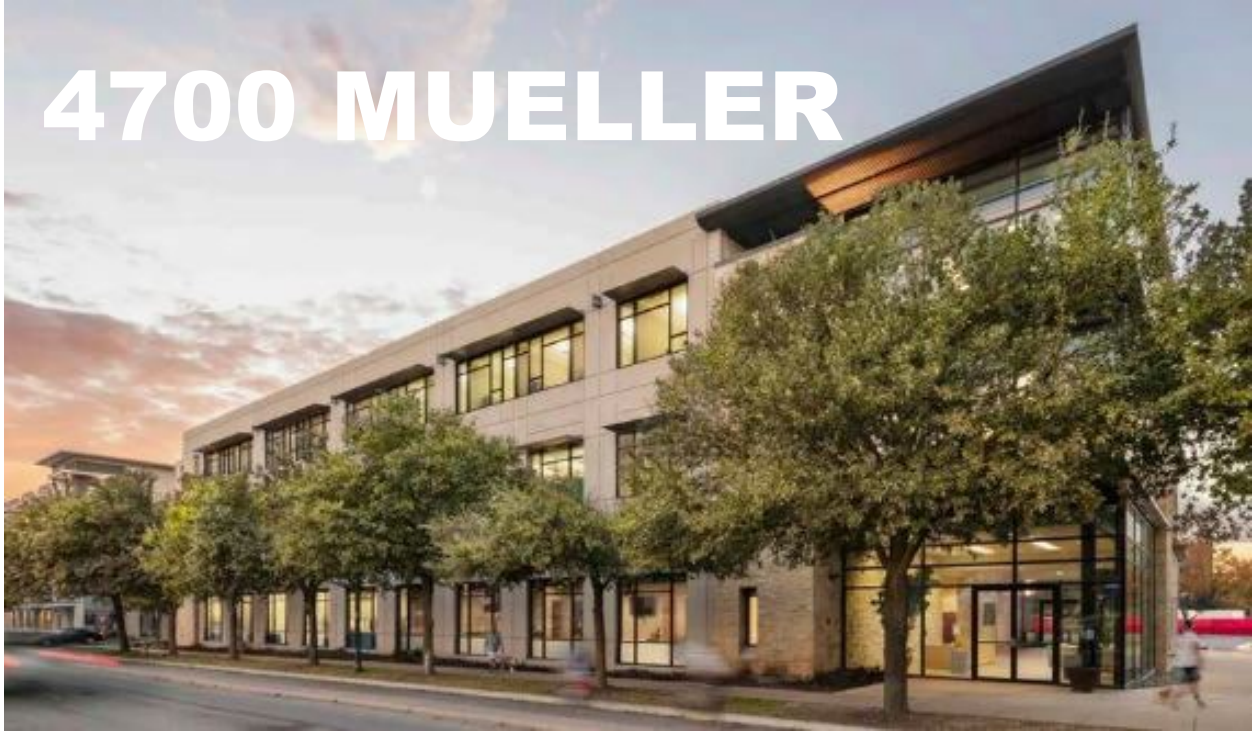


4700 MUELLER



Commercial Real Estate Services

Request for Proposal



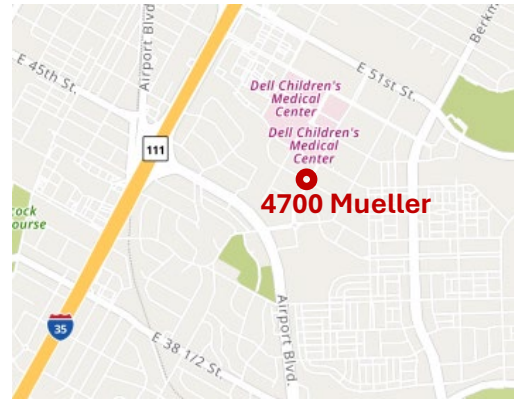
City of Austin Employees Retirement System (COAERS)

Issue Date: September 23, 2024

Response Deadline: October 11, 2024

About 4700 Mueller

4700 Mueller Boulevard (“4700” or “premises”) is a 49,000 square foot commercial office building with a surface parking lot and green space all totaling 1.91 acres in the Mueller Community, inside the limits of the City of Austin, and Travis County, Texas. The site is on the west side of Mueller Boulevard, south side of Philomena Street, and the north side of Robert Browning Street in the Mueller Planned Unit Development (PUD). 4700 is owned by the City of Austin Employees Retirement System (COAERS), a public pension plan governed by an eleven-member Board of Trustees. COAERS manages \$3.5 billion for the benefit of current and former City of Austin employees. While an institutional investor, 4700 Muller is not just an investment for COAERS, but serves as the organization’s headquarters and center for our Trustees, staff, and customers. It is very important that the firms responding to this Proposal understand this owner/occupier approach and respond accordingly.



