

BID PACKAGE

Valuation Services for
Hydroelectric Generating Properties
in
Rowe, Florida and Monroe MA

INVITATION FOR BIDS

The Rowe Board of Assessors is accepting bids for **VALUATION SERVICES OF HYDROELECTRIC GENERATING PROPERTIES** in the towns of Rowe, Florida, and Monroe Massachusetts for the **FY18** Triennial Revaluation. Valuation services cover the following generating facilities and associated properties:

- **Bear Swamp Project (including Fife Brook Station)**
- **Deerfield No. 5 Station**
- **Sherman Station**

The bid package/specifications are available from the Rowe Board of Assessors at 413-339-5520 or by email to: assessor@rowe-ma.gov. Bid submissions shall contain one original and four copies. Facsimile submissions are not acceptable. **ALL BIDS** are to be **SEALED** and **MARKED “BID FOR VALUATION OF HYDROELECTRIC GENERATING PROPERTIES”** and be in the hands of the Rowe Board of Assessors on or before **Tuesday, January 31, 2017 at 6:00 PM**, when they will be opened and read. The Town of Rowe Board of Assessors will be the awarding authority and reserves the right to waive any minor informalities or to accept/reject any and/or all bids in total or in part.

ROWE BOARD OF ASSESSORS
Frederick N. Williams, Chair
Rowe Town Hall
321 Zoar Road
Rowe MA 01367

INTRODUCTION

The purpose of this **INVITATION TO BID** is to solicit the services of a qualified Consultant to arrive at the Fair Market Value of the real estate and personal property, for property tax assessment purposes, of the following hydroelectric generating facilities as of **January 1, 2017**. Additionally, the appraisal process must conform to Uniform Standards of Professional Appraisal Practice (USPAP) and the values must be in the form required by the Massachusetts Department of Revenue (DOR) for **FY2018** assessment of taxes by the Rowe, Florida, and Monroe Boards of Assessors.

- **Bear Swamp Project (including Fife Brook Station)**
- **Deerfield No. 5 Station**
- **Sherman Station**

The **Bear Swamp Project** is a pumped storage hydroelectric generating facility with a capacity of 589 MW. The **Fife Brook Station** is a conventional run-of-the-river hydroelectric generating facility with a capacity of 11MW. Bear Swamp and Fife Brook were built in 1974 and are subject to **FERC License No. 2669**. These two facilities and associated properties are owned by Bear Swamp Power Company, LLC (BSPC), a limited liability company jointly owned indirectly by Brookfield Renewable Energy Group (Toronto, Ontario) and Emera, Inc. (Halifax, Nova Scotia). BSPC is the Licensee, owner and operator of the Bear Swamp Project. The Project is located in the towns of Rowe and Florida, Franklin and Berkshire Counties, Massachusetts.

The **Deerfield No. 5 Station** is a conventional run-of-the-river hydroelectric generating facility with a capacity of 17MW. Deerfield No. 5 which was originally built in 1915 and then relocated and reconstructed in 1974, is subject to **FERC License No. 2323**. This facility and associated property, currently owned by TransCanada Corporation (Calgary, Alberta), is located in the towns of Rowe, Monroe, and Florida, Franklin and Berkshire Counties, Massachusetts.

The **Sherman Station** is a conventional run-of-the-river hydroelectric generating facility with a capacity of 7MW. Sherman Station was built in 1923 and is subject to **FERC License No. 2323**. This facility and associated property, currently owned by TransCanada Corporation (Calgary, Alberta), is located in the towns of Rowe and Monroe, Franklin County, Massachusetts.

SCOPE OF WORK

1. To conduct a fair market valuation analysis of the Bear Swamp Project, Deerfield No. 5, and Sherman Station based on the collection of relevant data, including, but not limited to:
 - Physical plant description, site characteristics, and permit data.
 - Market data, capital investment data, and regional electric system data.
 - Assessment and land use records information.
 - Historic cost data, operation and performance data, and plant financial data.
 - Real and personal property assets.

