

STATE OF ALASKA REQUEST FOR PROPOSALS (RFP)



RFP 2023 1000 0167

PROPERTY MANAGEMENT SERVICES FOR TRUST LAND OFFICE

ISSUED FEBRUARY 28, 2023

THE DEPARTMENT OF NATURAL RESOURCES, TRUST LAND OFFICE, IS SOLICITING COMPETITIVE PROPOSALS FOR A QUALIFIED CONTRACTOR TO PROVIDE PROPERTY MANAGEMENT SERVICES FOR THE TRUST LAND OFFICE'S ASSETS AS SPECIFIED WITHIN THIS RFP

ISSUED BY:

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF SUPPORT SERVICES

PRIMARY CONTACT:

SHAWN M. OLSEN

PROCUREMENT OFFICER

SHAWN.OLSEN@ALASKA.GOV

1 (907) 269-8687

OFFERORS ARE NOT REQUIRED TO RETURN THIS FORM.

IMPORTANT NOTICE: IF YOU RECEIVED THIS SOLICITATION FROM THE STATE OF ALASKA'S "ONLINE PUBLIC NOTICE" WEB SITE, YOU MUST REGISTER WITH THE PROCUREMENT OFFICER LISTED IN THIS DOCUMENT TO RECEIVE NOTIFICATION OF SUBSEQUENT AMENDMENTS. FAILURE TO CONTACT THE PROCUREMENT OFFICER MAY RESULT IN THE REJECTION OF YOUR OFFER.

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SECTION 1. INTRODUCTION & INSTRUCTIONS

SEC. 1.01 PURPOSE OF THE RFP

The Department of Natural Resources (DNR), Mental Health Trust Land Office, is soliciting competitive proposals for a qualified contractor to provide property management services for assets owned by the Trust Land Office. A more detailed description including the Scope of Work can be found in Section 3 of this RFP.

SEC. 1.02 BUDGET

There is no budget allocated for property management services. The TLO expects all property management fees will be paid through the revenue generated from its investment properties.

SEC. 1.03 DEADLINE FOR RECEIPT OF PROPOSALS

Proposals must be received no later than **2:00 PM** Alaska Time on **March 22, 2023**. Late proposals or amendments will be disqualified and not opened or accepted for evaluation.

SEC. 1.04 PRIOR EXPERIENCE

Offerors must provide detailed discussion in their proposal of experience and specifically state how the firm meets these qualifications:

- Offerors must have provided commercial property management services for a minimum of three professional office buildings of 30,000 sf. or more with a minimum of five years' experience, in the last five years.
- Offerors must have provided commercial property management services for a minimum of three retail buildings of 50,000 sf. Or more with a minimum of five years' experience, in the last five years.
- Offerors must have provided commercial leasing services for a minimum of five years and have successfully leased a minimum of 50,000 sf. on average per year.
- Offerors must have a Certified Public Accountant (CPA) on their staff who actively oversees the Financial Process.
- Offeror must have sufficient accounting staff with knowledge of commercial real estate accounting practices and be familiar with GAAP and GASB requirements.
- Offerors must be familiar with Yardi and work within the Trust-owned system.
- Offerors must have construction management experience with a minimum of five projects of at least \$350,000 in the last three years.
- Offerors must have a minimum of five years of experience working with government properties.
- Offerors must have a Property Manager on their staff to assign responsibility for the account.
- Offeror must have the ability to site visit Fairbanks assets a minimum of once a month.

- Offerors must have and must clearly articulate within their Technical Proposal a minimum of five years' experience managing commercial property. Additional information on required experience can be found in Section 3 of this RFP.
- Offerors meeting these requirements must check the box on Attachment 2 Application Form.

Offerors need to identify in their proposal how they meet the minimum qualifications listed above. An offeror's failure to meet these minimum prior experience requirements will cause their proposal to be considered non-responsive and rejected.

SEC. 1.05 REQUIRED REVIEW

Offerors should carefully review this solicitation for defects and questionable or objectionable material. Comments concerning defects and questionable or objectionable material should be made in writing and received by the procurement officer at least 10 days before the deadline for receipt of proposals. This will allow time for the issuance of any necessary amendments. It will also help prevent the opening of a defective proposal and exposure of offeror's proposals upon which award could not be made.

SEC. 1.06 QUESTIONS PRIOR TO DEADLINE FOR RECEIPT OF PROPOSALS

All questions must be in writing and directed to the procurement officer. The interested party must confirm telephone conversations in writing.

Two types of questions generally arise. One may be answered by directing the questioner to a specific section of the RFP. These questions may be answered over the telephone. Other questions may be more complex and may require a written amendment to the RFP. The procurement officer will make that decision.

Deadline to receive questions is **March 13, 2023**, by 2:00 PM Alaska Time.

Procurement officer: [SHAWN M. OLSEN](#); – PHONE: 1 (907) 269–8687; TDD/TTY: 711 (Alaska Relay);

Email: shawn.olsen@alaska.gov

SEC. 1.07 RETURN INSTRUCTIONS

If submitting a proposal via email, the technical proposal and cost proposal must be saved as separate PDF documents and emailed to shawn.olsen@alaska.gov as separate, clearly labeled attachments, such as "Vendor A – Technical Proposal.pdf" and "Vendor A – Cost Proposal.pdf" (Vendor A is the name of the offeror). The email must contain the RFP number in the subject line.

The **maximum** size of a single email (including all text and attachments) that can be received by the State is **20mb (megabytes)**. If the email containing the proposal exceeds this size, the proposal must be sent in multiple emails that are each less than 20 megabytes and each email must comply with the requirements described above.

Please note that email transmission is not instantaneous. Similar to sending a hard copy proposal, if you are emailing your proposal, the State recommends sending it enough ahead of time to ensure the email is delivered by the deadline for receipt of proposals.

If submitting proposals using U.S. mail, or delivery service, offerors must submit one hard copy of their proposal, in writing, to the procurement officer in a sealed package. The cost proposal included with the package must be sealed separately from the rest of the proposal and must be clearly identified. The sealed proposal package(s) must be addressed as follows:

Department of Natural Resources
Alaska Mental Health Trust Land Office
Attention: **SHAWN M. OLSEN**
Request for Proposal (RFP) Number: 2023 1000 0167
RFP Title: Property Management Services for the Trust Land Office
550 West 7th Avenue, Suite 1330
Anchorage, Alaska 99501

It is the offeror's responsibility to contact the issuing agency at **1 (907) 269-8687** to confirm that the proposal has been received. The State is not responsible for unreadable, corrupt, or missing attachments.

SEC. 1.08 ENROLLMENT IN IRIS

Offerors will be required to be enrolled in the State of Alaska's Integrated Resource Information System (IRIS) database prior to award of a contract resulting from this RFP. Enrollment can be done online at the following link: <https://iris-vss.alaska.gov/webapp/PRDVSS1X1/AltSelfService>. Offerors who are not enrolled prior to award of a contract will be notified by DNR Procurement. Failure of an offeror to enroll in the IRIS database will delay award of the contract and may delay issuance of contract work.

SEC. 1.09 PROPOSAL CONTENTS

The following information must be included in all proposals.

(a) AUTHORIZED SIGNATURE

All proposals must be signed by an individual authorized to bind the offeror to the provisions of the RFP. Proposals must remain open and valid for at least 90-days from the date set as the deadline for receipt of proposals.

(b) OFFEROR'S CERTIFICATION

By signature on the proposal, offerors certify that they comply with the following:

- A. the laws of the State of Alaska;
- B. the applicable portion of the Federal Civil Rights Act of 1964;
- C. the Equal Employment Opportunity Act and the regulations issued thereunder by the federal government;
- D. the Americans with Disabilities Act of 1990 and the regulations issued thereunder by the federal government;
- E. all terms and conditions set out in this RFP;

- F. a condition that the proposal submitted was independently arrived at, without collusion, under penalty of perjury; and
- G. that the offers will remain open and valid for at least 90 days.

If any offeror fails to comply with [a] through [g] of this paragraph, the State reserves the right to disregard the proposal, terminate the contract, or consider the Contractor in default.

(c) VENDOR TAX ID

A valid Vendor Tax ID must be submitted to the issuing office with the proposal or within five days of the State's request.

(d) CONFLICT OF INTEREST

Each proposal shall include a statement indicating whether or not the firm or any individuals working on the contract has a possible conflict of interest (e.g., currently employed by the State of Alaska or formerly employed by the State of Alaska within the past two years) and, if so, the nature of that conflict. The procurement officer reserves the right to **consider a proposal non-responsive and reject it** or cancel the award if any interest disclosed from any source could either give the appearance of a conflict or cause speculation as to the objectivity of the contract to be performed by the offeror.

SEC. 1.10 ASSISTANCE TO OFFERORS WITH A DISABILITY

Offerors with a disability may receive accommodation regarding the means of communicating this RFP or participating in the procurement process. For more information, contact the procurement officer no later than 10 days prior to the deadline for receipt of proposals.

SEC. 1.11 AMENDMENTS TO PROPOSALS

Amendments to or withdrawals of proposals will only be allowed if acceptable requests are received prior to the deadline that is set for receipt of proposals. No amendments or withdrawals will be accepted after the deadline unless they are in response to the State's request in accordance with 2 AAC 12.290.

SEC. 1.12 AMENDMENTS TO THE RFP

If an amendment is issued, it will be provided to all who were notified of the RFP and to those who have registered with the procurement officer after receiving the RFP from the State of Alaska Online Public Notice website.

SEC. 1.13 RFP SCHEDULE

The RFP schedule set out herein represents the State of Alaska's best estimate of the schedule that will be followed. If a component of this schedule, such as the deadline for receipt of proposals, is delayed, the rest of the schedule may be shifted accordingly. All times are Alaska Time.

