

Date of Action: 3/22/16	
Approved <input checked="" type="checkbox"/>	Denied <input type="checkbox"/>
By: <i>[Signature]</i>	

CITY COUNCIL ACTION MEMORANDUM

AM No. 16-08: Award a contract to Jack White Commercial & RE/MAX Dynamic of the Valley for commercial real estate services to market the Meta Rose Square for a commissioned rate of five percent (5%) of the sale price.

Originator: April Dwyer, Purchasing Officer
 Date: 2/10/2016

Agenda of: 2/22/2016

Route to:	Department Head	Signature	Date
X	Public Works Director	<i>[Signature]</i>	2/16/16
X	Finance Director	<i>[Signature]</i>	2-16-16
X	Deputy Administrator		
X	City Clerk	<i>[Signature]</i>	2/16/16

Reviewed by Mayor Bert L. Cottle:

[Signature] for Mayor Cottle

Fiscal Impact: yes or no

Funds Available: yes or no

Account name/number/amount:

Attachments: Request for Proposal Narrative and Scoring Summary (5 pages)

Summary Statement: On August 25, 2015 the City of Wasilla issued Invitation to Bid; ITB 0825-0-2015/AG to sell the Meta Rose Square, as directed in Ordinance Serial No. 15-21. The bid closed November 17, 2015 with no responses received.

On December 28, 2015 the City issued an RFP for commercial real estate services to assist in the marketing and sale of the property. Three proposals were received; Lee Realty, LLC, Jack White Commercial & RE/MAX Dynamic of the Valley (Jack White), and SSS Commercial Real Estate. These proposals were reviewed and scored by the Controller, Public Works Director, and the Deputy Director of Public Works. The Jack White/REMAX proposal scored the highest with 98 out of a possible 100 points, based on 50 percent qualifications and 50 percent pricing.

The fee for services is a five percent (5%) commission on the final sale price, making it a variable amount. To provide an approximate range, a 5% commission was calculated on the high and low property values identified in the commercial appraisal dated January 26, 2016. Reference IM No. 15-03 for the complete property appraisal prepared by Statewide Appraisal Services. The estimated market value ranged between \$1,850,000 and \$1,680,000 dependent on occupancy level and stability.

A 5% commission would yield the following range.

$$\begin{array}{rclcl} \$1,850,000 & \times & 5\% & = & \$92,500 \\ \$1,680,000 & \times & 5\% & = & \$84,000 \end{array}$$

Upon securing a buyer, legislation to approve the sale would be brought forth to council, in accordance with Wasilla Municipal Code 5.32.100, and the actual commission would be known at that time.

Staff Recommendation: Adopt AM No. 16-08 and award a contract to Jack White Commercial & RE/MAX Dynamic of the Valley for commercial real estate services.

1. OVERVIEW

The City of Wasilla (hereinafter referred to as the “City”) is seeking proposals for commercial real estate services. It is the intention of the City through this solicitation to enter into a contract with a commercial real estate broker or team of brokers to sell the City’s Meta Rose Square property. Proposals are invited from any State of Alaska licensed real estate broker(s).

2. ACRONYMS/DEFINITIONS

For the purposes of this RFP, the following acronyms/definitions will be used:

<i>AAC</i>	Alaska Administrative Code
<i>City</i>	The City of Wasilla and any department identified herein.
<i>City Staff</i>	Any City of Wasilla department head or their designee
<i>Contractor</i>	The organization/individual that is awarded and has an approved contract with the City of Wasilla for the services identified in this RFP.
<i>Department</i>	Any City of Wasilla department including the Office of the City Clerk, Finance, Public Works, Wasilla Police Department, etc.
<i>Evaluation Committee</i>	An independent committee comprised of a majority of City officers or employees established to evaluate and score proposals submitted in response to the RFP pursuant to WMC 5.08.120.
<i>Proposer/Vendor</i>	The company submitting a proposal in response to this RFP.
<i>May</i>	Indicates something that is not mandatory but permissible.
<i>RFP</i>	Request for Proposal - a written statement which sets forth the requirements and specifications of a contract to be awarded by competitive selection under WMC 5.08.120.
<i>Shall/Must</i>	Indicates a mandatory requirement. Failure to meet a mandatory requirement may result in the rejection of a proposal as non-responsive.
<i>Should</i>	Indicates something that is recommended but not mandatory. If the proposer fails to provide recommended information, the City may, at its sole option, ask the proposer to provide the information or evaluate the proposal without the information.
<i>WMC</i>	Wasilla Municipal Code

3. SCOPE OF SERVICES

It is the intention of the City of Wasilla to enter into an agreement with a qualified commercial real estate broker(s) to sell the City's Meta Rose Square property (see attached summary appraisal report).

