

Teachers' Retirement System of Oklahoma

Request for Proposals

#715-16-1002

Specialized Legal Counsel for Real Estate Transactions

The Board of Trustees of the Teachers' Retirement System of Oklahoma (TRS) is seeking proposals from legal practitioners in Oklahoma area to provide the Board with legal advice and legal services related to TRS' acquisition on an office building in the Oklahoma City metropolitan areas for both occupancy and investment purposes.

I. INSTRUCTIONS AND GUIDELINES FOR SUBMITTING PROPOSALS

A. *Deadline and Number of Copies Needed* – Proposals shall be delivered electronically or physically by **4:30 PM, Friday, October 14, 2016**. Vendors submitting a proposal electronically must submit the document in a .pdf format capable of a word search in the document. As an alternative, Vendors may submit proposals in hard copy. If this option is chosen TRS requires the delivery of one (1) original and four (4) copies of the proposal. Both methods require delivery to the Business Manager of TRS. Electronic submissions should be sent to Donna Spurrier at Donna.Spurrier@trs.ok.gov. Hard copy submission should be delivered to:

Donna Spurrier, Business Manager
Teachers' Retirement System of Oklahoma
2500 N. Lincoln Blvd., 5th Floor
Oklahoma City, OK 73105

B. *Requests for Additional Information from Vendor* - TRS reserves the right to request additional information from any or all Vendors to assist in the selection process. However, no Vendor may contact any member of the TRS Board of Trustees or TRS staff during the selection period. Contacts should be limited to the TRS Business Manager. (See par. E below.)

C. *Selection Period* - The Vendor selection period begins on the date this RFP is issued and ends on the date the contract is awarded by TRS.

D. *Proposals Become Property of the State* - All materials submitted by Vendors become the sole property of TRS and will not be returned. All proposals submitted and the information contained therein shall be subject to the public disclosure provisions of the Oklahoma Open Records Act after they are opened and discussed by the Board. Title 51 Oklahoma Statutes, §24A.10.

E. *Questions and Clarification by Vendors* - All questions and requests for clarification related to the RFP process, its provisions, meaning or interpretation, should be submitted to the TRS Business Manager. In an effort to clarify any issues in this RFP, TRS will respond

only to questions presented through email. Questions should be submitted to Donna Spurrier at Donna.Spurrier@trs.ok.gov. These questions and answers from TRS will be consolidated into a single Q&A document which will be posted on the TRS website. No Vendor may contact the TRS Board of Trustees, the TRS staff (including the General Counsel) or the TRS Investment Consultant (the Bogdahn Group) regarding this RFP during the selection period except through this Q&A process.

All questions must be received by TRS by **4:30 PM** Central Time on **Friday, September 30, 2016**. The Q&A document will be posted on the TRS website at www.ok.gov/trs on or after **Friday, October 7, 2016**. This will be the only distribution method for the Q&A document.

F. *Negotiations* - TRS reserves the right to enter into a negotiation process for the top ranked proposal or proposals when it is considered in the best interests of TRS. This negotiation process will involve all parts of the proposal, including the fee proposal submitted by the prospective vendor.

G. *Evaluation of Proposals* – Proposals will be evaluated based on best value. Best value will include an analysis of: (1) Vendor's understanding of the engagement, (2) Vendor's qualifications including its experience in similar transactions, (3) individual qualifications of Vendor's assigned attorney, and (4) the outcome of reference checks on the Vendor.

During the evaluation process, TRS may, at its sole discretion, request any or all Vendors to make oral presentations. If oral presentations are required, it is highly recommended that the lead attorney for the Vendor be present at the finalist's presentation. All costs associated with such presentation are the responsibility of the Vendor. No costs will be reimbursed by TRS for finalist presentations.

H. *RFP Amendments* - TRS reserves the right to amend this Request for Proposal (RFP) before the due date. Vendors are responsible to check the TRS website for scheduling changes and other amendments to the RFP.

III. BACKGROUND INFORMATION ON TRS

A. Retirement Plans Managed

TRS administers a defined benefit plan for education employees across the state. For more specific information about TRS, see the agency's website at www.ok.gov/trs. The most recent Comprehensive Annual Financial Report for TRS is available on the TRS website at https://www.ok.gov/TRS/Publications/Annual_Report.html.

