

THE OKLAHOMA PUBLIC EMPLOYEES RETIREMENT SYSTEM

**REQUEST FOR PROPOSALS
FOR REAL ESTATE PROPERTY MANAGEMENT SERVICES**

#515-16-146

The Board of Trustees of the Oklahoma Public Employees Retirement System (OPERS) is issuing this Request for Proposal to find a qualified firm to provide real estate property management services. This RFP provides information on OPERS and establishes the specifications and requirements for submitting a proposal. The term “Vendor” as used in this Request for Proposals (RFP) shall mean the company submitting proposals for consideration.

OPERS reserves the right to reject any or all proposals submitted. There is no express or implied obligation for OPERS to reimburse Vendors for any expenses incurred in preparing proposals in response to this RFP. In the event that none of the proposals are satisfactory to OPERS, no selection will be made. Proposals submitted in response to the RFP become the property of OPERS and are subject to public inspection. OPERS reserves the right to modify the RFP contents and requirements at any time prior to the submission deadline.

This RFP is comprised of eleven sections, which contains nine pages total, as follows:

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This RFP can be found on the OPERS website at www.opers.ok.gov. If you are unable to download the document from the website, you can also obtain an electronic copy of this RFP through e-mail. Send your request to: jharjo@opers.ok.gov. Include the name of the RFP and the proposal number in your request. All responses to this RFP must be submitted in accordance with the instructions contained in the RFP.

Regardless of the manner in which the RFP document is received by the Vendor, the contents of the RFP may not be altered in any way. The Vendor’s Affidavit and all questions must be identically reproduced in the submitted proposal. Any alterations to the contents of the RFP document will be grounds for dismissal from consideration or termination of any resulting contract. By submitting an RFP, it is agreed by the Vendor that any misleading or false information given may be grounds for rejection from consideration, and/or termination of any resulting contract whenever and however discovered.

I. PROPOSAL COVER SHEET
(must be signed, notarized and returned)

Proposal Number	Agency Requisition No.	Proposal Deadline
515-16-146 (Real Estate Property Management Services)		must be rec'd by 4:30 p.m. CT November 5, 2015

Vendor Identification:

Name of Firm:	_____
FEI #	_____
Address:	_____

City/State/Zip Code:	_____
Telephone Number:	_____
Facsimile Number:	_____
Email of contact	_____

VENDOR'S AFFIDAVIT

STATE OF _____)
) SS:
COUNTY OF _____)

_____ (Print Name), of lawful age, being first duly sworn, on oath says that:

- (S)he is the duly authorized agent of _____, the vendor submitting this proposal which is attached to this statement for the purpose of certifying the facts pertaining to the existence of collusion among vendors and between vendors and state officials or employees, as well as facts pertaining to the giving or offering of things of value to government personnel in return for special consideration in the letting of any contract pursuant to the proposal to which this statement is attached;
- (S)he is fully aware of the facts and circumstances surrounding the making and submitting of this proposal and has been personally and directly involved in the proceedings leading to the submission of such proposals; and
- Neither the vendor nor anyone subject to the vendor's direction or control has been a party: a) to any collusion among vendors in restraint of freedom of competition by agreement to propose a fixed price or to refrain from submitting a proposal; b) to any collusion with any state official or employee as to quantity, quality or price in the prospective contract, or as to any other term of such prospective contract; nor, c) in any discussions between vendors and any state official concerning exchange of money or any other thing of value for special consideration in the award of this prospective contract; d) to paying, giving or donating or agreeing to pay, give or donate to any officer or employee of the State of Oklahoma, any money or other thing of value, either directly or indirectly, in procuring this prospective contract.
- The information contained in this proposal is true, correct and accurate as presented.

Name/Title

Subscribed and sworn to before me this _____ day of _____, 20 ____.

Notary Public

(seal)

My commission expires: _____

II. MANDATORY REQUIREMENTS FOR SUBMITTING A PROPOSAL

A. Original proposal must be received only at the following address:

Oklahoma Public Employees Retirement System
Real Estate Property Management Services Proposal
ATTN: Jason Harjo
5801 N. Broadway Ext., Suite 200
Oklahoma City, Oklahoma 73118

B. The deadline for receipt of complete proposals via e-mail or delivery to OPERS is **4:30 p.m.** Central Time, on **November 5, 2015**. If the complete proposal is delivered by e-mail, an original proposal must be received by OPERS at the address above by 10 a.m. Central Time, on November 11, 2015. Proposals that are received via e-mail without an accompanying original copy received by November 11th, or proposals submitted to the incorrect address or location or received after this date and time will be rejected and will not be considered.