- Issue RFP – **February 28, 2023,**
- Deadline for Receipt of Question – **2:00 PM Alaska Time, March 13, 2023,**
- Deadline for Receipt of Proposals – **2:00 PM Alaska Time, March 22, 2023,**
- **ANTICIPATED** Proposal Evaluation Committee completes evaluation week of **April 03, 2023,**

- **ANTICIPATED** State of Alaska issues Notice of Intent to Award week of **April 03, 2023**,
- **ANTICIPATED** State of Alaska issues contract week of **April 17, 2023**,
- **ANTICIPATED** Contract start **May 01, 2023**.

This RFP does not, by itself, obligate the State. The State's obligation will commence when the contract is approved by the Commissioner of the Department of Natural Resources, or the Commissioner's designee. Upon written notice to the Contractor, the State may set a different starting date for the contract. The State will not be responsible for any work done by the Contractor, even work done in good faith, if it occurs prior to the contract start date set by the State.

SEC. 1.14 ALTERNATE PROPOSALS

Offerors may only submit one proposal for evaluation.

In accordance with 2 AAC 12.830 alternate proposals (proposals that offer something different than what is asked for) will be rejected.

SECTION 2. BACKGROUND INFORMATION

SEC. 2.01 BACKGROUND INFORMATION

The Alaska Mental Health Trust (The Trust) was created by Congress before statehood as a land trust from which income would be used to fund mental health services. The state breached its trust duty by mismanaging the land. The settlement of the resulting Mental Health Lands Trust lawsuit in 1994 created a Trust Authority consisting of seven Trustees. The Trust was reconstituted with \$200 million and nearly 1,000,000 acres of land. The Trust contracts with the Alaska Permanent Fund Corporation to manage its cash assets and the Trust Land Office (TLO) in the Department of Natural Resources to manage the land and other non-cash assets. The Trust's beneficiaries include Alaskans who are:

People with mental illness,

People with developmental disabilities,

People with chronic alcoholism, and other substance-related disorders,

People with Alzheimer's disease and related dementia, including people who have experienced a traumatic brain injury resulting in a permanently disabling condition.

The TLO is specifically responsible for managing the one million acres of land and other natural resources owned by The Trust. The TLO generates revenue by leasing and sales of land; real estate investment and development; commercial timber sales; mineral exploration and production; coal, oil, and gas exploration and development; and sand, gravel, and rock sales.

In addition to revenue generation, the TLO is charged with managing Trust lands prudently, and efficiently, and with accountability to The Trust and its beneficiaries.

The TLO carries out its stewardship role by managing and protecting the inherent value of The Trust's real property portfolio for today's development opportunities and into perpetuity. This is done by granting easements, selling land through competitive programs, and leasing land and buildings to generate revenues. Preservation responsibilities include evaluating and monitoring a long-term asset management strategy, restoration or reclamation projects, conservation easements, and trespass/access controls.

The Trustees are charged with overseeing the management of Trust assets as well as spending trust income to ensure the creation of a Comprehensive Integrated Mental Health Program to serve the beneficiaries.

It is important that all offerors understand The Trust's role in the public eye, that all activities of The Trust and its employees are subject to heightened scrutiny because of the millions of dollars spent by The Trustees every year and, that the assets of The Trust belong to the beneficiaries.

The Trust Fund management, earnings, and The Trust operations receive special non-beneficiary public interest and scrutiny because of the comprehensive integrated mental health programs supported by The Trust Fund and the impacts of Trust Land Management. The Trust recognizes that public accountability is an important obligation of our services.

The Trustees have approved the Trust Real Estate Management Strategy which is attached to this RFP.
Current Trust Asset Information:

- a) 2600 Cordova Drive Anchorage, AK 99503: +/-29,250 sq ft two-story commercial office building built on or about 1985 on a .86 acre site occupied by a variety of professional and medical tenants under full service leases.
- b) 3745 Community Park Loop Anchorage, AK 99508: +/- 22,400 sq ft two-story commercial office building built on or about 1986 on a 4.07 acre site occupied by a variety of nonprofit and government tenants under full service leases.
- c) 650 Yonker Court, Fairbanks, AK 99701: +/- 8,678 sq ft single story medical clinic building built on or about 2006 on 1.8 acres site occupied by nonprofit tribal health organization under a NNN lease.
- d) 2330 Nichols Street; Anchorage, AK 99508: +/- 25,566 sq ft single story office and warehouse building built on or about 1974 on a 3 acres site occupied by non-profit tenant under NNN lease.
- e) 1300 Moore Street, Fairbanks, AK 99709: +/- 6,532 sq ft single story medical/commercial building built on or about 1983 on an 8.544 acre site occupied by nonprofit tribal health organization under NNN lease. Land is shared with 1423 Peger Road.
- f) 1423 Peger Road, Fairbanks, AK 99709: 10,150 sq ft single-story medical building built on or about 1983 on an 8.544 acre site occupied by nonprofit community mental health organization under NNN lease. Land is shared with 1300 Moore Street.

SECTION 3. SCOPE OF WORK & CONTRACT INFORMATION

SEC. 3.01 SCOPE OF WORK

The TLO desires to engage the services of a qualified contractor to operate and maintain the Assets and provide property management services as described within this RFP.

Property Management, Leasing, and Construction Management services shall be for the purpose of maintaining value in the Assets consistent with the Owner's objectives. This will be achieved through the efficient balance of tenant and owner's relations, rent collection, payment of bills, financial budgeting, expense control, risk management, service contract management, and all other operational aspects of the Assets in compliance with the highest professional standards.

The Offeror should draft its proposal to meet the TLO's objectives for the Assets. It is the intent of the TLO to operate the Assets effectively and efficiently. Effectiveness includes the return on investment for the TLO, the safety of the tenants, the security of the building, and an environment that encourages work productivity.

The following list presents the TLO's principal objectives for the Assets:

- Operation of the Asset at its highest possible return on investment while maintaining quality service and performance levels.
- Maximum use of financial resources by strict control of operating and capital expenses.
- Provision of services that are responsive to the needs of all tenants and users of the Asset.
- Maintenance and operation of the Asset in a manner responsive to and in compliance with all applicable life/safety, environmental, and crisis management requirements or issues.
- Design and use of thoughtful, creative, and focused strategies to encourage a personal and community sense of caring and cooperation in relation to the Asset and its operational policies. This covers elements such as communications, training, and user relations.
- Development of policies and procedures that will cover duties of property management personnel as well as directions regarding control, management, and reporting of various emergency and maintenance events (such as a no-heat occurrence or active shooter occurrence).

SEC. 3.02 CONTRACT TERM AND WORK SCHEDULE

The length of the contract will be for from the date of award, approximately May 01, 2023, until completion, approximately April 30, 2028.

Unless otherwise provided in this RFP, the State and the successful offeror/Contractor agree: (1) that any extension of the contract excluding any exercised renewal options, will be considered as a month-to-month extension, and all other terms and conditions shall remain in full force and effect and (2) the procurement officer will provide written notice to the Contractor of the intent to cancel such month-to-month extension at least 30 days before the desired date of cancellation. A month-to-month extension may only be executed by the procurement officer via a written contract amendment.

SEC. 3.03 DELIVERABLES**(a) SPECIFIC SCOPE OF WORK AND DELIVERABLES:**

The following discussion describes the specific scope of work and deliverables to be performed by the Contractor. Offerors need to review all elements of this RFP to comprehend fully the proposed scope of work, deliverables, and the expected relationship between the parties.

(i) Asset Operations:

The Contractor shall provide for the following specific operation and maintenance services for the Asset. It is anticipated, but not required, that all or most of these services will be provided using subcontractors. Subject to approval by the TLO, the Contractor may also provide all or some of these services using its own employees. The Contractor shall provide supervision and contract administration for all personnel and subcontractors engaged in providing routine or periodic operation and maintenance service for the Asset. The costs of the services provided by the Contractor and its subcontractors shall be paid for by the TLO using processes outlined below in the next four paragraphs.

The Contractor is required to formally solicit competitive bids or proposals from qualified contractors for provisions of Asset Services, such as snow removal, janitorial, security, and all other services required for the operation of the building. Solicitations shall be in writing and in a format that is suitable for the commercial property management industry. Solicitation formats must be reviewed by the TLO prior to being used by the contractor.

At TLOs request, the contractor is required to provide a draft of each solicitation and a list of potential offerors. Potential offerors chosen by the Contractor to bid on services should be reviewed and references checked to verify they are capable and qualified prior to award. The solicitation should at a minimum include: scopes of work, terms, insurance requirements, length of service, special license requirements, bonding requirements, right of rejection, and the evaluation process. If needed, the contractor will hold an on-site Pre-Proposal Meeting for potential Bidders.

Upon receipt of competitive qualified bids, the contractor shall submit to the TLO, a written schedule (Bid Abstract) identifying the bids received, costs, and recommendations of the award. It is understood bids will be awarded to the lowest bidder unless Contractor has provided provision in the RFP to provide a basis of the award on other factors including cost such as experience.

It will be the responsibility of the Contractor to procure and administer similar contracts as required and/or requested by the TLO. The Contractor will be required to accept the assignment of all existing asset service contracts until current terms and/or options to extend have expired service contracts until current terms and/or options to extend have expired.

(ii) Annual Business Plan:

The Contractor shall prepare a draft annual business plan by March 1 of each year for review and approval by the TLO. A final annual business plan must be in place by April 1. The proposed Business Plan must include proposed annual operating and capital expenditure budgets for the subsequent state fiscal year relative to the Asset. The state fiscal year runs from July 1 to June 30. Plan and budget formats must be in a form approved by the TLO.

The annual operating budget must depict the Contractor's month-by-month estimate of projected revenues and expenses for the Asset and net operating cash for the Asset. The proposed annual capital budget must describe proposed needs for capital improvements, their projected costs, and the anticipated schedule of additional capital needs on a 10 year basis.

Included in each budget shall be the following sections:

1) Property Profile:

- a) Total RSF,
- b) Total occupied State RSF,
- c) Total occupied Private RSF,
- d) Percentage of occupancy by State & Private,
- e) Lease Expirations: RSF & Percentages in the next five years.