- 3.1. MINIMUM QUALIFICATIONS -- The minimum qualifications required to respond to this RFP are as follows: the broker(s) must have at least five years of commercial real estate experience in Alaska.

4. STATEMENT OF QUALIFICATIONS (SOQ) REQUIREMENTS

To achieve a uniform review process and obtain the maximum degree of comparability, the SOQ narrative proposal submitted in response to this RFP must be no more than six (6) pages in length. Please provide the name, address, phone number, and email address for the person whom the Purchasing Officer should contact in regard to the RFP. Please detail each of the following points in your narrative proposal:

- 4.1 Provide detailed professional qualifications; and the names and current telephone numbers of three (3) Alaskan client references.
- 4.2. Describe the proposed approach for selling the Meta Rose Square property.

5. FEE PROPOSAL

SEALED STATEMENT --The sealed cost fee statement shall contain all pricing information relative to the services as described in this RFP. The City is not responsible for expenses incurred in preparing and submitting the narrative proposal or the sealed fee proposal. Such costs shall not be included in the narrative proposal, but only in a separate sealed envelope.

6. SUBMITTAL INSTRUCTIONS

- 6.1. In lieu of a pre-proposal conference, the City will accept questions and/or comments in writing, received either by mail, facsimile or e-mail regarding this RFP as follows: Questions must reference the identifying RFP number and be addressed to the City of Wasilla, Attn: Purchasing Officer, 290 E. Herning Avenue, Wasilla, AK 99654 or emailed to adwyer@ci.wasilla.ak.us . The deadline for submitting questions is January 28, 2016, at 4:00 p.m., Alaska Standard Time. All questions and/or comments will be addressed in writing and posted electronically for prospective proposers by the close of business on February 3, 2016. Please provide company name, address, phone number, email address and contact person when submitting questions.
- 6.2. SUBMITTALS - Proposers shall submit one (1) original proposal marked "MASTER" and three (3) copies to:

City of Wasilla,
Attn: Purchasing Officer
290 E. Herning Avenue
Wasilla, AK 99654-7091

Proposals shall be clearly labeled in a sealed envelope or box as follows:

REQUEST FOR PROPOSAL NO.: 1228-0-2015/AG

PROPOSAL SUBMISSION DEADLINE: February 9, 2016 at 4:00 p.m.

FOR: Commercial Real Estate Services

- 6.3. RECEIPT - Proposals must be received at the above referenced address no later than 4:00 p.m., Alaska Daylight Savings Time. Proposals that do not arrive by the submission deadline WILL NOT BE ACCEPTED. Proposers may submit their proposal any time prior to the above stated deadline.
- 6.4. ERRORS - The City will not be held responsible for proposal envelopes mishandled as a result of the envelope not being properly prepared. Facsimile, e-mail or telephone proposals will NOT be considered. Proposals may be modified by facsimile, e-mail or written notice, provided such notice is received prior to the submission deadline. Proposers may transmit proposal modifications by facsimile or email at their own risk. The City will not be responsible for any error or failure in facsimile or email transmission or receipt.
- 6.5. DISCREPANCIES - If discrepancies are found between two or more copies of the proposal, the master copy will provide the basis for resolving such discrepancies. If one copy of the proposal is not clearly marked "MASTER," the City may reject the proposal. However, the City may at its sole option, select one copy to be used as the master.
- 6.6. FORMAT - For ease of evaluation, the proposal should be presented in a format that corresponds to the sections outlined within the RFP, and should be presented in the same order. Responses to each section and subsection should be labeled so as to indicate which item is being addressed.
- 6.7. SIGNATURE - The proposal must be signed by the proposed real estate broker.
- 6.8. CITY CONTACT - For purposes of addressing questions concerning this RFP, the sole contact will be the Purchasing Officer. Upon issuance of this RFP, other employees and representatives of the agencies identified in the RFP will not answer questions or otherwise discuss the contents of this RFP with any prospective companies or their representatives.
- 6.9. RESPONSE - The Purchasing Officer shall respond in writing to each written review request, and where appropriate, issue all revisions, substitutions or clarifications through a written amendment to the RFP.
- 6.10. CHANGES - If a proposer changes any material RFP language, proposer's response may be deemed non-responsive.
- 6.11. SUBMITTAL REQUIREMENT - Proposals shall be submitted in two (2) distinct parts - the narrative proposal and the cost proposal. **The narrative proposal must not include cost and pricing information.** While Narrative and Cost proposals may be submitted together (i.e., in the same box/envelope), each proposal, inclusive of the master and requisite number of copies, must be bound or packaged separately from the sealed cost proposal.