C. The completed proposal must contain the Proposal Cover Sheet, fully completed, signed and notarized. The Vendor shall submit an original proposal, and one (1) electronic version of the complete response on CDs in PDF format. The CDs must be clearly marked with the Vendor's name and proposal number. It is not necessary to submit a CD if the completed proposal was delivered via e-mail by the deadline.

The original proposal, the proposal cover sheet and the CD must be submitted together in one completely sealed package, box, or envelope. It must be clearly marked "Real Estate Property Management Services" on the outside face of the package containing the proposal in order that the receiving agent can identify it without opening the package.

D. Complete proposals may be delivered to OPERS via e-mail by the deadline. Send e-mail version to jharjo@opers.ok.gov. The original proposal may be either mailed or hand-delivered. If the proposal is sent by mail or express delivery service, the responding Vendor shall be responsible for actual delivery of the proposal to the proper address before the deadline. All timely proposals become the property of OPERS.

E. All proposals, once opened, are considered to be a public record and shall be available for viewing and reproduction by any person.

F. In submitting this proposal, the Vendor must agree to an audit which provides that books, records, documents, accounting procedures, practices or any other items of the service provider relevant to the proposal are subject to examination by OPERS, the Oklahoma State Auditor and Inspector, and the State Purchasing Director.

G. In an effort to clarify any issues in this RFP, OPERS will respond only to questions that are presented through e-mail. Questions should be submitted to Jason Harjo at jharjo@opers.ok.gov. All questions and answers will be consolidated into a single Q&A document. All questions must be received by 10:00 a.m. CST on October 28, 2015. The Q&A document will be posted on the OPERS web site at www.opers.ok.gov on or after October 29, 2015. This will be the only distribution method for the Q&A document.

H. It is the responsibility of the Vendor to ensure compliance with all requirements and deadlines. Proposals which are not in compliance with the RFP requirements may be rejected.

All proposals will be reviewed to determine if they satisfy the mandatory criteria in this RFP. Proposals not satisfying the mandatory criteria will be rejected.

I. All costs of preparation and presentation associated with a response to this RFP will be the responsibility of the Vendor. Vendors may be asked to make a presentation before the Board if selected as a finalist.

J. The selection of firms providing services for the state retirement systems may be specifically exempt from the competitive bidding procedures established by Oklahoma Statutes (see Title 74 Oklahoma Statutes §85.7). The Board of Trustees of OPERS and URSJJ reserves the right to request additional information from any Vendor and to accept or reject any proposal without specifying the reason for its actions. The Board reserves the right to request additional proposals. Further, the Board specifically reserves the right to renegotiate for lower fees at any time with any Vendor.

K. The Board reserves the right to award all, part, or none of this contract.

L. The Vendor shall be bound by the information and representations contained in any proposal submitted. The proposal is deemed to be a binding offer on the part of the Vendor.

M. Submission of a proposal in response to this RFP evidences the Vendor's acceptance of the terms and conditions contained within the RFP.

N. OPERS prohibits the payment of a finder's fee in any form. The Vendor must certify that no finder's fee or finder's commission has been paid or shall be paid to any individual or organization from the establishment of this investment relationship with OPERS.

O. All Vendors must:

1. Agree that any resulting contract and services will be subject to and interpreted by Oklahoma law.
2. Agree that this RFP and the Vendor's response will be incorporated by reference to any resulting agreement.
3. Answer, to the best of its abilities, all questions in this RFP in the order presented. Do not add appendices to the end of the RFP unless specifically asked to do so.
4. Fully disclose any proposed subcontracting of any of the required services.

III. TIMELINE

The following timeline is an estimate and may be adjusted at OPERS' discretion any time during this

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procurement process.

Task	Date
Distribution of RFP	October 23, 2015
Deadline for questions submitted by e-mail	October 28, 2015
Date for answers to be posted on OPERS website	October 29, 2015
Completed proposals due (no later than 4:30 PM CT)	November 5, 2015
Original due (if complete proposal was submitted by e-mail)	November 11, 2015
Estimated start date	Date of Closing

IV. MINIMUM QUALIFICATIONS

The Vendor must meet all of the following minimum qualifications. Failure to meet the minimum qualifications described in this RFP may result in the rejection of the proposal. The Vendor shall certify that the firm, the principal performing the work, and any secondary or supporting staff who may assist the principal, meet the minimum qualifications.

