



**Project 171-05-15**  
**DEPARTMENT OF SOCIAL AND HEALTH SERVICES (DSHS) – South King County**  
**Amendment 1**  
**August 31, 2015**

1. Make the following correction to Exhibit 1, Part 1B, Section 12:

**Currently Reads:**

|                                                                                                                                                                                                              |                                                                                                                                                                          |                             |                                         |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------------------|
| 12. If this proposal is being submitted by a broker, is the documentation from the Legal Owner(s) of the property authorizing the broker's or agent's submittal included with this proposal? (See Exhibit 1) | <input type="checkbox"/> <input type="checkbox"/> Existing<br>Space <input type="checkbox"/><br>Under<br>Construction <input type="checkbox"/><br>Planned <del>Yes</del> | <input type="checkbox"/> No | <input type="checkbox"/> Not Applicable |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------------------|

**Change to Read:**

|                                                                                                                                                                                                              |                              |                             |                                         |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------------------|-----------------------------------------|
| 12. If this proposal is being submitted by a broker, is the documentation from the Legal Owner(s) of the property authorizing the broker's or agent's submittal included with this proposal? (See Exhibit 1) | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Not Applicable |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------------------|-----------------------------------------|

2. The Pre-Proposal Conference for the Department of Social and Health Services (DSHS) new leased space project in the South King County area was held in the DSHS conference room located at 1516 2d Ave, Seattle WA on August 12, 2015 beginning at 1:30 PM.

3. The Department of Enterprise Services (DES), Real Estate Services (RES) staff provided an overview of the project requirements and parameters.

a. The project documents are posted on the RES website as well as the Washington Electronic Business Solutions (WEBS) website. DES staff encouraged all interested parties to monitor the both websites for amendments and other information regarding the project.

b. RES staff asked all interested parties to watch for project amendments and updates on the RES website. Interested parties should scroll down the list of projects and find the appropriate document listed under this project number. The link to the website is:

<http://www.des.wa.gov/services/facilities/RealEstate/Pages/RESLeaseSpace.aspx>

- c. RES also encouraged interested parties (if they haven't already) to subscribe to Washington Electronic Business Solutions (WEBS). The link to register as a vendor is: <http://www.des.wa.gov/services/ContractingPurchasing/Business/Pages/WEBSRegistration.aspx>

4. The following paragraphs summarize the question and answer period from the Pre-Proposal Conference:

a. **Question:** Could an hourly shuttle service provided by the lessor at no cost to the agency be considered if the public transportation at the facility does not meet the characteristics shown in the RFP, paragraph 2.3?

**Answer:** The solicitation team will consider all proposals that meet the requirements of the RFP. Depending on the specifics of the proposal, the solicitation team may consider an hourly shuttle service (provided by the lessor at no cost to the agency) between the proposed facility and a public transportation hub to be equivalent to "public transportation with hourly service during the hours of 8 AM to 5 PM" as stated in the RFP, paragraph 2.3.

b. **Question:** Is there a requirement for agency vehicle parking?

**Answer:** Currently, this RFP is seeking code required parking.

c. **Question:** Will DSHS require covered parking?

**Answer:** Proposers may include covered parking in their proposal, but there is not a requirement for covered parking.

d. **Question:** Will DSHS provide their own office furniture?

**Answer:** Yes. DSHS will provide and install its own modular office furniture. The RES design team will coordinate with the lessor for any required electrical connections for the modular office furniture.

e. **Question:** Are proposers required to provide a design "test-fit" drawing in their proposal documents?

**Answer:** At their discretion, proposers may (but are not required to) include a design "test-fit" drawing in their proposal packet. For those proposals that are scheduled for a site visit and presentation, proposers may (at their discretion) include a design "test-fit" during their presentation.

f. **Question:** Does the 18,900 BOMA Rentable Square Feet shown in the RFP, paragraph 2.1 include space for interior circulation?

**Answer:** The 18,900 BOMA Rentable Square Feet includes an estimate for the required internal circulation as well as an estimate for the BOMA "load factor". See Appendix 2 for additional information regarding the components included in the 18,900 BOMA Rentable Square Feet.

g. **Question:** Is there an advantage to having amenities nearby (e.g. restaurants, gyms, daycare, etc.)?

**Answer:** While there are no specific requirements in this RFP for nearby amenities, amenities may be advantageous to the AGENCY. Proposers should refer to Exhibit 1, Section 2.1.2 for more information regarding the solicitation team's analysis of the availability of amenities.

h. **Question:** Will the solicitation team consider a modified gross lease?

**Answer:** Yes. Proposers should refer to Exhibit 3, Part IV for more information.

i. **Question:** Will the solicitation Team consider a NNN lease?