B. Board of Trustees

TRS is administered by a Board of Trustees composed of 13 voting members and one nonvoting member. The voting members are appointed by various state officials as well as ex officio members. The chief executive officer of the agency is the Executive Director. The Executive Director is appointed by and reports to the Board of Trustees.

All members of the Board of Trustees are fiduciaries of the plans. With the defined benefit assets, Trustees are subject to the "prudent investor" rule. 70 Oklahoma Statutes, §17-106.1(A)(2). The Board has adopted an Investment Policy Statement that governs many of the aspects of its investment program.

The Board has employed a commercial real estate broker to aid TRS in identifying office buildings in the Oklahoma City metropolitan area that are or may be available for purchase. TRS intends to purchase an office building to occupy, but also as an investment asset.

C. TRS Staff

TRS staff is headed by the Executive Director of TRS. TRS has approximately 35 full-time employees. TRS also employs an in-house General Counsel. The current location of the TRS office is the Hodge Building at 2500 N. Lincoln Blvd. in Oklahoma City.

IV. LEGAL COUNSEL AND SERVICES REGARDING COMMERCIAL REAL ESTATE TRANSACTIONS

Although TRS has an in-house General Counsel, due to the nuanced complexity of commercial real estate transactions the Board seeks to retain Legal Counsel that has deep experience in successfully handling commercial real estate transactions from start to finish and beyond. The successful candidate should expect to provide legal services and advice to the Board and TRS Staff through all phases, including, but not limited to:

- A. Letter of Intent to Purchase
- B. Purchase Agreement
- C. RFP for Property Manager
- D. Property Management Agreement
- E. Tenant Lease Agreements

- F. Other agreements and legal advice related or incidental to the purchase and long-term management of a commercial real estate building

The office buildings TRS may be interested in are those that have at least 50,000 square feet of usable space, and no more than 300,000 square feet of usable space. The building must be within the city limits of Oklahoma City, and TRS' preference is the building be located within a 15 mile radius of the State Capitol at 2300 N. Lincoln Blvd, Oklahoma City, OK.

VI. REQUEST FOR PROPOSAL CONTENT

The proposal must include the information listed below. The proposal should be formatted on consecutively numbered pages and include a table of contents. Proposals are to address all questions posed in the order in which they appear in this RFP.

A. RFP Cover Sheet (see part II)

The Vendor must fill out and submit the Cover Sheet set forth in Section II of this RFP with the proposal.

B. Cover Letter

The Vendor must include a cover letter, which will be an integral part of the proposal. The letter must be signed by an individual authorized to bind the Vendor contractually. It must include the following elements:

1. A statement regarding the Vendor's legal structure (e.g., an Oklahoma corporation), federal tax identification number, and principal place of business.
2. Vendor's primary contact person on this RFP who has authority to answer questions regarding the proposal:
 - a. Contact's Name
 - b. Contact's Title
 - c. Contact's Address
 - d. Contact's Phone and Facsimile numbers
 - e. Contact's E-mail address
3. A statement that the Vendor's proposal meets all the requirements of this RFP.
4. A statement that the Vendor acknowledges and agrees that all documents submitted under this request may be subject to disclosure under Oklahoma's Open Records Act, that any resulting contract and services will be subject to and interpreted by Oklahoma law, and this RFP and the Vendor's response will be incorporated by reference to any resulting contract.

5. Minimum Qualifications of Vendor

- a. The successful vendor may either be a solo-practitioner, or affiliated with a law firm.
 - b. The attorney assigned to the contract must have a minimum of ten (10) years of legal experience providing legal services and advice in conjunction with commercial real estate transactions and management.
 - c. The individual assigned to the contract must be a licensed attorney with the Oklahoma Bar Association and must have been licensed for at least ten (10) years. This person cannot be under any disciplinary order by the Bar.
6. Fee Structure – the vendor must disclose all applicable fees and hourly rates for the legal services provided

C. Questionnaire

Provide the following information:

1. Vendor's organizational structure.
2. Has the Vendor undergone any material change in its organizational structure or ownership within the last 18 months? If yes, describe the change. Is any material change in ownership or structure under review or being contemplated?
3. A description of similar transactions for which the Vendor has provided legal services, advice, and document review.
4. A description of any material litigation to which your company is currently a party.
5. A list and description of litigation brought against your firm (or the individual attorney if a solo practitioner) by existing or former clients over the last five (5) years.
6. A list and description of any inquiries or enforcement actions by the Oklahoma Bar Association involving you or your firm over the last five (5) years.
7. Describe any professional relationship involving any member of the TRS Board of Trustees or staff, for the past five (5) years, with a statement explaining why such relationships do not constitute a conflict of interest relating to performing the proposed review.

D. Understanding of Engagement

1. Describe in detail your firm's understanding of the services requested by TRS under this engagement.
2. Provide a narrative that supports why your firm believes it is qualified to undertake the proposed engagement.
3. Describe in detail how your firm will be able to accommodate strict deadlines and quick turnarounds on this engagement.

E. Vendor Personnel

1. For each attorney you propose to assign to this engagement, provide a narrative biography including name, title, date of hire, legal experience in commercial property transactions, and education.
2. Describe your firm's procedures if a key person assigned to this engagement leaves your firm during the engagement.

F. References

Provide a statement describing similar work that your firm has performed over the last five (5) years related to this engagement with comparable organizations. The statement should include:

1. The name, address, and phone number of the client.
2. The name and phone number of a responsible official who may be contacted as a general reference.
3. A summary description of the engagement and significant work completed. Describe comparable engagements not successfully completed and comment on the reasons they were unsuccessful.
4. The start and end date of the engagements described in question 3 above.

G. Fee Proposal

1. Provide a proposal regarding the fee to be paid to your firm for the services identified in this RFP. The fee should be expressed as an hourly rate.

H. Additional Information

The Vendor should provide any other information it believes relevant to this assignment.

VII. SELECTION CRITERIA

Proposals will be evaluated by TRS, and the Board will make any final decision to award the contract.

During the evaluation process TRS may, at its discretion, request any or all Vendors to make oral presentations. Such presentations will provide Vendors with an opportunity to answer questions regarding the Vendor's proposal. Not all Vendors may be asked to participate.

There are no expressed or implied obligations by TRS to reimburse responding Vendors for any expenses incurred in preparing proposals in response to this RFP.

In the event none of the proposals are satisfactory to TRS, no selection will be made. The Board reserves the right to award all, part, or none of this contract.

VIII. ADDITIONAL CONTRACT TERMS AND CONDITIONS FOR PART TWO

A. *Modifications* - Any modification to the contract shall be in writing and agreed to by both the Vendor and TRS prior to any change in services.

B. *Termination* - It is agreed by both parties this contract may be terminated by TRS by written notice delivered by mail at least 30 days prior to the termination date.

C. *Cancellation* - In the event the Vendor fails to meet the terms and conditions of this contract or fails to provide services under the contract, TRS may cancel the contract upon written notice of default to the Vendor. Such cancellation shall not be an exclusive remedy but shall be in addition to any other rights and remedies provided by law.

D. *Subcontracting* - The services to be performed under this contract shall not be subcontracted in whole or in part to any other person or entity without the prior written consent of TRS.

E. *Compliance with Law* - Vendor shall be subject to all applicable state and federal laws, rules and regulations and all amendments thereto. It is the Vendor's responsibility to comply with all applicable state and federal laws, rules, and regulations without reliance on or direction by TRS.

F. *Contract Jurisdiction* - The resulting contract shall be governed by the laws of the State of Oklahoma. In the event any litigation shall occur concerning the terms and conditions of this contract or the rights and duties of the parties, the parties agree that such suit shall be brought in Oklahoma County District Court.

H. *Employment Relationship* - This contract does not create an employment relationship. Individuals performing services required by this contract are not employees of TRS.

Vendor's employees shall not be considered employees of TRS for any purpose and as such shall not be eligible for benefits accruing to state employees.

I. *Force Majeure* - Neither party shall be liable for any damages resulting from any delay in delivery or failure to give notice of delay, which directly or indirectly results from the elements, acts of God, delays in transportation, or delays in delivery by any cause beyond their reasonable control.