2) Leasing Plan:

- a) Current Market Overview,
- b) Current comparable with rates, sf. and terms,
- c) Project Leasing Activity:
 - i. Renewals: suite#, tenant name, date of expiration/commencement, projected rate, term, tenant improvement allowance, - Current Year,
 - ii. Expirations: suite#, tenant name, sf., total sf. by year, date of expiration – five year forecast.
- d) Future Rent Analysis: Identify: suite no., private tenant, lease dates, revenue for tenant for five years.

3) Monthly Budget Plan:

- a) List total revenue by month,
- b) List total expenses by month,
- c) List total capital expenses by month.

4) Fiscal Operating Budget:

- a) List detailed revenue by month and general ledger account number,
- b) List detailed expenses and capital by month and general ledger account number,
- c) Provide totals by month and GL account,
- d) Provide GL Account Description summary, detailing method of planned expenses.

5) Capital Budget:

- a) Provide a detailed written narrative of requirements and purpose of items,
- b) Provide five year forecast summary and a supported narrative.

6) Variance Analysis: Identify by GL account current year actuals vs. current budget year with comments.

Other components of the annual business plan will include the Contractor's plan for the provision of maintenance and repair services and performance of capital improvements, the schedule for all major maintenance and all inspections at the Asset, and new or innovative suggestions or proposals to save expense or increase revenues (which may allow payment of an incentive fee). Subject to reasonable notice, other periodic forecasting will also be needed as required by the TLO.

(iii) Financial Management & Accounting:

The Contractor shall provide full financial control, accountability and reporting of all property related expenses incurred by the Contractor. All or most expenses related to the annual operation of the Asset will be paid by the Contractor, although the TLO may elect to pay some costs directly. The Contractor shall provide an invoice management software package, tied in with the accounting software described below, that will house and reference all invoices paid by the property. The Contractor shall handle collection of all revenues (defined as "Gross Monthly Collections") due the TLO for use of the Asset.

Strict accountability is required for all receipts and disbursements related to the Asset. All accounting shall be done in accordance with generally accepted accounting principles and provided through expert level use of YARDI property management software. **The Contractor is required to use the Trust owned YARDI Voyager 7S with the budgeting module.** The TLO has stored data in YARDI for several years and will not convert data into another system. All annual accounting for the obligation of funds will be based on the State's fiscal year (July-June) and will make the adjustments necessary to be in compliance with the State's accounting practices and procedures. Diligence is required in collection of rents and fees and initiation of appropriate collection actions as necessary. The Contractor shall use a delinquency reporting system to monitor the timely receipt of all revenue. The Contractor's collection role shall be administrative and shall not extend to additional means such as use of collection agencies or legal proceedings unless directed otherwise. The TLO may negotiate with the Contractor to manage other TLO Assets not a part of this RFP within YARDI.

The Contractor shall provide to the TLO a monthly financial report no later than the 10th of each month, reflecting the status of each individual revenue and expenditure account, providing both monthly and cumulative totals in a format approved by the TLO. All accounting data shall be the property of the TLO, and shall be delivered in electronic format approved by the TLO. Included in the Monthly Financial Report will be the following items:

- 1) Balance Sheet,
- 2) Income Statement,
- 3) Statement of Cashflows,

- 4) Budget Comparison report,
- 5) Trial Balance,
- 6) Deposit Register,
- 7) Payment Summary,
- 8) Bank Reconciliation- Operating,
- 9) Bank Reconciliation- Security Deposit,
- 10) Cash Balance Summary,
- 11) AR Aging Detail,
- 12) Commercial Lease Deposits,
- 13) Rent roll,
- 14) General Ledger,
- 15) Journal Entry Register,
- 16) Receivable Summary,
- 17) Receivables Detail by charge code,
- 18) Management fee invoice/summary.

(iv) Year End Expenditure Adjustments:

The Contractor shall provide to the TLO by March 15th of each year a report identifying any additional proposed expenditure for the Asset. Adjustments will be considered for items that are not scheduled in the current year spending plan but have been identified by Asset Engineering and the Contractor as needed repairs and improvements. The report shall provide item descriptions, cost estimates or proposals and supporting documentation of the need for the work. Items will be reviewed and approved by the TLO, and work shall be completed within a timeframe dictated by the TLO.

(v) Tenant Lease Services:

The Contractor shall provide responsive tenant lease services and administration of tenant leases. "Tenant Lease Services" is defined, at a minimum, as responsive handling of routine, customary and special or unique problems, needs and issues relating to use of the Asset by all public and private occupants, including those relating to all maintenance and operation services and common area usage issues. The Contractor shall use a computerized system to track tenant lease service activities. The required response time for an initial response shall be same day whenever feasible, but not more than two business days from receipt of a request. The responsibilities under this Section are intended to cover routine lease administration. It does not include conducting extensive negotiations on the TLO's behalf or paying legal costs to prepare documents.

(vi) Tenant Services Plan:

The Contractor shall prepare a plan for the provision of Tenant Lease Services. The plan shall address at a minimum the means by which positive tenant relations will be fostered, the methods for measuring tenant satisfaction, the means and frequency of disseminating information that is useful or needed by Asset tenants.

(vii) Private Tenant Leases:

The Contractor shall familiarize themselves with the terms and conditions of the Asset's leases. The Contractor shall also be required to act as the TLO's agent for the sole purpose of providing administration of all private leases, which includes, but is not limited to, the adjusting of rents, interpreting language in the lease, tracking notice provisions and fulfilling notice requirements, processing renewals subject to the approval of the TLO, enforcing lease provision, serving and receiving notices (unless inconsistent with the lease terms), and all other matters related to the customary administration of tenant leases.

Tenant master lease files shall be maintained by the Contractor with a copy delivered to the TLO.

(viii) Routine Maintenance and Minor Tenant Improvement Management Services:

The Contractor shall provide scope development and management services for routine repairs, replacement and maintenance projects for the Asset. This includes monitoring work performance and executing and delivering such contractors and agreements as may be needed to accomplish these activities consistent with approved budgets or as otherwise authorized by the TLO.

"Routine Repairs, Replacement and Maintenance" is defined as any single item or project with a total cost or value of \$10,000 or less, including tenant renovation and remodeling projects that fit within the \$10,000 limit. Routine maintenance management services shall be provided as part of the base building management fee.

(b) MANAGEMENT OF COMMON SPACE AREAS:**(i) Conference Rooms:**

Contractor shall ensure Asset owned equipment is maintained and in good working condition.

(ii) Building Vending & Break Rooms:

Contractor shall ensure Asset owned equipment and appliances are maintained and in good working condition.

(iii) Mail Room:

If applicable, maintain mailbox key distribution list and accountability. Update mailbox labels.

(c) CONVENTIONAL KEYS, SECURITY SYSTEM:

The Contractor will be issued one Asset Master key and other related keys. The Contractor must ensure Property Management keys, janitorial staff keys and security staff keys are kept secure and accounted for. Other keys maintained currently in the Property Management office, shall be kept secured in the office.

(d) MANAGEMENT REPORTING:

The Contractor shall provide monthly management reports by the 10th of each month, in a format approved by the TLO. Each report must include at least the following information:

(i) Executive summary,

(ii) Leasing,

1) Deferred Conditions Report.

(iii) Management,

1) Building Activity,

a) Major Projects / General Building,

b) Engineering / Life Safety,

c) Engineering Contractor Assistance,

d) Miscellaneous,

e) Monthly Parking Summary.

2) Asset notices,

3) Asset meetings,

4) Incident Reports,

5) Other.

(e) ON SITE MANAGEMENT & OFFICE:

The Contractor is not required to maintain an on-site office at each property.

(f) EMERGENCY RESPONSE:

The Contractor must provide a cell phone for the Property Manager for after-hours use. The Property Manager will be responsible for reacting to all Asset-related emergency calls immediately.

In the event of an emergency in which there is an immediate danger to persons or property at the Asset, or in which action is required in order to avoid suspension of services, the Contractor shall be required to take such action as is reasonable and prudent under the circumstances. The Contractor shall be reimbursed for any reasonably necessary expenses incurred in such action even if not in an approved budget, so long as the Contractor attempts to consult with the TLO in advance and, in any event, notifies the TLO within 48 hours explaining the reasons for taking the required actions.

(g) MISCELLANEOUS SERVICES:

(i) File Management:

The Contractor shall maintain the current Asset File System (to include Service Contracts, Reports Historical Documents, etc.). **Due to the need for TLO staff to periodically access files during business hours, all files shall be kept within the Municipality of Anchorage, Wasilla, or Palmer, Alaska.** Contractor is required to keep files orderly and available to the TLO upon request.

(ii) Tenant and Vendor Insurance Requirements:

The Contractor is required to provide a system which ensures all contractors and vendors working in the building (as hired by Contractors or others) and all private tenants leasing space in the Asset, have a Certificate of Insurance with the State of Alaska, Alaska Mental Health Trust Authority, and/or single purpose entity owner of the asset, as the Certificate Holder. The contractor is to notify all contractors, vendors and tenants prior to the expiration of an insurance certificate.

The Contractor shall ensure strict compliance with all applicable environmental laws, regulations, rules, and ordinances at the Asset. As part of this duty, the Contractor shall actively monitor all compliance efforts.

(iii) Procuring Asset Supplies:

The Contractor shall obtain building supplies from vendors which provide the highest level of savings, and quality products and meet any specific requirements for the Asset. The contractor as requested by the TLO shall provide proof that supply vendor pricing is appropriate and reasonable. A purchase order system shall be maintained and implemented.

(iv) Incident and Security Reports:

The Contractor shall maintain a file and schedule of all incident and security reports filed by tenants, visitors, etc. Contractor shall work with the TLO and the State of Alaska Department of Administration's Division of Risk Management for claims resulting in injury, theft, or other related items.

(v) Meetings:

The Contractor shall be available to meet bi-weekly with the TLO. The Contractor shall take meeting minute notes and provide all attendees with copies and noted action items within two days of the meeting.

The Contractor shall meet with the Janitorial Contractor's representative monthly to inspect all assets for compliance with Contract Specifications when applicable. The Contractor shall maintain a log of assets inspected.