2. The Valuation Report will contain the following information:
 - Description of the property being valued.
 - A discussion of the property's highest and best use.
 - A statement of purpose of the report.
 - Identification of the property rights being valued.
 - Definition of fair market value.
 - A discussion of the data collection process.
 - A statement of assumptions and limiting conditions.
 - A statement of the qualifications of the appraiser(s).
 - A valuation analysis and market value estimate based on the following approaches:
 - Reproduction cost new less depreciation.
 - Replacement cost new less depreciation.
 - Comparable sales analysis.
 - Direct capitalization of plant earnings.
 - Yield capitalization; discounted cash flow analysis of projected earnings.

3. All land values used by the Consultant shall be provided by the Assessors of Rowe, Florida, and Monroe.

4. The Consultant must apportion the values of the real and personal properties according to the taxable properties in the towns of Rowe, Florida, and Monroe. This apportionment could be based on the percentage of value derived from the Cost, (Reproduction or Replacement cost new less depreciation), or Comparable Sales Approach or any other methods that are appropriate.

5. The valuation report should set forth the total opinion of Fair Market Value of the properties and be further separated by each town and parcel for a total value of the subject facilities residing within the stated communities of Rowe, Florida, and Monroe and be based on the analysis and referenced information. The valuation report should also be separated by company (Bear Swamp Power and TransCanada) so that portions of the report may be easily shared with the respective facility owners without compromising any business confidential information.

6. If needed, Consultant may be asked to provide expert witness, as to valuation and/or classifications resulting from this project, to represent the Communities at all appeals to any Court, Appellate Tax Board, or otherwise. For informational purposes only, the Consultant is requested to submit a flat hourly fee for this service on the Bid Form.

GENERAL REQUIREMENTS

1. The awarded consultant will supply, at their own expense, all equipment, tools, materials (other than those provided for in the Responsibilities of the (Parties) Boards of Assessors, paragraph 1 on page 6), and supplies to accomplish the services to be performed.

2. The awarded Consultant will not be an agent or employee of and is not authorized to act on behalf of the towns of Rowe, Florida, or Monroe.
3. All Bids must be complete and provide all the information requested herein.
4. The Bid shall be signed by an official with the power to contractually bind the Consultant and Resolution of the Board of Directors or other proof shall be included.
5. All Bids must contain a completed Bid Form and also a properly executed Non-Collusion and Tax Compliance Form. These forms can be found within the contents of this Invitation for Bid (IFB).
6. The Bid submission cannot be conditional. A conditional bid is the submission of two or more bid prices on the same bid form or stating that a price will vary depending on certain factors.
7. All expenses to be reimbursed must be included in the total bid price.
8. A Bidder will be held to the terms and prices on the Bid Form for the duration of the contract if both parties sign a contract within forty-five (45) days of the Bid opening.
9. This contract award is subject to municipal appropriation of funds.
10. The period of the contract resulting from this bid will be from the date of the award to **December 31, 2017**, or the date of final acceptance of the values by DOR, whichever is later.
11. General questions about the Invitation For Bid should be written and sent to Frederick N. Williams, Chair, Rowe Board of Assessors, Rowe Town Hall, 321 Zoar Road, Rowe MA 01367 or emailed to assessor@rowe-ma.gov. No question will be answered in any way that would give an unfair advantage to a Bidder. All questions and their responses will be distributed in writing to all bidders who received the Invitation for Bid.
12. The Contract resulting from this bid will be awarded to the lowest responsible, responsive, and qualified bidder.
13. The awarding authority reserves the right to take any actions it deems necessary to determine if bidders are qualified.
14. Bids may be mailed or hand delivered to the Rowe Board of Assessors, Rowe Town Hall, 321 Zoar Road, Rowe, MA 01367. The Board of Assessors must receive Bids by **6:00 PM on Tuesday, January 31, 2017**, at which time they will be opened and read. Any/all late bids will be rejected.
15. Because the Town is exempt from the payment of Federal Excise Taxes and Massachusetts Sales Tax, prices quoted with respect to this Invitation For Bids are not to include these taxes.
16. Any correction or modification to a Bid submitted must be in a sealed envelope marked "Revised Submission" and contain the required number of copies. A Consultant may withdraw their Bid if they put request in writing and request is received by the Rowe Board of Assessors prior to the opening of the bids.
17. The Consultant selected will be bound by all applicable statutory provisions of the laws of the United States of America and the Commonwealth of Massachusetts.
18. All addenda issued during the bidding period supersede previous information and automatically become part of the contract.

