

**BOCC APPROVAL SEPTEMBER 8, 2021
BOARD OF BIDS AND CONTRACTS SEPTEMBER 2, 2021**

**2. ON-CALL COMMERCIAL REAL ESTATE BROKER SERVICES -- FACILITIES MAINTENANCE
FUNDING -- FACILITIES MAINTENANCE**

(Request sent to 85 vendors)

RFP #21-0042 Contract

	CBRE, Inc.	ReeceNichols South Central Kansas	Lange Real Estate, LLC
Acquisition Commission Rate	<u>Sales Price</u> \$0 - \$2 Million 3.00% \$2,000,001 - \$10,000,000 2.50% \$10,000,001+ 1.50%		6% of gross price listing commissions (3% paid cooperatively to other side if it's not Lange) upon closing
Disposition Commission Rate	<u>Sales Price</u> \$0 - \$1 Million 6.00% \$1,000,001 - \$5,000,000 5.00% \$5,000,001 - \$10,000,000 3.50% \$10,000,001 - \$20,000,000 1.70% \$20,000,001 - \$30,000,000 1.00% \$30,000,001 - \$50,000,000 0.80% \$100,000,001 + 0.40%	3% of gross price Additional fees for cooperating brokers may be discussed per transaction at the client's discretion and preference.	
Leasing Commission Rate	<u>County As Landlord</u> The county will pay a fair market commission calculated based on gross lease proceeds. This commission will total 7.5% of the first five (5) years of the lease, and 3.75% on the remaining balance of the term. <u>County As Tenant</u> The brokerage fees are typically paid by the landlord (similar to acquisitions). In the rare scenario that a landlord and/or brokerage representation refuses to pay the lease commission then the county will be responsible to pay CBRE a 3% commission for the first 60 months of term and an additional 1.5% commission on the remaining balance of the term. In the event of CBRE representing The county (tenant) on a lease renewal and the landlord refuses to pay CBRE a commission then the county will be billed a 1.5% commission for the entire term.		• 6% of the gross price leasing commissions (3% paid cooperatively to selling side if it's not Lange) upon executed lease and PAID by owner of property (not necessarily the county)
Broker's Price Opinion	MAI Hourly Rate \$350.00 Certified General Hourly Rate \$250.00 Admin. Research Hourly Rate \$200.00 See Purchasing For the Full List of Project Management Fees.	If a Broker Opinion of Value is needed just to obtain a property value, the fee is \$150.00 per hour.	\$250.00 Residential \$500.00 Commercial Properties
Hourly Rate	Director \$200.00 Senior Project Manager \$175.00 Project Manager \$150.00 Associate Project Manager \$124.00 Senior Project Coordinator \$110.00 Project Coordinator \$100.00	Free if hired to work with the county on a disposition or acquisition.	None
Auctioneering Services	N/A	Offer In-House Auctioning Services	10% Buyer's Premium Offer In-House Auctioning Services

On the recommendation of Jaimee Witmer, on behalf of Facilities Maintenance, Margaret Flanders moved to **accept the proposals for On-Call Commercial Real Estate Broker Services from CBRE, Inc., ReeceNichols South Central Kansas, and Lange Real Estate, LLC at the rates listed above for two (2) years with two (2) one (1) year options to renew.** Linda Kizzire seconded the motion. The motion passed unanimously.

An evaluation committee comprised of Andrew Dilts - Facilities Maintenance; Valerie Kaster - Project Services; Lorien Showalter Arie - Budget; Tania Cole - Manager's Office; and Jaimee Witmer - Purchasing evaluated the proposal responses based on criteria set forth in the RFP. The committee unanimously agreed to accept the proposals from all vendors listed above.

The services requested will include assisting the county in the purchase or lease of real property, research on market conditions, preparing price opinions, consulting services including site inspections, and all customary activities and services associated with real estate transactions.

Notes:

This is a proposal not a bid. Proposals are scored based on criteria set forth in our RFP. There are five (5) components to this RFP.

Component	Points
A. Demonstrated ability to perform the scope of work	20
B. Process and strategy for providing required services	20
C. Cost Competitiveness	25
D. Qualifications and References	20
E. Response thoroughness and completeness	15
Total Points	100

Questions and Answers

Russell Leeds: These responses are different, it is hard to compare one from the others. Can we have some insight on how they compare?

Andrew Dilts: While the pricing does vary across all three vendors, traditionally we do not dispose of property. Which is the only time we would pay a commission to the vendors on this contract. The pricing does vary but it will be coming off of the sellers' side, not us as the buyer. There are some hourly rates associated with CBRE that does not necessarily apply to the others. There is a difference in the size of the companies and some of the options they provide. Depending on the situation and the property we are viewing, we may go with one vendor over the others depending on their strength and weaknesses.

Russell Leeds: This gives the county flexibility, the pricing is fair, based on your evaluations and it is appropriate to use all three (3) vendors based on needs?

Andrew Dilts: Correct.

Linda Kizzire: Have we worked with any of these potential vendors before?

Tania Cole: We have worked with Lange Real Estate previously, when we sold the Greyhound Park property three (3) or four (4) years ago.

Linda Kizzire: Will they assist in finding new facilities for the county?

Tania Cole: Absolutely, this proposal is to help us find property.