The Contractor shall attend all meetings as reasonably requested by the TLO.

(h) ADDITIONAL SERVICES:

At the TLO's sole discretion, the Contractor may be asked to provide the following additional services.

(i) Private Tenant Leasing & Marketing Services:

Provide space marketing and leasing services. A building leasing fee will be negotiated and paid for these services.

(ii) Construction Management Services:

Provide construction management services for building capital improvements, major repairs, tenant improvements, and remodeling. This includes the identification of scopes of work, the solicitation of competitive bids, monitoring work performance, and executing and delivering such contractors and agreements as may be needed to accomplish these activities consistent with approved budgets or as otherwise authorized by the TLO. Fragmentation of work / projects is not acceptable. This element applies to work other than routine repairs, replacement, and maintenance that are included in the

annual spending plan. Activity under this requirement will be compensated by payment of a construction management fee.

(i) CONTRACTOR OBLIGATIONS:

The contractor shall use reasonable care to select qualified, competent, and trustworthy employees and independent subcontractors. Subject to the provisions of this Agreement, the selection, terms of employment (including without limitation compensation and duration of employment), supervision, training, and assignment of duties of all employees of Contractor providing services related to the Building shall be the duty and responsibility of Contractor. All personnel providing the services described in this Agreement shall be the employees or subcontractors of the contractor.

(j) MINIMUM EMPLOYMENT REQUIREMENTS:

The Contractor shall employ or contract with, at Contractor's sole cost and expense, at least the following personnel for building:

- (i) Off-Site Building Manager; and
- (ii) Property Accountant(s).

(k) SUBCONTRACTORS:

It is expected that most of the direct services to operate and maintain the building will be provided through contracted service providers hired and supervised by the Contractor. All selected contracted service providers providing services pursuant to this Agreement shall be subcontractors of the contractor, and not subcontractors of Owner. The contractor will perform all work to procure these services. Copies of all service agreements shall be kept on file at the Management Offices, available for inspection by the Owner.

Contracted service procurements made by the contractor to provide the required services for the building are within the scope of this Agreement and do not require further compliance with the State Procurement Code (AS 36.30). The contractor shall use the following requirements and guidelines in procuring the required services unless otherwise authorized by the Owner:

- (i) Owner has provided prior, written approval of the scope of services and given authorization for the Contractor to enter into a subcontract for the proposed purpose, provided that the approval by Owner is not construed as approval of the specific subcontractor selected;
- (ii) Owner has approved any non-cost criteria to be used in the evaluation and selection of the subcontractor;
- (iii) All subcontractors must have a valid Alaska business license at the time of selection;
- (iv) Contractor shall employ reasonable competitive bidding principles and procedures in all selections for any services, goods or construction with a total expected value in excess of \$10,000 (Ten Thousand Dollars);
- (v) Contractor shall document the criteria used for the selection of potential sub-contractors;
- (vi) Contractor shall document any non-cost factors utilized in the selection of sub-contractors specifically including how those factors were applied to each proposal;

- (vii) Contractor shall provide a bidder preference of 5% for Alaska bidders;
- (viii) Contractor shall provide a bidder preference of 5% capped at \$5,000 for Alaska Veterans;
- (ix) Contractor shall give preference for employment programs, Alaskans with disabilities and employers of people with disabilities when appropriate;
- (x) Contractor shall give preference for use of Alaska products and recycled products when appropriate;
- (xi) Contractor must ensure compliance with all applicable state and federal laws, rules and regulations, including those concerning workers' compensation, social security, unemployment insurance, hours of labor, wages (including filing certified payrolls with the Department of Labor and other related requirements pursuant to the Little Davis-Bacon Act (AS 36.05) when applicable), working conditions and other employer/employee-related subjects;
- (xii) Contractor must include a specific provision indicating that contract funding is contingent on an act of appropriation by the legislature; and
- (xiii) The contractor must include the required insurance and indemnity provisions pursuant to Alaska Statutes.

(I) Other Service Arrangements:

Contractor may elect to provide all or some of the direct services required under the scope of services through other methods, including use of its own employees. Any decision to provide required services through means other than use of subcontractors, except for those services included in the Basic Building Management Fee, must have the prior written approval of Owner. Owner reserves the right to require that some form of competitive process be employed prior to approving an arrangement to provide these services using Contractor's own employees or work force.

SEC. 3.04 CONTRACT TYPE

This will be a NO COST TO THE STATE OF ALASKA contract. Fees and services will be paid by tenants. Contractor may earn up to \$200,000 per contract year in fees not associated with property management fees. This is only an estimate – the State does not guarantee a minimum or maximum amount of earnings per year under any contract resulting from this RFP.

SEC. 3.05 CONTRACT PAYMENT

If applicable, contract payments must be received by the project manager prior to the 15th of each calendar month. Failure to submit the payment may result in termination of the contract. Any late payments under this contract shall, in addition to allowing the State to declare a breach of contract obligations, accrue interest owed to the State at the maximum rate allowed under AS 45.45.010(a).

SEC. 3.06 LOCATION OF WORK

The location(s) the work is to be performed, completed and managed will be primarily at the Contractor's normal business location and at the Trust's properties as needed. The Contractor is not required to have a full-time property manager located at any of the Trusts' properties. Travel to and from properties shall be at the Contractor's sole expense.

The State **WILL NOT** provide workspace for the Contractor. The Contractor must provide its own workspace and living quarters as appropriate for long-term occupancy at the host location should they choose to have one.

By signature on their proposal, the offeror certifies that all services provided under this contract by the Contractor and all subcontractors shall be performed in the United States.

If the offeror cannot certify that all work will be performed in the United States, the offeror must contact the procurement officer in writing to request a waiver at least 10 days prior to the deadline for receipt of proposals.

The request must include a detailed description of the portion of work that will be performed outside the United States, where, by whom, and the reason the waiver is necessary.

Failure to comply with these requirements may cause the State to reject the proposal as non-responsive or cancel the contract.

SEC. 3.07 SUBCONTRACTORS

Subcontractors may be used to perform work under this contract. If an offeror intends to use subcontractors, the offeror must identify in the proposal the names of the subcontractors and the portions of the work the subcontractors will perform.

Subcontractor experience **shall not** be considered in determining whether the offeror meets the requirements set forth in **SEC. 1.04 PRIOR EXPERIENCE**.

If a proposal with subcontractors is selected, the offeror must provide the following information concerning each prospective subcontractor within five working days from the date of the State's request:

- complete name of the subcontractor;
- complete address of the subcontractor;
- type of work the subcontractor will be performing;
- percentage of work the subcontractor will be providing;
- evidence that the subcontractor holds a valid Alaska business license; and
- a written statement, signed by each proposed subcontractor that clearly verifies that the subcontractor is committed to render the services required by the contract.

An offeror's failure to provide this information, within the time set, may cause the State to consider their proposal non-responsive and reject it. The substitution of one subcontractor for another may be made only at the discretion and prior written approval of the project manager.

Note that if the subcontractor will not be performing work within Alaska, they will not be required to hold an Alaska business license.

SEC. 3.08 JOINT VENTURES

Joint ventures will not be allowed.

SEC. 3.09 RIGHT TO INSPECT PLACE OF BUSINESS

At reasonable times, the State may inspect those areas of the Contractor's place of business that are related to the performance of a contract. If the State makes such an inspection, the Contractor must provide reasonable assistance.

SEC. 3.10 CONTRACT PERSONNEL

Any change of the project team members or subcontractors named in the proposal must be approved, in advance and in writing, by the project manager or procurement officer. Changes that are not approved by the State may be grounds for the State to terminate the contract.

SEC. 3.11 CONTRACT CHANGES - UNANTICIPATED AMENDMENTS

During the course of this contract, the Contractor may be required to perform additional work. That work will be within the general scope of the initial contract. When additional work is required, the project manager will provide the Contractor a written description of the additional work and request the Contractor to submit a firm time schedule for accomplishing the additional work and a firm price for the additional work. Cost and pricing data must be provided to justify the cost of such amendments per AS 36.30.400.

The Contractor will not commence additional work until the procurement officer has secured any required State approvals necessary for the amendment and issued a written contract amendment, approved by the Commissioner of the Department of Natural Resources or the Commissioner's designee.

SEC. 3.12 NONDISCLOSURE AND CONFIDENTIALITY

The Contractor agrees that all confidential information shall be used only for purposes of providing the deliverables and performing the services specified herein and shall not disseminate or allow dissemination of confidential information except as provided for in this section. The Contractor shall hold as confidential and will use reasonable care (including both facility physical security and electronic security) to prevent unauthorized access by, storage, disclosure, publication, dissemination to and/or use by third parties of, the confidential information. "Reasonable care" means compliance by the Contractor with all applicable federal and state law, including the Social Security Act and HIPAA. The Contractor must promptly notify the State in writing if it becomes aware of any storage, disclosure, loss, unauthorized access to or use of the confidential information.

Confidential information, as used herein, means any data, files, software, information or materials (whether prepared by the state or its agents or advisors) in oral, electronic, tangible or intangible form and however stored, compiled or memorialized that is classified confidential as defined by State of Alaska classification and categorization guidelines provided by the State to the Contractor or a contractor agent or otherwise made available to the Contractor or a contractor agent in connection with this contract, or acquired, obtained or learned by the Contractor or a contractor agent in the performance of this contract. Examples of confidential information include, but are not limited to: technology infrastructure, architecture, financial data, trade secrets, equipment specifications, user lists, passwords, research data, and technology data (infrastructure, architecture, operating systems, security tools, IP addresses, etc.).

If confidential information is requested to be disclosed by the Contractor pursuant to a request received by a third party and such disclosure of the confidential information is required under applicable federal or state law, regulation, governmental or regulatory authority, the Contractor may disclose the confidential information after providing the State with written notice of the requested disclosure (to the extent such notice to the State is permitted by applicable law) and giving the State opportunity to review the request. If the Contractor receives no objection from the State, it may release the confidential information within 30 days. Notice of the requested disclosure of confidential information by the Contractor must be provided to the State within a reasonable time after the Contractor's receipt of notice of the requested disclosure and, upon request of the State, shall seek to obtain legal protection from the release of the confidential information.