The premises is comprised of the following:

Floor 1

- COAERS – owner with approximately 30 staff members onsite occupying approximately 13,500 square feet.
- Lobby – 1,870 square feet.
- Two restrooms.
- Utility/Building controls room.
- Two shower rooms.

Floor 2

- One commercial tenant with approximately 36 staff members occupying approximately 12,500 square feet.
- One commercial tenant with approximately 7 staff members occupying approximately 3,700 square feet. Operating expense cap of 7% annually.
- Two restrooms.

Floor 3

- One commercial tenant with 97 staff members occupying approximately 17,000 square feet. Operating expense cap of 5% annually.
- Two restrooms.

Parking Lot

- COAERS maintains a 38,000 square foot surface parking lot with approximately 100 parking spaces most of which are reserved for tenants and building guests. Asphalt surface with striping and lettering.

Green Space

- COAERS owns and maintains 13,000 square feet of green space in the northwest corner of the lot. The space features crushed granite walking paths, grass, and trees with some outdoor seating.

Site Specifications

The 4700 site has been developed as a three-story office building built in 2006, with associated surface parking lot, and green space. Electric service in the area is available from **Austin Energy**.

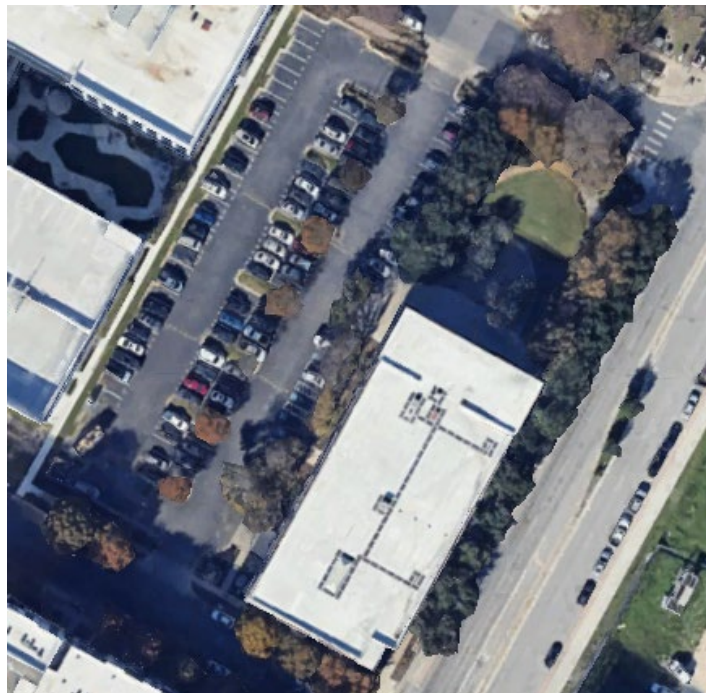
The building is served by Austin Energy's Mueller area district chilled water loop. The heat exchanger room accessed from the building exterior houses two primary heat exchangers, and associated pumps and controls. The room also houses a domestic water heater and circulating pump. There are two pumps that are fully redundant – each pump is capable of providing the full chilled water flow of 290 GPM (for both heat exchangers).

The first floor is served by a central air handling unit, ductwork, and fan-powered VAV boxes. Outside air is delivered to the room via a variable air volume box connected to an outside air riser up to an intake hood on roof level.

The building is provided with a 3" domestic cold-water service, a 6" sanitary sewer service, and a 6" fire water service. The building also has multiple storm water connections to the site storm drain.

The building is provided with a single base building 85-gallon domestic water heater. Two showers are located on Floor 1. The building is served by a hot water circulating pump to distribute hot water flow and reduce the time of water flow prior to adequate temperature.

The **City of Austin Water Utility (AWU)** is the water and wastewater provider for the site. Existing wastewater utilities include an 8-inch PVC wastewater line in Robert Browning Street from which connections have been made to the site.



Elevator service is provided by one elevator reaching all floors installed and maintained by **KONE**.

AT&T and Spectrum currently provide telecommunications services to the building and occupants.

Key Vendors

Below is a list of key vendors currently in use performing services for 4700. COAERS is only providing this information as context for Respondent's proposal. Respondent may wish to use additional or alternative vendors to maintain 4700.