7. PROPOSAL EVALUATION AND AWARD PROCESS

- 7.1. Proposals shall be consistently evaluated and scored on a 100 point scale in accordance with WMC 5.08.120 based upon the following criteria listed:
 - 7.1.1. **Professional Qualifications – 25 points**
Identify the number of years providing commercial real estate services in Alaska for the proposed broker or team of brokers, and examples of similar properties brokered with references. Provide any other information demonstrating professional qualifications of the broker or team of brokers.
 - 7.1.2. **Approach – 25 points**
Identify the approach that will be used in selling the property and your opinion of the current market conditions.
 - 7.1.3. **Fee Structure – 50 points**
Earned points are pro-rated based on the proposed fee in relation to the lowest fee proposed as follows: (lowest fee)(50 points)/(proposed fee)

Proposals shall be kept confidential until a contract is awarded.

- 7.2. An evaluation committee will be used that may contact the references provided; contact any proposer to clarify any response; contact any current users of a proposer's services; solicit information from any available source concerning any aspect of a proposal; and seek and review any other information deemed pertinent to the evaluation process. The evaluation committee shall not be obligated to accept the lowest priced proposal, but shall make a recommendation of award to the city council that is in the best interests of the City of Wasilla WMC 5.08.020 and 5.08.120.
- 7.3. Each proposal must include a complete disclosure of any alleged significant prior or ongoing contract failures, contract breaches, any civil or criminal litigation or investigations pending which involves the proposer or in which the proposer has been judged guilty or liable. Failure to comply with the terms of this provision may disqualify any proposal. The City reserves the right to reject any proposal based upon the proposer's prior history with the City or with any other party, which documents, without limitation, unsatisfactory performance, adversarial or contentious demeanor, significant failure(s) to meet contract milestones or other contractual failures per WMC 5.08.160.
- 7.4. Clarification may, at the City's sole option, be conducted with any proposer determined to be acceptable and competitive per WMC 5.08.120. Proposers shall be accorded fair and equal treatment with respect to any opportunity. There shall be no disclosure of any information derived from competing proposals.
- 7.5. A Notification of Intent to Award shall be issued in accordance with WMC 5.08.120 and 5.08.160. Any award is contingent upon the successful negotiation of final contract terms and upon approval of the Mayor and/or City Council. Negotiations shall be confidential and not subject to disclosure to competing proposers unless and until an agreement is reached. If contract negotiations cannot be concluded successfully, the City, upon written notice to all proposers, may negotiate a contract with the next highest scoring proposal or withdraw the RFP.

City of Wasilla
 RFP Scoring Sheet
 RFP No.1228-0-2015/AG
 Commerical Real Estate Services
 Due: February 9, 2016 @ 4pm

Proposals received from:

	Lee Realty	Jack White Commercial	SSS Commerical
1 Proposal received on time?	YES	YES	YES
2 Is there 1 original proposal marked "MASTER"?	YES	YES	YES
3 Is there 3 identical copies?	YES	YES	YES
4 Is the Cost Proposal separate from Narrative Proposal?	YES	YES	YES
5 Is the cover page completed and signed?	YES	YES	YES
6 Is Attachment A completed and signed?	YES	YES	YES

Scoring:

1 Professional Qualifications (25 points)

	Lee Realty	Jack White Commercial	SSS Commerical
Evaluator 1	18	24	20
Evaluator 2	10	25	18
Evaluator 3	18	25	12
AVERAGE	15	25	17

2 Approach (25 points)

Evaluator 1	15	25	23
Evaluator 2	15	20	25
Evaluator 3	17	23	17
AVERAGE	16	23	22
Total of all Scores Without Cost:	31	48	38

3 Cost (50 points)

The lowest total cost is assigned 50 points.

The fee points are awarded based on the following formula. $\text{Lowest Sum Proposal} / \text{Proposer's Sum Proposal} \times 50 \text{ points} = \text{Fee Proposal Points}$

	42	50	36
Total of all Scores With Cost:	73	98	74