The following information shall not be considered confidential information: Information previously known to be public information when received from the other party; information freely available to the general public; information which now is or hereafter becomes publicly known by other than a breach of confidentiality hereof; or information which is disclosed by a party pursuant to subpoena or other legal process and which as a result becomes lawfully obtainable by the general public.

SEC. 3.13 INDEMINIFICATION

The Contractor shall indemnify, hold harmless, and defend the State from and against any claim of, or liability for error, omission, or negligent act of the Contractor under this agreement. The Contractor shall not be required to indemnify the State for a claim of, or liability for, the independent negligence of the State. If there is a claim of, or liability for, the joint negligent error or omission of the Contractor and the independent negligence of the State, the indemnification and hold harmless obligation shall be apportioned on a comparative fault basis. "Contractor" and "State", as used within this and the following article, include the employees, agents and other contractors who are directly responsible, respectively, to each. The term "independent negligence" is negligence other than in the State's selection, administration, monitoring, or controlling of the Contractor and in approving or accepting the Contractor's work.

SEC. 3.14 INSURANCE REQUIREMENTS

Without limiting Contractor's indemnification, it is agreed that Contractor shall purchase at its own expense and maintain in force at all times during the performance of services under this agreement the following policies of insurance. Where specific limits are shown, it is understood that they shall be the minimum acceptable limits. If the Contractor's policy contains higher limits, the State shall be entitled to coverage to the extent of such higher limits.

Certificates of Insurance must be furnished to the contracting officer prior to beginning work and must provide for a notice of cancellation, non-renewal, or material change of conditions in accordance with policy provisions. Failure to furnish satisfactory evidence of insurance or lapse of the policy is a material breach of this contract and shall be grounds for termination of the Contractor's services. All insurance policies shall comply with and be issued by insurers licensed to transact the business of insurance under AS 21.

Workers' Compensation Insurance: The Contractor shall provide and maintain, for all employees engaged in work under this contract, coverage as required by AS 23.30.045, and; where applicable, any

other statutory obligations including but not limited to Federal U.S.L. & H. and Jones Act requirements. The policy must waive subrogation against the State.

Commercial General Liability Insurance: Covering all business premises and operations used by the Contractor in the performance of services under this agreement with minimum coverage limits of \$300,000 combined single limit per claim.

Commercial Automobile Liability Insurance: Covering all vehicles used by the Contractor in the performance of services under this agreement with minimum coverage limits of \$300,000 combined single limit per claim.

Professional Liability Insurance: covering all errors, omissions or negligent acts in the performance of professional services under this agreement. Limits required per the following schedule:

Contract Amount	Minimum Required Limits
\$500,000-\$999,999	\$1,000,000 per Claim / Annual Aggregate

SEC. 3.15 TERMINATION FOR DEFAULT

If the project manager or procurement officer determines that the Contractor has refused to perform the work or has failed to perform the work with such diligence as to ensure its timely and accurate completion, the State may, by providing written notice to the Contractor, terminate the Contractor's right to proceed with part or all of the remaining work.

This clause does not restrict the State's termination rights under the contract provisions of Appendix A, attached in **SECTION 8. ATTACHMENTS**.

SECTION 4. PROPOSAL FORMAT AND CONTENT

SEC. 4.01 PROPOSAL FORMAT AND CONTENT

The State discourages overly lengthy and costly proposals, however, in order for the State to evaluate proposals fairly and completely, offerors must follow the format set out in this RFP and provide all information requested.

SEC. 4.02 INTRODUCTION

Proposals must include the complete name and address of offeror's firm and the name, mailing address, and telephone number of the person the State should contact regarding the proposal.

Proposals must confirm that the offeror will comply with all provisions in this RFP; and, if applicable, provide notice that the firm qualifies as an Alaskan bidder. Proposals must be signed by a company officer empowered to bind the company. An offeror's failure to include these items in the proposals may cause the proposal to be determined to be non-responsive and the proposal may be rejected.

SEC. 4.03 UNDERSTANDING OF THE SOLICITATION REQUEST

Offerors must provide comprehensive narrative statements that illustrate their understanding of the requirements of the project and the project schedule. Do not merely duplicate the Scope of Services provided with this RFP.

SEC. 4.04 METHODOLOGY USED FOR THE PROJECT

Offerors must provide comprehensive narrative statements that set out the methodology they intend to employ and illustrate how the methodology will serve to accomplish the work and meet the State's project schedule. Response must outline the methods for accomplishing the proposed contract or, if methodology is contained in the proposed Scope of Services, address its adequacy.

1. Identify the amount and type of work to be performed by any subcontracted services.
2. Provide a detailed discussion of the operations plan for the provision of the required Asset Management Services. Be specific in describing how the services specified in this RFP are to be delivered and managed.
3. Provide a description of your firm's method of procuring contracted services.
4. Provide a description of your firm's method of advertising space and negotiating leases.
5. Provide a description of your firm's method of office document and records control and how your firm will handle supervision of long-term capital expenditures, environmental issues and emergencies.
6. Provide a description of your firm's approach to responding to the Trust Land Office's requests. Describe your process for receiving, tracking and reporting maintenance requests from the Trust Land Office.
7. Provide a list of any special computer programs or equipment used, and what service they provide.

8. Describe how priorities will be established in response to the Trust Land Office.
9. Describe your methods for fostering positive tenant relations.
10. Describe your methods for disseminating information to tenants and the Trust Land Office in the event of an emergency.

SEC. 4.05 MANAGEMENT PLAN FOR THE PROJECT

Offerors must provide comprehensive narrative statements that set out the management plan they intend to follow and illustrate how the plan will serve to accomplish the work and meet the State's project schedule. Your response must describe the administrative and operational structures that will be used for performing the proposed contract. For example, consider: who will have overall responsibility for the contract? Who will have direct responsibility for specific disciplines?

1. Provide a discussion of your firm's structure, size and capabilities in terms of personnel and equipment.
2. Provide a discussion of your firm's ownership, headquarters, branch or affiliate offices. If this discussion includes relationships outside of Alaska, provide specifics of location and affiliation.
3. Proposed Project Staff. Provide the following for each Asset:
 - 1) Who will have direct responsibility for the Asset?
 - 2) How much time do you anticipate will be spent on the following functions?
 - Property Management,
 - Contract Management,
 - Project Management,
 - Construction Management,
 - Leasing Management,
 - Financial Management,
 - Administration.
4. What will the lines of authority be? A graphic depiction is preferred in this response.

SEC. 4.06 EXPERIENCE AND QUALIFICATIONS

Offeror must clearly show within this section how they meet the minimum requirements for experience and qualifications stated in Section 3.

Offerors must provide an organizational chart specific to the personnel assigned to accomplish the work called for in this RFP; illustrate the lines of authority; designate the individual responsible and accountable for the completion of each component and deliverable of the RFP. Offers must demonstrate the firm's ability to perform if key personnel are lost.

Offerors must provide a narrative description of the organization of the project team and a personnel roster that identifies each person who will actually work on the contract and provide the following information about each person listed:

- Title,
- Resume,
- Location(s) where work will be performed.

Your response should be prepared specifically for this proposal and should focus on the individual's specific duties and responsibilities.

Include individual project experience that is relevant to the proposed contract.

Offerors must provide reference names and phone numbers for three similar contracts the offeror's firm has completed or is currently under contract with. Indicate which project staff is or was involved in each contract, their responsibilities and the amount of time spent on responsibilities.

SEC. 4.07 COST PROPOSAL

Offerors must complete and submit this Submittal Form. Proposed costs must all direct and indirect costs associated with the performance of the contract, including, but not limited to, total number of hours at various hourly rates, direct expenses, payroll, supplies, overhead assigned to each person working on the project, percentage of each person's time devoted to the project, and profit. No additional charges shall be allowed.

The offeror is also required to provide a standard fee schedule for services required within this RFP within their cost proposal package.

SEC. 4.08 EVALUATION CRITERIA

All proposals will be reviewed to determine if they are responsive. Proposals determined to be responsive will be evaluated using the criterion that is set out in **SECTION 5. EVALUATION CRITERIA AND CONTRACTOR SELECTION**.

An evaluation may not be based on discrimination due to the race, religion, color, national origin, sex, age, marital status, pregnancy, parenthood, disability, or political affiliation of the offeror.

SECTION 5. EVALUATION CRITERIA AND CONTRACTOR SELECTION

THE TOTAL NUMBER OF POINTS USED TO SCORE THIS PROPOSAL IS 100

SEC. 5.01 UNDERSTANDING OF THE SOLICITATION REQUEST (8%)

Proposals will be evaluated against the questions set out below:

- 1) How well has the offeror demonstrated a thorough understanding of the purpose and scope of the project?
- 2) How well has the offeror identified pertinent issues and potential problems related to the project?
- 3) To what degree has the offeror demonstrated an understanding of the deliverables the State expects it to provide?
- 4) Has the offeror demonstrated an understanding of the State's time schedule and can meet it?

SEC. 5.02 METHODOLOGY USED FOR THE PROJECT (9%)

Proposals will be evaluated against the questions set out below:

- 1) How comprehensive is the methodology and does it depict a logical approach to fulfilling the requirements of the RFP?
- 2) How well does the methodology match and achieve the objectives set out in the RFP?

SEC. 5.03 MANAGEMENT PLAN FOR THE PROJECT (8%)

Proposals will be evaluated against the questions set out below:

- 1) How well does the management plan support all of the project requirements and logically lead to the deliverables required in the RFP?
- 2) How well is accountability completely and clearly defined?
- 3) Is the organization of the project team clear?
- 4) How well does the management plan illustrate the lines of authority and communication?
- 5) To what extent does the offeror already have the hardware, software, equipment, and licenses necessary to perform the contract?
- 6) Has the offeror gone beyond the minimum tasks necessary to meet the objectives of the RFP?
- 7) To what degree is the proposal practical and feasible?
- 8) To what extent has the offeror identified potential problems?