Building Access/Security/Surveillance	Kastle Systems
Electricity	Austin Energy
Water	Austin Water
Janitorial	ABM
Waste Management	Waste Connections Lonestar Inc
Landscaping	PS Landscapes
Indoor Plants	Natura
Parking Lot Cleaning	Moore Clean LLC
Window Cleaning	ECS of Texas
HVAC	Trane/Coastline LTD
Plumbing /Supplies	Ferguson Enterprises
Fire Suppression/Fire Life Safety	Firetrol
Elevator	KONE
Pest Control	Versacor
Internet/Telephony	AT&T primary with Spectrum back up
Locks/Locksmith	Cothrons Safe & Lock
Signage	Griffects
Window Sealant	Western Specialty
Roofers	Texas 5th Wall Roofing Systems
AED/Life Saving Equipment	AED 123
Tile/Concrete	Rasa Floors
Painting - Parking Lot	Under Pressure Property Works
Lighting/Controls	Legacy Lighting

Key COAERS Staff

COAERS dedicates three on-site staff members to the oversight of 4700 and can be available for the Respondent during the relationship. They are as follows:

1. Relationship Contact: Russell Nash, Deputy Executive Director
2. Operations Contact: Michelle Mahaini, Senior Services Officer
3. Accounting Contact: Yun Quintanilla, Chief Financial Officer

Requirements

Property Management - Request for Proposal



Requirements

COAERS understands that many commercial real estate services firms offer a variety of services, however, the only services we are requesting in this solicitation are as follows: property management, accounting, and maintenance (engineering) as outlined in the requirements below. Do not provide a response which includes services or pricing for project management, marketing, or construction management.

Requirements – Property Management, Accounting, and Maintenance (Engineering)

1. Property Management. Manage the building and its systems at 4700, the green space, the surface parking lot, and implement the decisions of COAERS with respect to the premises performing the work needed to properly maintain the premises in good working order consistent with industry standards including, but not limited to, the following services:
 - a. Provide a Property Manager(s) located in the Austin Metro area to oversee the management of 4700 and conduct tenant relations duties,
 - b. Select and supervise vendors,
 - c. Administer leases and enforce tenant leasehold obligations,
 - d. Provide annual Common Area Maintenance (CAM) statements to the tenants no later than March 31 of each year,
 - e. Monitor required insurance that should be in-force for tenants and vendors,
 - f. Provide an online work order system to receive tenant work order requests,
 - g. Address emergencies within 30 minutes, address non-emergencies within 48 hours,
 - h. Provide property inspections,
 - i. Handle all tenant relations and coordinate tenant events,
 - j. Prepare and serve notices upon direction from COAERS,
 - k. Periodically review existing building rules and regulations and present recommendations to COAERS to modify existing rules and regulations as deemed appropriate, and
 - l. Meet with COAERS staff weekly to provide premises and tenant updates.

2. Accounting. Provide comprehensive accounting services and maintain separate books and records for the premises in a property management accounting system, ensuring all transactions are supported by proper documentation and conduct accounting on a modified accrual basis, in accordance with Generally Accepted Accounting Principles. The respondent will have access to a dedicated COAERS-established bank account. Accounting services will also include, but are not limited to, the following:
 - a. Collect rent payments and other receivables,
 - b. Follow-up on accounts receivable – bill late fees as appropriate and approved by COAERS,
 - c. Calculate operating expense estimates for each tenant and collect monthly operating expense reimbursement,
 - d. Determine annual Common Area Maintenance (CAM) charge reconciliations so they can be delivered to tenants by March 31,
 - e. Use a standard chart of accounts,
 - f. Establish and maintain relationships with vendors providing property services,
 - g. Review and approve vendor invoices for payment, ensure timely remittance,