19. All Consultants are advised that any Bid, which is awarded, shall be subject to execution of a written contract.

RESPONSIBILITIES OF THE PARTIES

Boards of Assessors

1. The Rowe, Florida, and Monroe Boards of Assessors shall timely provide all of the following information for the properties to be appraised which shall be current and correct as of **January 1, 2017**:
 - a. one (1) copy of applicable tax maps,
 - b. a listing of parcel identifications for all applicable parcels,
 - c. a copy of each real and personal property record card for all applicable parcels, and
 - d. available forms of list related to the following facilities:
 - the Bear Swamp Project in Rowe and Florida
 - the Deerfield No. 5 Station in Rowe, Florida, and Monroe
 - the Sherman Station in Rowe and Monroe

2. The Rowe Board of Assessors shall be the primary contact for the awarded Consultant. However, the Florida and Monroe Boards shall be the contact and be responsible for information coming out of their offices, and the Rowe Board shall be responsible for information coming out of their office. Contact information for each town is as follows:
 - Rowe: Board of Assessors, Attn: Frederick N. Williams, 321 Zoar Road, Rowe MA 01367
Phone: 413-339-5520 Email: assessor@rowe-ma.gov

 - Florida: Board of Assessors, Attn: Seth Bean, 379 Mohawk Trail, Drury MA 01343
Phone: 413-664-3288 Email: floridaassessors.floridamass@gmail.com

 - Monroe: Board of Assessors, Attn: Russell Oakes, 3C School Street, Monroe MA 01350
Phone: 413-424-5272 Email: monroe_assessors@verizon.net

3. The Rowe, Florida, and Monroe Assessors shall review the draft valuation report(s) promptly after it is received and provide comments back to the awarded Consultant in a timely manner. The Rowe Board of Assessors will also forward a copy of the draft valuation report to the DOR for their prompt review.

Awarded Consultant:

1. The awarded Consultant will work closely with the Boards of Assessors in the Towns of Rowe, Florida, and Monroe regarding the collection and review of information related to the subject properties accumulated by the respective Boards.

2. The awarded Consultant will meet with representatives of the Bear Swamp Project, Deerfield No. 5, and Sherman Station and will view the facilities to see the condition and to collect data and related information on the real and personal property. The Consultant will determine what other documents are needed from the owners.

3. The awarded Consultant will complete a draft valuation report(s) and mail two (2) printed copies each to the respective Boards of Assessors listed on the previous page by **July 1, 2017**. Additionally it is requested that the draft report(s) be provided electronically in PDF format via email to the respective Boards of Assessors listed on the previous page. Following timely review and return of comments by the respective Boards of Assessors by **August 1, 2017**, the Consultant shall incorporate comments into the final valuation report(s) and mail two (2) printed copies each to the respective Boards of Assessors listed on the previous page by **August 18, 2017**. Additionally it is requested that the final report(s) be provided electronically in PDF format via email to the respective Boards of Assessors listed on the previous page.
4. As a condition of the successful project completion, the work product shall meet all certification requirements of the Department of Revenue and shall be in compliance with Massachusetts Laws. The awarded Consultant shall agree to be bound by the legal interpretations and the directives of the Commissioner of the Massachusetts Department of Revenue.
5. The Consultant shall fulfill all requirements for the appraisal using professional standards, and all work shall meet or exceed state certification standards. The appraisal report shall conform to USPAP (Uniform Standards of Professional Appraisal Practice).

COMPENSATION

Upon the determination of the Boards of Assessors of Rowe, Florida, and Monroe that the work performed has been satisfactorily completed according to the time schedules, a percentage payment representing ninety percent (90%) of the contracted amount billed shall be paid to the Consultant. The total amount paid shall not exceed ninety percent (90%) of the total amount of the Agreement until such time as the DOR has accepted the valuations placed by the Consultant.