SEC. 5.04 EXPERIENCE AND QUALIFICATIONS (25%)

Proposals will be evaluated against the questions set out below:

1) Questions regarding the personnel:

- a) Do the individuals assigned to the project have experience on similar projects?

- b) Are resumes complete and do they demonstrate backgrounds that would be desirable for individuals engaged in the work the project requires?
- c) How extensive is the applicable education and experience of the personnel designated to work on the project?
- d) Is the experience of the personnel designated to work on managing the facilities appropriate?

2) Questions regarding the firm and subcontractor (if used):

- a) How well has the firm demonstrated experience in completing similar projects as described in the six (6) qualifications in section 4.06 of this RFP?
- b) How successful is the general history of the firm regarding timely and successful completion of projects?
- c) Has the firm provided references from previous clients?
- d) Does the offeror maintain an office staffed by offeror employee(s) within the Municipality of Anchorage, City of Wasilla, or City of Palmer?

SEC. 5.05 CONTRACT COST (40%)

To avoid the appearance of price influencing scoring, Cost will be scored only by the Procurement Officer.

The offeror is required to provide a standard fee schedule for services required within this RFP.

Overall, a minimum of 40% of the total evaluation points will be assigned to cost. The cost amount used for evaluation may be affected by one or more of the preferences referenced under Section 6.10.

Converting Cost to Points

The lowest cost proposal will receive the maximum number of points allocated to cost. The point allocations for cost on the other proposals will be determined through the method set out in Section 6.15.

Points for Cost will be evaluated as follows:

- a) Construction Management;
- b) Leasing;
- c) Property Management;

SEC. 5.06 ALASKA OFFEROR PREFERENCE (10%)

If an offeror qualifies for the Alaska Bidder Preference, the offeror will receive an Alaska Offeror Preference. The preference will be 10% of the total available points. This amount will be added to the overall evaluation score of each Alaskan offeror.

SECTION 6. GENERAL PROCESS INFORMATION

SEC. 6.01 ALASKA BUSINESS LICENSE AND OTHER REQUIRED LICENSES

Prior to the award of a contract, an offeror must hold a valid Alaska business license. However, in order to receive the Alaska Bidder Preference and other related preferences, such as the Alaska Veteran Preference and Alaska Offeror Preference, an offeror must hold a valid Alaska business license prior to the deadline for receipt of proposals. Offerors should contact the **Department of Commerce, Community and Economic Development, Division of Corporations, Business, and Professional Licensing, PO Box 110806, Juneau, Alaska 99811-0806**, for information on these licenses. Acceptable evidence that the offeror possesses a valid Alaska business license may consist of any one of the following:

- copy of an Alaska business license;
- certification on the proposal that the offeror has a valid Alaska business license and has included the license number in the proposal;
- a canceled check for the Alaska business license fee;
- a copy of the Alaska business license application with a receipt stamp from the state's occupational licensing office; or
- a sworn and notarized statement that the offeror has applied and paid for the Alaska business license.

You are not required to hold a valid Alaska business license at the time proposals are opened if you possess one of the following licenses and are offering services or supplies under that specific line of business:

- fisheries business licenses issued by Alaska Department of Revenue or Alaska Department of Fish and Game,
- liquor licenses issued by Alaska Department of Revenue for alcohol sales only,
- insurance licenses issued by Alaska Department of Commerce, Community and Economic Development, Division of Insurance, or
- Mining licenses issued by Alaska Department of Revenue.

Prior the deadline for receipt of proposals, all offerors must hold any other necessary applicable professional licenses required by Alaska Statute.

SEC. 6.02 SITE INSPECTION

The State may conduct on-site visits to evaluate the offeror's capacity to perform the contract. An offeror must agree, at risk of being found non-responsive and having its proposal rejected, to provide the State reasonable access to relevant portions of its work sites. Individuals designated by the procurement officer at the State's expense will make site inspection.

SEC. 6.03 CLARIFICATION OF OFFERS

In order to determine if a proposal is reasonably susceptible for award, communications by the procurement officer or the Proposal Evaluation Committee (PEC) are permitted with an offeror to clarify uncertainties or eliminate confusion concerning the contents of a proposal. Clarifications may not result in a material or substantive change to the proposal. The evaluation by the procurement officer or the PEC may be adjusted as a result of a clarification under this section.

SEC. 6.04 DISCUSSIONS WITH OFFERORS

The State may conduct discussions with offerors in accordance with AS 36.30.240 and 2 AAC 12.290. The purpose of these discussions will be to ensure full understanding of the requirements of the RFP and proposal. Discussions will be limited to specific sections of the RFP or proposal identified by the procurement officer. Discussions will only be held with offerors who have submitted a proposal deemed reasonably susceptible for award by the procurement officer. Discussions, if held, will be after initial evaluation of proposals by the procurement officer or the PEC. If modifications are made as a result of these discussions, they will be put in writing. Following discussions, the procurement officer may set a time for best and final proposal submissions from those offerors with whom discussions were held. Proposals may be reevaluated after receipt of best and final proposal submissions.

If an offeror does not submit a best and final proposal or a notice of withdrawal, the offeror's immediate previous proposal is considered the offeror's best and final proposal.

Offerors with a disability needing accommodation should contact the procurement officer prior to the date set for discussions so that reasonable accommodation can be made. Any oral modification of a proposal must be reduced to writing by the offeror.

SEC. 6.05 EVALUATION OF PROPOSALS

The procurement officer, or an evaluation committee made up of at least three state employees or public officials, will evaluate proposals. The evaluation will be based solely on the evaluation factors set out in **SECTION 5. EVALUATION CRITERIA AND CONTRACTOR SELECTION.**

After receipt of proposals, if there is a need for any substantial clarification or material change in the RFP, an amendment will be issued. The amendment will incorporate the clarification or change, and a new date and time established for new or amended proposals. Evaluations may be adjusted as a result of receiving new or amended proposals.

SEC. 6.06 CONTRACT NEGOTIATION

After final evaluation, the procurement officer may negotiate with the offeror of the highest-ranked proposal. Negotiations, if held, shall be within the scope of the request for proposals and limited to those items which would not have an effect on the ranking of proposals. If the highest-ranked offeror fails to provide necessary information for negotiations in a timely manner, or fails to negotiate in good faith, the State may terminate negotiations and negotiate with the offeror of the next highest-ranked proposal. If contract negotiations are commenced, they may be held via teleconference.

If contract negotiations are commenced, they may be held in the Trust Land Office conference room in Anchorage, Alaska. If the contract negotiations take place in Anchorage, Alaska, the offeror will be responsible for their travel and per diem expenses.

SEC. 6.07 FAILURE TO NEGOTIATE

If the selected offeror:

- fails to provide the information required to begin negotiations in a timely manner; or
- fails to negotiate in good faith; or
- indicates they cannot perform the contract within the budgeted funds available for the project; or
- if the offeror and the State, after a good faith effort, simply cannot come to terms,

the State may terminate negotiations with the offeror initially selected and commence negotiations with the next highest ranked offeror.

SEC. 6.08 OFFEROR NOTIFICATION OF SELECTION

After the completion of contract negotiation, the procurement officer will issue a written Notice of Intent to Award (NIA) and send copies to all offerors. The NIA will set out the names of all offerors and identify the proposal selected for award.

SEC. 6.09 PROTEST

2 AAC 12.695 provides that an interested party may protest the content of the RFP or the award of a contract.

An interested party is defined in 2 AAC 12.990(a)(7) as “an actual or prospective bidder or offeror whose economic interest might be affected substantially and directly the issuance of a contract solicitation, the award of a contract, or the failure to award a contract.”

Per 2 AAC 12.695, an interested party must first attempt to informally resolve the dispute with the procurement officer. If that attempt is unsuccessful, the interested party may file a written protest to the solicitation or the award of the contract. The protest must be filed with the Commissioner of the Department of Natural Resources or the Commissioner’s designee. The protester must also file a copy of the protest with the procurement officer. The protest must include the following information:

- the name, address, and telephone number of the protester;
- the signature of the protester or the protester's representative;
- identification of the contracting agency and the solicitation or contract at issue;
- a detailed statement of the legal and factual grounds of the protest including copies of relevant documents; and
- the form of relief requested.

If an interested party wishes to protest the content of a solicitation, the protest must be filed before the date and time that proposals are due.

If an offeror wishes to protest the award of a contract not greater than \$50,000, the protest must be filed within 10 days from the date of the solicitation or award, whichever is later.

If an offeror wishes to protest the award of a contract greater than \$50,000, the protest must be filed within 10 days from the date that notice of award is made.

A protester must have submitted a proposal in order to have sufficient standing to protest the award of a contract.

The procurement officer shall immediately give notice of the protest to the Contractor or, if no award has been made, to all offerors who submitted proposals.

If the protestor agrees, the Commissioner of the Department of Natural Resources or the Commissioner's designee may assign the protest to the procurement officer or other State official for alternate dispute resolution. In other cases, the Commissioner or the Commissioner's designee may issue a decision denying the protest and stating the reasons for denial, issue a decision sustaining the protest, in whole or in part, and instruct the procurement officer to implement an appropriate remedy, or conduct a hearing using procedures set out in AS 36.30.670(b).