- h. Manage bank account and reconcile balances,
 - i. Pay all real property, ad valorem taxes, and assessments. Oversee property tax appeals when necessary,
 - j. File Federal and State tax forms when applicable, ensure compliance with applicable tax laws and regulations,
 - k. Prior to the fifteenth (15th) calendar day after the preceding month end, prepare monthly financial reports including operating statements, accounts receivables/aging report, rent roll, tenant lease/security deposit ledger, payment register, expense distribution, and variance reports. Report should be customizable.
 - l. Prepare monthly narrative regarding property operations, financial results, variance analysis, delinquencies, and other relevant matters,
 - m. Implement appropriate controls to safeguard COAERS' assets, prevent errors, and detect fraudulent activity,
 - n. Compile information for auditors on behalf of COAERS,
 - o. Allow for COAERS and/or an independent audit firm selected by COAERS to audit the books and records maintained for COAERS,
 - p. Prepare and present an operating and capital budget for COAERS no later than October 30th of each year, along with a mid-year reforecast,
 - q. Monitor cash flow to ensure sufficient funds for operations and potential emergencies, and
 - r. Analyze property expenses and performance to identify areas for improvement and cost-saving opportunities.
3. Maintenance (Engineering). Initiate and supervise all repairs and alterations on or about the premises, including repairs or alterations that COAERS is required to make pursuant to the terms of the leases and the administration of a preventative maintenance program for all mechanical, electrical and plumbing systems and equipment. Maintenance (Engineering) services will also include, but are not limited to, the following:
- a. Provide an Engineer(s) located in the Austin Metro area to perform or coordinate all maintenance work,
 - b. Undertake and supervise all maintenance for the premises including janitorial; window washing/maintenance; metal and masonry maintenance; security and surveillance; landscaping; HVAC systems; electrical; plumbing; preventative maintenance; and any other maintenance and repair activity to ensure normal operation of the premises for COAERS and the Lessees,
 - c. Arrange for vendors to perform maintenance (engineering) work for the premises, ensuring vendors acquire necessary insurance and perform work in accordance with industry standards,
 - d. Provide periodic comprehensive inspections for the premises,
 - e. Provide timely communication to COAERS and tenants regarding building issues (disruptions, outages, maintenance, safety, etc.),
 - f. Address emergencies within 30 minutes, address non-emergencies within 48 hours, and
 - g. Perform all work in accordance with OSHA standards and all other applicable laws.
4. General Requirements. Use commercially reasonable efforts in the management and operation of the premises and to comply with such instructions and policies as may be reasonably requested by COAERS.

- a. For the personnel assigned to 4700, provide all personnel costs, equipment, tools, phones, communication devices, materials, vehicles, supervision, and other items and services necessary to perform all services, tasks, and functions the parties agreed to perform.
- b. Use reasonable efforts to cause the premises to comply with any and all laws, ordinances, rules and regulations affecting the premises.
- c. Manage the premises as if all persons on the property are “invitees.” Notify COAERS of any known defects, or violations of any federal, state or municipal or other governmental law, ordinance, rule or regulation due to the structure or condition of the premises or the use made thereof by any Lessee, occupant or employee.
- d. Have in full force and effect the insurance coverage below during all terms of the relationship:
 - i. Commercial General Liability: \$2M per occurrence, \$2M aggregate,
 - ii. Automobile Liability: \$1M per occurrence, \$2M aggregate,
 - iii. Workers Compensation: \$1M per occurrence, \$1M aggregate,
 - iv. Professional Liability (Errors & Omissions): \$2M per occurrence, \$3M aggregate, and
 - v. Umbrella Liability: \$8M per occurrence, \$8M aggregate.

COAERS Contractual Requirements

5. Term. Respondent must agree to a one-year contract term beginning February 28, 2025 and ending February 28, 2026 at a minimum. Fee proposals for multiple years will also be entertained.
6. Termination. Respondent must agree to a termination clause to allow both parties to terminate the relationship at any time for any reason upon sixty (60) days’ notice to the other party.
7. Confidentiality/Open Records. Respondent must agree to the following language in all material respects:

Notwithstanding any provisions of this Contract to the contrary, Contractor understands that COAERS will comply with the Texas Public Information Act, Government Code, Chapter 552 as interpreted by judicial opinions and opinions of the Attorney General of the State of Texas. COAERS agrees to notify Contractor in writing within a reasonable time from receipt of a request for information related to Contractor’s work under this contract. Contractor will cooperate with COAERS in the production of documents responsive to the request. COAERS will make a determination whether to submit a Public Information Act request to the Attorney General. Contractor will notify COAERS General Counsel within twenty-four (24) hours of receipt of any third-party requests for information that was provided by the State of Texas for use in performing the Contract. This Contract and all data and other information generated or otherwise obtained in its performance may be subject to the Texas Public Information Act.

8. Indemnification. Respondent must agree to the following language in all material respects:

Contractor shall defend, indemnify, and hold harmless COAERS, its officers, and employees, and COAERS, its officers, and employees and contractors, completely from and against all claims, actions, suits, demands, proceedings, costs, damages, and liabilities, including without limitation attorneys' fees and court costs, arising out of, connected with, or resulting from any acts or omissions of contractor or any agent, employee, subcontractor, supplier, or service provider of contractor in the execution or performance of this contract. This paragraph is not intended to and shall not be construed to require contractor to indemnify or hold harmless COAERS for any claims or liabilities resulting from the negligent acts or omissions of COAERS or its employees.