**Answer:** At their discretion, proposers may propose a NNN lease. However, if a proposal that included a NNN lease were to be selected as the Apparent Successful Proposer (ASP), RES would seek to negotiate a fully serviced or partially serviced lease. Interested parties should note that the State very rarely enters into a NNN lease.

j. **Question:** How will the solicitation team analyze lease costs if each proposal uses different combinations of expenses?

**Answer:** For purposes of comparison only, the solicitation team typically adjusts all lease rates to either an equivalent "Partially Serviced" or a "Fully Serviced" lease rate based on market rate expenses estimates.

k. **Question:** Is prevailing wage required on this project?

**Answer:** Yes. Proposers should contact the Department of Labor and Industries if they have any questions regarding prevailing wage requirements.  
<http://www.lni.wa.gov/tradeslicensing/prevwage/>

l. **Question:** What is the function of this DSHS program?

**Answer:** The functions of the agency in this proposed space are: Under Social Security regulations, DDS disability specialists, staff physicians and psychologists determine eligibility of Washington applicants for three disability programs:

- Social Security Disability Insurance – SSDI
- Supplemental Security Income (SSI)
- Non-Grant Medical Assistance – NGMA

5. RES received the following questions via an email on August 26, 2015:

a. **Question:** May a proposal include lease rates that are fully serviced, partially serviced, or NNN?

**Answer:** Yes.

b. **Question:** How does the State treat each type of lease (fully serviced, partially serviced, or NNN)?

**Answer:** The solicitation team analyzes the merits of each proposal. For purposes of comparison only, the solicitation team typically adjusts all lease rates to either an equivalent "Partially Serviced" or an equivalent "Fully Serviced" lease rate based on market rate expenses estimates.

c. **Question:** Which type of lease rate (fully serviced, partially serviced, or NNN) is most preferable to the State?

**Answer:** If and when the Solicitation Team identifies an Apparent Successful Proposer (ASP), RES will negotiate with the ASP to identify lease terms of either a fully serviced or partially serviced lease based on the financial analysis of RES in coordination with the agency. If the ASP were to be a proposal that included a NNN lease, RES would seek to negotiate a fully serviced or partially serviced lease. Interested parties should note that the State very rarely enters into a NNN lease.

d. **Question:** Could you please describe the three rental rate structures (fully serviced, partially serviced, or NNN)?

**Answer:** While RES recognizes that there may be nuances in the definitions for each of the terms (fully serviced, partially serviced, and NNN) depending on the industry authority one consults, RES uses the following broad concepts for the three categories of lease types:

Full service – The lessee pays the lessor a single rental payment. The lessor pays all the operating costs. The lessor pays all insurance, taxes, assessments and maintenance.

Partially serviced – The lessee pays the lessor a rental payment plus a portion of the operating costs as defined in the lease. The lessor pays all other operating costs. The lessor pays all insurance, taxes, assessments and maintenance.

NNN – The lessee pays the lessor a rental payment plus and all the occupancy costs to include all or a portion of the insurance, taxes, assessments and maintenance.

Please refer to Exhibit 6, paragraphs 5 and 6. Expenses that are underlined are items that RES considers subject to negotiation. (Note: elevator maintenance is only negotiable to the extent that there is or is not an elevator serving the leased space.) Expenses that are not underlined are items that RES does not consider subject to negotiation.

e. **Question:** In either a partially serviced lease, or NNN lease – who hires, pays, and manages the excluded services (examples: janitorial service company; utility bills; landscaper; etc.)? Does the owner do it, and pass the costs through to the State?

**Answer:** It depends on the details negotiated in the lease. In some cases it is advantageous for the State to contract for and pay for the service separate from the lessor. Other times it is advantageous for the lessor to contract for the service and pass the bill on to the agency for payment. If the agency contracts for a service, the agency will follow the applicable contracting laws and regulations.

e. **Question:** If a proposer were to propose a partially serviced lease, and if that proposal were to be identified as the ASP, would the State require the ASP to modify the proposal to be a fully serviced lease?

**Answer:** RES does not require a fully serviced lease. In coordination with the agency, RES will analyze the financial aspects of the ASP's proposal and attempt to negotiate an agreement that is mutually acceptable to all parties. If the ASP were to be a NNN lease, RES would seek to negotiate either a fully serviced lease or a partially serviced lease. Interested parties should note that the State very rarely enters into a NNN lease.

5. Point of contact for all questions and comments is Andrew Jenkins (360) 338-2575 (360), E-mail: [andrew.jenkins@des.wa.gov](mailto:andrew.jenkins@des.wa.gov). E-mail is the preferred method of communications for project related questions and comments.