SEC. 6.10 APPLICATION OF PREFERENCES

Certain preferences apply to all contracts for professional services, regardless of their dollar value. The Alaska Bidder, Alaska Veteran, and Alaska Offeror preferences are the most common preferences involved in the RFP process. Additional preferences that may apply to this procurement are listed below. Guides that contain excerpts from the relevant statutes and codes, explain when the preferences apply and provide examples of how to calculate the preferences are available at the **Department of Administration, Division of Shared Service's** web site:

<https://www.commerce.alaska.gov/web/portals/4/pub/APP/00ApplicationOfPreferences2017.pdf>

- Alaska Products Preference - AS 36.30.332
- Recycled Products Preference - AS 36.30.337
- Local Agriculture and Fisheries Products Preference - AS 36.15.050
- Employment Program Preference - AS 36.30.321(b)
- Alaskans with Disabilities Preference - AS 36.30.321(d)

The Division of Vocational Rehabilitation in the Department of Labor and Workforce Development keeps a list of qualified employment programs and individuals who qualify as persons with a disability. As evidence of a business' or an individual's right to the Employment Program or Alaskans with Disabilities preferences, the Division of Vocational Rehabilitation will issue a certification letter. To take advantage of these preferences, a business or individual must be on the appropriate Division of Vocational Rehabilitation list prior to the time designated for receipt of proposals. Offerors must attach a copy of their certification letter to the proposal. **An offeror's failure to provide this certification letter with their proposal will cause the State to disallow the preference.**

Sec. 6.11 ALASKA BIDDER PREFERENCE

An Alaska Bidder Preference of 5% will be applied to the price in the proposal. The preference will be given to an offeror who:

- 1) Holds a current Alaska business license prior to the deadline for receipt of proposals;
- 2) Submits a proposal for goods or services under the name appearing on the offeror's current Alaska business license;
- 3) Has maintained a place of business within the state staffed by the offeror, or an employee of the offeror, for a period of six months immediately preceding the date of the proposal;
- 4) Is incorporated or qualified to do business under the laws of the state, is a sole proprietorship and the proprietor is a resident of the state, is a Limited Liability Company (LLC) organized under AS 10.50 and all members are residents of the state, or is a partnership under AS 32.06 or AS 32.11 and all partners are residents of the state; and
- 5) If a joint venture, is composed entirely of ventures that qualify under (1)-(4) of this subsection.

Alaska Bidder Preference Certification Form

In order to receive the Alaska Bidder Preference, the proposal must include the Alaska Bidder Preference Certification Form attached to this RFP. An offeror does not need to complete the Alaska Veteran Preference questions on the form if not claiming the Alaska Veteran Preference. An offeror's failure to provide this completed form with their proposal will cause the State to disallow the preference.

SEC. 6.12 ALASKA VETERAN PREFERENCE

An Alaska Veteran Preference of 5%, not to exceed \$5,000, will be applied to the price in the proposal. The preference will be given to an offeror who qualifies under AS 36.30.990(2) as an Alaska bidder and is a:

- A. sole proprietorship owned by an Alaska veteran;
- B. partnership under AS 32.06 or AS 32.11 if a majority of the partners are Alaska veterans;
- C. limited liability company organized under AS 10.50 if a majority of the members are Alaska veterans; or
- D. corporation that is wholly owned by individuals, and a majority of the individuals are Alaska veterans.

In accordance with AS 36.30.321(i), the bidder must also add value by actually performing, controlling, managing, and supervising the services provided, or for supplies, the bidder must have sold supplies of the general nature solicited to other state agencies, other government, or the general public.

Alaska Veteran Preference Certification

In order to receive the Alaska Veteran Preference, the proposal must include the Alaska Bidder Preference Certification Form attached to this RFP. An offeror's failure to provide this completed form with their proposal will cause the State to disallow the preference.

SEC. 6.13 ALASKA OFFEROR PREFERENCE

2 AAC 12.260(e) provides Alaska offerors a 10% overall evaluation point preference. Alaska bidders, as defined in AS 36.30.990(2), are eligible for the preference. An Alaska offeror will receive 10% of the total available points added to their overall evaluation score as a preference.

SEC. 6.14 FORMULA USED TO CONVERT COST TO POINTS

Due to the fact that this RFP will result in a contract with potential revenue returned to the State, the distribution of points based on cost will be determined as set out in 2 AAC 12.260(c), except in reverse. The highest compensation proposal will receive the maximum number of points allocated to this criteria. The point allocations for compensation on the other proposals will be determined through the method set out below:

$$[(\text{Price of Lowest Cost Proposal}) \times (\text{Maximum Points for Cost})] \div (\text{Cost of Each Higher Priced Proposal})$$

SEC. 6.15 EXAMPLES: CONVERTING COST TO POINTS & APPLYING PREFERENCES**(a) FORMULA USED TO CONVERT COST TO POINTS****STEP 1**

List all proposal prices, adjusted where appropriate by the application of applicable preferences claimed by the offeror.

Offeror #1	\$40,000
Offeror #2	\$42,750
Offeror #3	\$47,500

STEP 2

In this example, the RFP allotted 40% of the available 100 points to cost. This means that the lowest cost will receive the maximum number of points.

Offeror #1 receives 40 points.

The reason they receive that amount is because the lowest cost proposal, in this case \$40,000, receives the maximum number of points allocated to cost, 40 points.

Offeror #2 receives 37.4 points.

$$\$40,000 \text{ lowest cost} \times 40 \text{ maximum points for cost} = 1,600,000 \div \$42,750 \text{ cost of Offeror \#2's proposal} = 37.4$$

Offeror #3 receives 33.7 points.

$$\$40,000 \text{ lowest cost} \times 40 \text{ maximum points for cost} = 1,600,000 \div \$47,500 \text{ cost of Offeror \#3's proposal} = 33.7$$

(b) ALASKA OFFEROR PREFERENCE**STEP 1**

Determine the number of points available to qualifying offerors under this preference.

100 Total Points Available in RFP x 10% Alaska offerors preference = 10 Points for the Preference

STEP 2

Determine which offerors qualify as Alaska bidders and thus, are eligible for the Alaska offerors preference. For the purpose of this example, presume that all of the proposals have been completely evaluated based on the evaluation criteria in the RFP. The scores at this point are:

Offeror #1	83 points	No Preference	0 points
Offeror #2	74 points	Alaska Offerors Preference	10 points
Offeror #3	80 points	Alaska Offerors Preference	10 points

STEP 3

Add the applicable Alaska offerors preference amounts to the offeror's scores:

Offeror #1	83 points	
Offeror #2	84 points	(74 points + 10 points)
Offeror #3	90 points	(80 points + 10 points)

STEP 4

Offeror #3 is the highest scoring offeror and would get the award, provided their proposal is responsible and responsive.

SECTION 7. GENERAL LEGAL INFORMATION

SEC. 7.01 STANDARD CONTRACT PROVISIONS

The Contractor will be required to sign and submit the Standard Contract Form for Goods and Non-Professional Services (form SCF.DOC/Appendix A). This form is attached in **SECTION 8. EXHIBITS** for your review. The Contractor must comply with the contract provisions set out in this attachment. No alteration of these provisions will be permitted without prior written approval from the Department of Law. Objections to any of the provisions in Appendix A must be set out in the offeror's proposal in a separate document. Please include the following information with any change that you are proposing:

1. Identify the provision the offeror takes exception with.
2. Identify why the provision is unjust, unreasonable, etc.
3. Identify exactly what suggested changes should be made.

SEC. 7.02 QUALIFIED OFFERORS

Per 2 AAC 12.875, unless provided for otherwise in the RFP, to qualify as an offeror for award of a contract issued under AS 36.30, the offeror must:

- 1) Add value in the contract by actually performing, controlling, managing, or supervising the services to be provided; or
- 2) Be in the business of selling and have actually sold on a regular basis the supplies that are the subject of the RFP.

If the offeror leases services or supplies or acts as a broker or agency in providing the services or supplies in order to meet these requirements, the procurement officer may not accept the offeror as a qualified offeror under AS 36.30.

SEC. 7.03 PROPOSAL AS PART OF THE CONTRACT

Part of all of this RFP and the successful proposal may be incorporated into the contract.

SEC. 7.04 ADDITIONAL TERMS AND CONDITIONS

The State reserves the right to add terms and conditions during contract negotiations. These terms and conditions will be within the scope of the RFP and will not affect the proposal evaluations.

SEC. 7.05 HUMAN TRAFFICKING

By signature on their proposal, the offeror certifies that the offeror is not established and headquartered or incorporated and headquartered in a country recognized as Tier 3 in the most recent United States Department of State's Trafficking in Persons Report.

The most recent United States Department of State's Trafficking in Persons Report can be found at the following website: <https://www.state.gov/trafficking-in-persons-report/>

Failure to comply with this requirement will cause the State to reject the proposal as non-responsive, or cancel the contract.

SEC. 7.06 RIGHT OF REJECTION

Offerors must comply with all of the terms of the RFP, the State Procurement Code (AS 36.30), and all applicable federal, state, and local laws, codes, and regulations. The procurement officer may reject any proposal that does not comply with all of the material and substantial terms, conditions, and performance requirements of the RFP.

Offerors may not qualify the proposal nor restrict the rights of the State. If an offeror does so, the procurement officer may determine the proposal to be a non-responsive counter-offer and the proposal may be rejected.

Minor informalities that:

- do not affect responsiveness;
- are merely a matter of form or format;
- do not change the relative standing or otherwise prejudice other offers;
- do not change the meaning or scope of the RFP;
- are trivial, negligible, or immaterial in nature;
- do not reflect a material change in the work; or
- do not constitute a substantial reservation against a requirement or provision;

may be waived by the procurement officer.

The State reserves the right to refrain from making an award if it determines that to be in its best interest.

A proposal from a debarred or suspended offeror shall be rejected.

SEC. 7.07 STATE NOT RESPONSIBLE FOR PREPARATION COSTS

The State will not pay any cost associated with the preparation, submittal, presentation, or evaluation of any proposal.

SEC. 7.08 DISCLOSURE OF PROPOSAL CONTENTS

All proposals and other material submitted become the property of the State of Alaska and may be returned only at the state's option. AS 40.25.110 requires public records to be open to reasonable inspection. All proposal information, including detailed price and cost information, will be held in confidence during the evaluation process and prior to the time a Notice of Intent to Award is issued. Thereafter, proposals will become public information.

