Plan. Any other pertinent information should also be listed in this section.

**Note:** If a project team or subconsultant encounters personnel changes, or any other changes of significance dealing with the company, NCDOT should be notified immediately.

## Chapter 4 - Technical Approach

The firm shall provide information on its understanding of, and approach to accomplish, this project, including their envisioned scope for the work and any innovative ideas/approaches, and a schedule to achieve the dates outlined in this RFLOI (if any project-specific dates are outlined below). The firm shall provide a proposed compensation method for each class of property and identify which geographic area(s) the firm is interested in working.

## APPENDICES-

## CONSULTANT CERTIFICATION Form RS-2

Completed Form RS-2 forms SHALL be submitted with the firm's letter of interest. This section is limited to the number of pages required to provide the requested information.

Submit Form RS-2 forms for the following:

- **Prime Consultant firm**
  - Prime Consultant Form RS-2 Rev 1/14/08; and
- **ANY/ALL Subconsultant firms** (*If Subconsultants are allowed under this RFLOI*) to be, or anticipated to be, utilized by your firm.
  - Subconsultant Form RS-2 Rev 1/15/08.
  - In the event the firm has no subconsultant, it is required that this be indicated on the Subconsultant Form RS-2 by entering the word "None" or the number "ZERO" and signing the form.

**Complete and sign each Form RS-2 (instructions are listed on the form).**

The required forms are available on the Department's website at:

<https://connect.ncdot.gov/business/consultants/Pages/Guidelines-Forms.aspx>

[Prime Consultant Form RS-2](#)

[Subconsultant Form RS-2](#)

All submissions, correspondence, and questions concerning this RFLOI should be directed to **Mr. Lindsey Riddick** at [lriddick@ncdot.gov](mailto:lriddick@ncdot.gov). The LOI itself may be submitted electronically to '[lriddick@ncdot.gov](mailto:lriddick@ncdot.gov)' via NCDOT's FTS System. The LOI may also be submitted by hard copy to the addresses listed under **SUBMITTAL REQUIREMENTS**.

## **SUBMISSION SCHEDULE AND KEY DATES**

RFLOI Release – **September 15, 2017**

Deadline for Questions **September 22, 2017**

Issue Final Addendum – **October 2, 2017**

Deadline for LOI Submission – **October 20, 2017**

Firm Selection and Notification **\*\* - TBD.**

Anticipated Notice to Proceed – **December 15, 2017.**

\* Notification will **ONLY** be sent to shortlisted firms.

\*\* Notification will **ONLY** be sent to selected firms.



## Residue Property Advertisement – Addendum to Answer Questions Received

October 2, 2017

1. Can the selected firms use a NCDOT R/W Claim Report to determine value of Class B and C Residues? **Yes.**
2. Will the selected firms use NCDOT contract forms or will we have to have forms prepared us or our attorney? **NCDOT contract forms will be used.**
3. Who with NCDOT will decide/accept the final sales price of each residue? **NCDOT's Right of Way Unit Manager.**
4. How long will it take NCDOT to review/approve proposed sales of residue properties? **The review and approval process takes about 90 days on average. The sale must be accepted by the NCDOT Manager of Right of Way, approved by the Board of Transportation and then by the Council of State.**
5. What information will NCDOT provide about each residue property? **NCDOT will provide the location, size in acres, access, and value.**
6. Will a buyer be responsible for his/her agent's commission? **In accordance with the Request for Letters of Interest, interested firms should propose their compensation model for the services provided.**
7. Who sets the initial residue sale price? **NCDOT always determines value, either by a Claim Report form prepared by an NCDOT employee or by a contracted Real Estate agent, or when the expected values are higher, by an approved appraiser.**
8. In which divisions will the pilot program residues be selected from? **As stated in the RFLOI, It is anticipated that the groups of properties will be assigned in geographically clustered groups within three regions: East, Central, and West. NCDOT will make every effort to fairly represent all three regions. The regions will be defined within the approximate boundaries:**  
  
**East – Highway Divisions 1, 2, 3, 4, and 6.**  
**Central – Highway Divisions 5, 7, 8, 9, and 10.**  
**West – Highway Divisions 11, 12, 13, 14.**
9. Regarding the holding of funds (due diligence and or earnest money). Is it acceptable that my attorney's trust hold those funds vs. my firm? **In a standard residue sale, the purchaser submits a 10% earnest money deposit (down payment); that starts the process for the sale to be approved by the Manager of Right of Way, the Board of Transportation and then the Council of State. Funds should be submitted to the Department by the realtor/auctioneer within 24 hours of accepting the purchaser's offer. Due diligence fees will not be collected.**