- A. The Vendor must be a professional firm whose primary line of business includes providing the services requested by the Board. Alternatively, the firm must have expertise in the areas requested by the Board if those areas are not the primary line of business.
- B. The Vendor must have been in existence as a business entity performing such services for a minimum of five (5) years. The vendor must have experience with performing the required service for similarly-sized property.
- C. The Vendor must have all necessary permits and licenses to perform the requested service. The Vendor must be bonded where applicable. Liability insurance must be in full force at the time the proposal is submitted and must be maintained throughout the term of the contract. Evidence of the items listed above shall be made available to the Board and OPERS staff upon request.
- D. The Vendor must provide its own work facilities, equipment, supplies, and support staff to perform the required service.

V. STATEMENT OF NEEDS

The Board is seeking property management services associated with commercial office property. The areas of expertise where the Board requires services include the following (A-E):

- A. Accounting/Financial Reporting
- B. Lease Management/Tenant Relationships
- C. Building Maintenance/Engineering Management
- D. Vendor Relationship Management
- E. Safety/Security/Code Compliance

VI. PROPERTY DESCRIPTION

The property is located in Oklahoma City and is an office building of approximately 100,000 square feet on five floors. The property was built in the early 1980s, sits on approximately 4 acres and includes

basement parking and three elevators. The occupancy rate for the building is approximately 90%.

VII. QUESTIONNAIRE

General Questions

- 1) Describe the firm's experience managing commercial office properties. Does the firm currently manage another office property in excess of 75,000 square feet?
- 2) Provide contact information for at least three references where the vendor currently performs similar property management services.
- 3) Who is the firm's primary contact regarding the service? Will this person be the same day-to-day contact?
- 4) Provide a brief professional biography of the person(s) listed in #3.

Accounting/Financial Reporting

- 5) Describe the accounting systems used and financial reporting to the property owner.
- 6) How soon after period-end (monthly, quarterly, annually) are the financials delivered?
- 7) Are the financials independently audited? If so, what is the name of the audit firm?
- 8) Are actual financials compared to pro forma estimates? Is this reviewed with the owner?
- 9) Provide an example financial reporting.

Lease Management/Tenant Relationships

- 10) Describe the process used in negotiating leases with prospective/existing tenants.
- 11) What is the average retention rate on the firm's existing office property management clients? What other factors have affected the retention rate?
- 12) Does the firm monitor tenants for compliance with lease terms? How so?
- 13) How is the building marketed to prospective tenants?
- 14) How will the firm assist the owner in space planning?
- 15) Describe the process for lease collection.

Building Maintenance/Engineering Management

- 16) How will the firm ensure the building is adequately maintained?
- 17) Describe the process for routine maintenance. Provide a scheduled/preventative maintenance plan if applicable.

18) Does the firm employ a building engineer? If so, is he/she a shared resource? What are the limits of availability? How many total engineers are employed?

19) Describe the process for emergency service and project or specialized work.

Vendor Relationship Management

20) Describe outside vendor services the firm typically employs.

21) Describe the firm's network of vendor partnerships.

22) Describe the vendor contract process. How are vendors paid?

23) How are vendors vetted initially? How is vendor performance monitored?

Safety/Security/Code Compliance

24) How will the firm help the owner identify and correct potential safety risks or hazards?

25) Will the firm assist in investigating accidents or damage to the property? Does the firm have prior experience in this capacity?

VIII. FEES AND FEE STRUCTURE

The Vendor's fee proposal must include the total fee for the service provided. The fee quote in the response will be a significant factor in determining the successful Vendor.

IX. COMMUNICATION WITH OPERS

In an effort to clarify any issues in this RFP, OPERS will respond only to questions that are presented as described in Section II.G above. Telephone questions will not be accepted.

OPERS policy prohibits direct contact between prospective service providers and OPERS Board members, consultants, or staff during this RFP process. This does not include communication with any of OPERS' incumbent service providers for normal business not related to this selection process. From the date of release of this RFP until a Vendor is selected and a contract is executed and approved, all contacts and communications regarding this RFP are restricted to the Q&A process. Exceptions include communications with OPERS staff during negotiations, presentations, and contract award and execution. Violation of these conditions may result in rejection of a Vendor's proposal.

All Vendors who have submitted a proposal will be notified of the Board's decision after the final selection has been made. This notice of final selection may be the only communication between OPERS and the Vendors. Telephone or other inquiries concerning this proposal after the proposal deadline are discouraged.