The three towns shall be responsible for their respective share of the contract cost as agreed to by the respective Boards of Assessors based approximately on the apportionment of value within each town.

BID FORM

Consultant shall provide information and/or answers to the following:

1. Indicate the number of hydroelectric power plant valuations your company has completed in the past six (6) years. List all hydroelectric power plant valuations conducted in Massachusetts for Certification in the past six (6) years. List all experience related to working with Boards of Assessors for the purpose of compiling reports and preparing certification values for the Massachusetts DOR.
2. Provide a complete list of client references for hydroelectric power plant valuations, two (2) of which must be municipalities for whom you have provided similar valuation services within the last five (5) years.
3. List all the cases in which your company was declared an expert witness and actually testified for the purpose of providing testimony in defense of public utility property valuations.
4. List the general outcome of each case your company testified in.
5. Are personnel who will work on this project state certified appraisers? If so, in which states are they certified?
6. Does at least one individual who will be assigned to this project have experience in valuating at least six (6) hydroelectric generating facilities?
7. Provide list of individuals to be assigned to this project and provide up-to-date resumes.
8. Provide an estimated time schedule demonstrating how the project will be completed by the specified due dates.
9. Have you been in business for at least six (6) years?
10. Disclose any relationship you or your company has had, past or present, with the subject hydroelectric generating facilities or TransCanada, Bear Swamp Power, Brookfield Power, or Emera (or their predecessors), or the Massachusetts DOR.
11. As part of the bid, provide a rate sheet, valid for two (2) years after delivery of the report (locked in until **December 31, 2017**), for additional consulting services in defense of valuations at the Town level, the Appellate Tax Board, or in any court.

I certify that I have thoroughly read this Invitation for Bid package, understand the requirements, and declare that I meet all requirements.

*Authorized Signature: _____ Date: _____

Printed Name: _____ Phone: _____

Title of Above: _____ Fax: _____

Company Name: _____ Email: _____

Company Address: _____

City: _____ State _____ Zip: _____

* Must be signed by the person authorized to bind the company to full performance and proof of same must be included.

TAX COMPLIANCE AND NON-COLLUSION STATEMENTS

Any person or corporation that fails to date, sign with original signature, and submit the following statements shall not be awarded this contract.

Tax Compliance

Pursuant to M.G.L. Ch 62C, Sec 49A, I certify under the penalties of perjury that I, to the best of my knowledge and belief, have filed all state tax returns and paid all state taxes required under law.

Date: _____

Authorized Official's Signature

Printed Name of Person Signing

Title of Person Signing

Company or Corporation

Certificate of Non-Collusion

The undersigned certifies under penalties of perjury that this bid has been made and submitted in good faith and without collusion or fraud with any other person. As used in this certification, the word "person" shall mean any natural person, business, partnership, corporation, union, committee, entity, or group of individuals.

Date: _____

Authorized Official's Signature

Printed Name of Person Signing

Title of Person Signing

Company or Corporation

Taxpayer Identification Number (TIN) and Certification

Name (as shown on your income tax return)

Business Name (if different from above)

Check appropriate: _____ Individual/Sole Proprietor

_____ Corporation

_____ Partnership

_____ Other _____

Address (number, street, and apt. or suite no.)

City, State, Zip

Taxpayer Identification Number (TIN)

Enter your TIN on the appropriate line below. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your Social Security Number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the IRS instructions on filling out Form W-9. For other entities, it is your Employer Identification Number (EIN).

SSN: _____

EIN: _____

Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct Taxpayer Identification Number, and
2. I am not subject to backup withholding because:
 - a. I am exempt from backup withholding, or
 - b. I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of failure to report all interest or dividends, or
 - c. The IRS has notified me that I am no longer subject to backup withholding, and
3. I am a US person (including a US resident alien).

Certification Instructions – You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return.

Signature of US person: _____

Date: _____