COAERS can only agree to indemnify Contractor to the extent provided by law.

9. **Applicable Law and Venue.** Respondent must agree to the following language in all material respects:

This Contract shall be governed by and construed in accordance with the laws of the State of Texas, without regard for its conflict of laws provisions. The venue of any suit arising under this Contract is fixed in any court of competent jurisdiction of Travis County, Texas.

10. **No Waiver of Sovereign Immunity.** Respondent must agree to the following language in all material respects:

Nothing in this Contract shall be construed as a waiver of the sovereign immunity afforded an organization created by Texas state statute. This Contract shall not constitute or be construed as a waiver of any of the privileges, rights, defenses, remedies, or immunities available to COAERS. The failure to enforce, or any delay in the enforcement, of any privileges, rights, defenses, remedies, or immunities available to COAERS under this Contract or under applicable law shall not constitute a waiver of such privileges, rights, defenses, remedies, or immunities or be considered as a basis for estoppel. COAERS does not waive any privileges, rights, defenses, or immunities available to COAERS by entering into this Contract or by its conduct prior to or subsequent to entering into this Contract.

11. **Right to Audit.** Respondent must agree to the following language in all material respects:

COAERS or its representative may conduct examinations upon 60-days' notice of the books and records maintained by Contractor including any testing relating to the Respondent's activities with respect to 4700. All expenses incurred for these examinations will be the responsibility of COAERS. Should COAERS discover any weaknesses in controls or errors in recordkeeping, Respondent will correct such discrepancies within 60 days.

How to Respond

Property Management - Request for Proposal



How to Respond

Deadline

The deadline for COAERS receipt of proposals is **5:00 PM Central Time, October 11, 2024**.

Submission

Proposals will be submitted as **one Adobe pdf document** submitted to **rfp@coaers.org**.

Proposal Format

Proposal material shall be formatted in the following order:

- **Section One**
 1. Cover sheet formatted as Respondent chooses.
 2. Table of Contents
 3. Respondent's point of contact including name, title, phone number, address, and email address.
 4. Description of your company - include current clients/properties, years in business, financial condition or financial statements if available.
- **Section Two**
 1. Fee information.
- **Section Three**
 1. Resumes and professional biographies for personnel assigned to 4700.
 2. Answers to the Respondent's Questionnaire (below).
 3. Client references with contact information.
 4. Review all the items (numbered 1 through 11) in the COAERS Requirements section then provide your response either confirming your acceptance, providing a revision, or seeking an exception to the requirement.
 5. Respondent's standard contract
- **Section Four**
 1. Detailed implementation plan with timeline to onboard COAERS as a client including specific tasks and deliverables for COAERS.
- **Section Five**
 1. Other materials as Respondent wishes.

Questions

Questions about this Request for Proposal can be submitted via email to **rfp@coaers.org** until 5:00 PM Central Time, October 2, 2024.

Respondent's Questionnaire

1. Describe your approach to this relationship, discussing your organization's plan for providing the services described in the Requirements section.
2. Detail the people assigned to COAERS providing the following information at a minimum:
 - a. Provide the experience and credentials of the team assigned to COAERS for the contract term,

- b. Disclose the amount of time each team member will dedicate to 4700 relative to other clients,
 - c. Provide the geographic location of the team members assigned to COAERS, and
 - d. Describe your approach to changing the team members assigned to COAERS.
- 3. Describe in detail all the technology you propose for tenant work orders, accounting and financial reporting, and maintenance.
- 4. Describe your process to produce accurate monthly financial reporting no later than 15 calendar days after the end of the previous month. Your answer should include a description of your internal quality/accuracy process.
- 5. Describe your ability to generate accurate CAM reconciliations for the three tenants at 4700 and deliver CAM reconciliation statements to the tenants no later than March 31 of each year.
- 6. Describe your process to promptly pay correct invoices from service providers on a weekly payment cycle.
- 7. Describe your program of risk management addressing topics such as business continuity, fraud prevention, accuracy in financial reporting, and cybersecurity measures.
- 8. Review the Key Vendors COAERS currently uses to manage 4700 and discuss the vendors your organization would use to manage the property.
- 9. Describe your process to evaluate, select, and terminate service providers.
- 10. Describe your response times for emergency issues. Do you guarantee a certain response time?
- 11. Describe your response times for non-emergency issues. Do you guarantee a certain response time?
- 12. Describe what penalties/concession your organization is willing to make if your actual service levels don't meet COAERS' requirements?
- 13. Detail the steps to implementing your property management solution for 4700 if you are awarded this contract. Include the tasks and responsibilities for COAERS. Set the target date for implementation to be complete as of March 3, 2025.