X. BACKGROUND

A. Legal Authorization

The Board of Trustees of the Oklahoma Public Employees Retirement System (OPERS) is charged with the investment of approximately \$8.5 billion in retirement funds for public

employees (OPERS). The OPERS investment authorization (statutory provisions generally related to portfolio composition and the types of investments which the Systems could use) is set forth in 74 O.S. Sections 909.1 and 909.2.

B. Board Composition

OPERS is administered by a Board of Trustees composed of 13 members including a member of the Corporation Commission, the State Insurance Commissioner, the Director of the Office of Management and Enterprise Services, the Administrator of Human Capital Management of the Office of Management and Enterprise Services, a member of the State Tax Commission, three members appointed by the Governor, one member appointed by the Supreme Court, two members appointed by the Speaker of the House of Representatives, and two members appointed by the President Pro Tempore of the State Senate.

C. Support Services

OPERS has an authorized staff of 63 employees. The Executive Director is the chief administrative officer of the System.

D. The OPERS Plan Membership

The OPERS Plan is a qualified governmental defined benefit plan established under Internal Revenue Code Section 401(a) and 74 Oklahoma Statutes §§901 et seq. OPERS administers a retirement plan for Oklahoma state and local government employees. Its membership includes all state employees and elected officials (with a few limited exceptions that may be covered under one of the other state retirement systems), and all county employees and county elected officials in the state except Tulsa and Oklahoma counties. In addition, there are several cities, towns, public hospitals, public trusts, and local governmental entities that participate in the OPERS Plan. The membership in the OPERS plan includes approximately 44,000 active employees, 5,600 inactive vested members, and 32,000 retired members or beneficiaries/joint annuitants.

XI. GENERAL TERMS AND CONDITIONS

A. Applicable Laws and Courts

This solicitation and any resulting contract shall be governed in all respects by the laws of the State of Oklahoma, and any litigation with respect thereto shall be brought in the District Court of Oklahoma County, Oklahoma. The Vendor shall comply with all applicable federal, state and local laws, rules and regulations.

B. Ethics in Public Contracting

By submitting bids or proposals, Vendors certify that their bids/proposals are made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other Vendor, supplier, manufacturer or subcontractor in connection with their bid/proposal. Vendors must further certify that they have not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services or anything of value, in exchange for procuring this contract.

C. Qualifications of Vendors

OPERS may make such reasonable investigations as deemed proper and necessary to determine the ability of the Vendor to perform the services/furnish the goods, and the Vendor shall furnish to OPERS all such information and data for this purpose as may be requested. OPERS reserves the right to make a site visit at the offices of the Vendor prior to award to satisfy questions regarding the Vendor's capabilities. OPERS further reserves the right to reject any proposal if the evidence submitted by, or investigations of, such Vendor show that the Vendor is not properly qualified to carry out the obligations of the contract and to provide the services and/or furnish the goods contemplated therein.

D. Business Continuity

The Vendor must indicate any recent or anticipated changes in its corporate structure such as mergers, acquisitions, new venture capital, stock issue, etc. The Vendor agrees to present to OPERS a business continuation plan for this program in the event of natural or other disaster.

E. Assignment of Contract

A contract shall not be assignable by the Vendor in whole or in part without the written consent of OPERS.

F. Confidentiality

The Vendor is expected to comply with provisions of Oklahoma statutes regarding confidentiality of membership data and agrees not to disclose confidential membership information to other parties without OPERS' prior authorization and approval.

G. Period of Contract

It is anticipated that the initial contract shall be for less than a one-year period, commencing on the date the Board closes on the subject property through June 30, 2016. Thereafter, the contract may be renewed by the Board annually for four additional one-year contract periods. The Board reserves the right to terminate the contract upon 30 days' notice, with or without cause. In addition, the contract may be renewed for additional one-year periods upon the mutual agreement of the Board and Vendor on terms as may be negotiated by the parties.

H. Ownership of Data and Work Product

There is a presumption that all work product generated for OPERS under this contract, as well as all data compiled by the Vendor while performing this contract, shall become the sole property of OPERS. OPERS must be given reasonable access to all such work product or data compiled by the Vendor in the performance of this contract.

I. Limitation of Liability, Hold Harmless Clauses & Indemnity

The State of Oklahoma and its agencies are prohibited from holding a private entity harmless from liability or providing indemnity to a private entity. OPERS will not agree to limiting the liability of a private Vendor. The contract between the successful Vendor and OPERS will not have any such terms.