Evaluation Criteria

A contract award will be made based upon the best value for COAERS. To determine the best value, COAERS will consider all factors. Some examples follow:

- 1. Fee.
 - a. Provide pricing for one contract term from February 28, 2025 through February 28, 2026 at a minimum. Fee proposals for multiple years will also be entertained.
 - b. Your fee will be inclusive of every cost associated with providing the services proposed (e.g. Personnel costs, software costs, expenses, etc.)
 - c. COAERS will evaluate your fees as follows:
 - i. Acceptable but Minimum Value: A percentage of revenue with a cap.
 - ii. Favorable: A fixed annual fee. No percentage of revenue component.
 - iii. Very Favorable: A fixed annual fee below \$145,000 (the lower the more favorable). No percentage of revenue component.
- 2. Acceptance of the items in the Requirements section contained herein.
- 3. Quantity, experience, and professional designations of the property management personnel assigned to this account. COAERS prefers staff who are experienced and located in the Austin Metro area.
- 4. Quantity, experience, and professional designations of the accounting personnel assigned to this account. COAERS prefers staff with CPA designations and personnel who are employees of the property management company not outsourced.

5. Quantity, experience, and professional training of the Maintenance (Engineering) personnel assigned to this account. COAERS prefers personnel who are employees of the property management company not outsourced. Also, COAERS prefers engineers who are obviously proficient in the mechanical aspects of building systems but who **also demonstrate knowledge of the technological aspects of these systems.**
6. Time commitment of personnel relative to their other clients.
7. Technology for tenant work orders and accounting.
8. Demonstration of your process to produce accurate monthly and annual financial reporting no later than 15 calendar days after the end of the previous month.
9. Demonstration of your ability to generate accurate CAM reconciliations for the three tenants at 4700 and deliver CAM reconciliation statements to the tenants no later than March 31 of each year.
10. Demonstration of your process to evaluate, select, and terminate service providers.
11. Demonstration of your process to promptly pay correct invoices from service providers on a weekly payment cycle.
12. Response times for emergency issues and the guarantees you propose.
13. Response times for non-emergency issues and the guarantees you propose.
14. Approach to maintenance and proper building upkeep.
15. Implementation plan.

Site Visits

Voluntary site visits to 4700 can be arranged for prospective bidders by request via email to rfp@coaers.org. Site visits will be accommodated based upon COAERS staff availability.

Inquiries

Inquiries about this Request for Proposal shall be directed only to Russell Nash, Deputy Executive Director at russell.nash@coaers.org. Respondents to this Request for Proposal shall not contact COAERS Trustees or other Staff about this solicitation unless specified herein or the communication is part of a public meeting; exclusively social and do not involve COAERS or COAERS business; or as part of an existing business relationship unrelated to COAERS.

RFP Terms and Conditions

1. All notices and communications from COAERS will be sent via email to the Respondent's point of contact identified in Respondent's proposal.
2. COAERS may reject any proposal for any reason.
3. COAERS reserves the right to cancel the procurement at any time.
4. COAERS reserves the right to waive any irregularities or non-material errors contained in a proposal.
5. COAERS can amend this RFP at any time at its discretion.
6. During the evaluation, a COAERS representative may contact Respondent and ask for follow-up questions and/or clarifications to Respondent's proposal. To be eligible for a contract award, Respondent must respond to such requests within the time and manner specified in the request.
7. COAERS may, at its discretion, elect to have Respondents provide presentations or meet to discuss their proposals and respond to questions. Presentations may be conducted virtually at COAERS' discretion. In the alternative, COAERS may ask Respondents to travel to Austin, Texas to conduct the presentation. Travel expenses will be the responsibility of the Respondent.
8. COAERS may, at its discretion, elect to visit the offices or current properties managed by

- the Respondents. Travel for the COAERS staff will be at COAERS' expense.
9. Proposals received shall constitute an offer until a selection is made by COAERS.
 10. COAERS can award a contract upon a Respondent's proposal either in whole or in part.
 11. Proposals received become the property of COAERS.