The Office of Procurement and Property Management (OPPM), or their designee recognizes that some information an offeror submits might be confidential under the United States or the State of Alaska Constitution, a federal statute or regulation, or a State of Alaska statute: i.e., might be Confidential Business Information (CBI). *See, e.g.,* article 1, section 1 of the Alaska Constitution; AS 45.50.910 – 45.50.945 (the Alaska Uniform Trade Secrets Act); *DNR v. Arctic Slope Regional Corp.*, 834 P.2d 134, 137-39 (Alaska 1991). For OPPM or their designee to treat information an offeror submits with its proposal as CBI, the offeror must do the following when submitting their proposal: (1) mark the specific information it asserts is CBI;

and (2) for each discrete set of such information, identify, in writing, each authority the offeror asserts make the information CBI. If the offeror does not do these things, the information will become public after the Notice of Intent to Award is issued. If the offeror does these things, OPPM or their designee will evaluate the offeror's assertion upon receiving a request for the information. If OPPM or their designee reject the assertion, they will, to the extent permitted by federal and State of Alaska law, undertake reasonable measures to give the offeror an opportunity to object to the disclosure of the information.

SEC. 7.09 ASSIGNMENTS

Per 2 AAC 12.480, the Contractor may not transfer or assign any portion of the contract without prior written approval from the procurement officer. Proposals that are conditioned upon the State's approval of an assignment will be rejected as non-responsive.

SEC. 7.10 DISPUTES

A contract resulting from this RFP is governed by the laws of the State of Alaska. If the Contractor has a claim arising in connection with the agreement that it cannot resolve with the state by mutual agreement, it shall pursue the claim, if at all, in accordance with the provisions of AS 36.30.620 – AS 36.30.632. To the extent not otherwise governed by the preceding, the claim shall be brought only in the Superior Court of the State of Alaska and not elsewhere.

SEC. 7.11 SEVERABILITY

If any provision of the contract is found to be invalid or declared by a court to be illegal or in conflict with any law, the validity of the remaining terms and provisions will not be affected; and, the rights and obligations of the parties will be construed and enforced as if the contract did not contain the particular provision held to be invalid.

SEC. 7.12 SUPPLEMENTAL TERMS AND CONDITIONS

Proposals must comply with **SEC. 7.06 RIGHT OF REJECTION**. However, if the state fails to identify or detect supplemental terms or conditions that conflict with those contained in this RFP or that diminish the State's rights under any contract resulting from the RFP, the term(s) or condition(s) will be considered null and void. After award of contract:

if conflict arises between a supplemental term or condition included in the proposal and a term or condition of the RFP, the term or condition of the RFP will prevail; and

if the State's rights would be diminished as a result of application of a supplemental term or condition included in the proposal, the supplemental term or condition will be considered null and void.

SECTION 8. ATTACHMENTS

SEC. 8.01 ATTACHMENTS

Attachments:

- 1) Standard Contract Form for Goods and Non-Professional Services - Appendix A, General Conditions,
- 2) Certificate of Entitlement to the Alaska Bidder Preference,
- 3) Cost Proposal Form,
- 4) Real Estate Management Strategy (6 documents; may be attached separately to the Online Public Notice Posting).

ATTACHMENT 1

STANDARD CONTRACT FORM

Goods and Non-Professional Services

The parties' contract comprises this Standard Contract Form, as well as its referenced Articles and their associated Appendices.

1. Agency Contract Number	2. Contract Title	3. Agency Fund Code Internal Use Only	4. Agency Appropriation Code Internal Use Only
5. Vendor Number	6. IRIS Document ID #	7. Alaska Business License Number	
This contract is between the State of Alaska,			
8. Department of	Division	Hereafter the State, and	
9. Contractor		Hereafter the Contractor	
Mailing Address	Street or P.O. Box	City	State ZIP+4
<p>10. ARTICLE 1. Appendices: Appendices referred to in this contract and attached to it are considered part of it.</p> <p>ARTICLE 2. Performance of Contract:</p> <p>2.1 Appendix A (General Conditions), Items 1 through 18, govern contract performance.</p> <p>2.2 Appendix B sets forth the liability and insurance provisions of this contract.</p> <p>2.3 Appendix C sets forth the scope of work/services to be performed by the Contractor.</p> <p>ARTICLE 3. Period of Performance: The period of performance for this contract begins <u>XXXX</u>, and ends <u>XXXX</u>. There are no renewal options for this contract.</p> <p>ARTICLE 4. Considerations:</p> <p>4.1 In full consideration of the contractor's performance under this contract, the Contractor shall pay the State a sum not to exceed <u>\$XXXX</u> in accordance with the provisions of Appendix D.</p> <p>4.2 When submitting payment to the State, the Contractor shall refer to the Agency Contract Number and send the payment to:</p>			
11. Department of	Attention: Division of		
Mailing Address	Attention:		
12. CONTRACTOR	13. CONTRACTING AGENCY		
Name of Firm	Department/Division		
Signature of Authorized Representative	Signature of Procurement Officer		
Typed or Printed Name of Authorized Representative	Typed or Printed Name of Procurement Officer		
Date	Date		

NOTICE: This contract has no effect until signed by the contracting agency.

APPENDIX A

GENERAL CONDITIONS

1. Inspections and Reports:

The department may inspect, in the manner and at reasonable times it considers appropriate, all of the Contractor's facilities and activities under this contract. The Contractor shall make progress and other reports in the manner and at the times the department reasonable requires.

2. Suitable Materials, Etc.:

Unless otherwise specified, all materials, supplies, or equipment offered by the Contractor shall be new, unused, and of the latest edition, version, model, or crop and of recent manufacture.

3. Disputes:

If the Contractor has a claim arising in connection with the contract that it cannot resolve with the State by mutual agreement, it shall pursue the claim, if at all, in accordance with the provisions of AS 36.30.620-AS 36.30.632.

4. Default:

In case of default by the Contractor, for any reason whatsoever, the State of Alaska may procure the goods or services from another source and hold the Contractor responsible for any resulting excess cost and may seek other remedies under law or equity.

5. No Assignment or Delegation:

The Contractor may not assign or delegate this contract, or any part of it, or any right to any of the money to be paid under it, except with the written consent of the Procurement Officer.

6. No Additional Work or Material:

No claim for additional supplies or services, not specifically provided in this contract, performed or furnished by the Contractor, will be allowed, nor may the Contractor do any work or furnish any material not covered by the contract unless the work or material is ordered in writing by the Procurement Officer.

7. Independent Contractor:

The Contractor and any agents and employees of the Contractor act in an independent capacity and are not officers or employees or agents of the State in the performance of this contract.

8. Payment of Taxes:

As a condition of performance of this contract, the Contractor shall pay all federal, state, and local taxes incurred by the Contractor and shall require their payment by any subcontractor or any other persons in the performance of this contract. Satisfactory performance of this paragraph is a condition precedent to payment by the State under this contract.

9. Compliance:

In the performance of this contract, the Contractor must comply with all applicable federal, state, and borough regulations, codes, and laws, and be liable for all required insurance, licenses, permits, and bonds.

10. Conflicting Provisions:

Unless specifically amended and approved by the Department of Law, the terms of this contract supersede any provisions the Contractor may seek to add. The Contractor may not add additional or different terms to this contract; AS 45.02.207(b)(1). The Contractor specifically acknowledges and agrees that, among other things, provisions in any documents it seeks to append hereto that purport to (1) waive the State of Alaska's sovereign immunity, (2) impose indemnification obligations on the State of Alaska, or (3) seek to limit liability of the Contractor for acts of Contractor negligence, are expressly superseded by this contract and are void.

11. Officials Not to Benefit:

Contractor must comply with all applicable federal or state laws regulating ethical conduct of public officers and employees.

12. Contract Prices:

Contract prices for commodities must be in U.S. funds and include applicable federal duty, brokerage fees, packaging, and transportation cost to the FOB point so that upon transfer of title the commodity can be utilized without further cost. Prices for services must be in U.S. funds and include applicable federal duty, brokerage fee, packaging, and transportation cost so that the services can be provided without further cost.

13. Contract Funding:

Contractors are advised that funds are available for the initial purchase and/or the first term of the contract. Payment and performance obligations for succeeding purchases and/or additional terms of the contract are subject to the availability and appropriation of funds.

14. Force Majeure:

The parties to this contract are not liable for the consequences of any failure to perform, or default in performing, any of their obligations under this Agreement, if that failure or default is caused by any unforeseeable Force Majeure, beyond the control of, and without the fault or negligence of, the respective party. For the purposes of this Agreement, Force Majeure will mean war (whether declared or not); revolution; invasion; insurrection; riot; civil commotion; sabotage; military or usurped power; lightning; explosion; fire; storm; drought; flood; earthquake; epidemic; quarantine; strikes; acts or restraints of governmental authorities affecting the project or directly or indirectly prohibiting or restricting the furnishing or use of materials or labor required; inability to secure materials, machinery, equipment or labor because of priority, allocation or other regulations of any governmental authorities.

15. Contract Extension:

Unless otherwise provided, the State and the Contractor agree: (1) that any holding over of the contract excluding any exercised renewal options, will be considered as a month-to-month extension, and all other terms and conditions shall remain in full force and effect, and (2) to provide written notice to the other party of the intent to cancel such month-to-month extension at least 30 days before the desired date of cancellation.

16. Severability:

If any provision of the contract is declared by a court to be illegal or in conflict with any law, the validity of the remaining terms and provisions will not be affected; and, the rights and obligations of the parties will be construed and enforced as if the contract did not contain the particular provision held to be invalid.

17. Continuing Obligation of Contractor:

Notwithstanding the expiration date of this contract, the Contractor is obligated to fulfill its responsibilities until warranty, guarantee, maintenance and parts availability requirements have completely expired.

18. Governing Law; Forum Selection:

This contract is governed by the laws of the State of Alaska. To the extent not otherwise governed by Article 3 of this Appendix, any claim concerning this contract shall be brought only in the Superior Court of the State of Alaska and not elsewhere.

ATTACHMENT 2

CERTIFICATION OF ENTITLEMENT TO THE ALASKA BIDDER PREFERENCE

I am the offeror or a duly authorized agent of the offeror, and I certify that the offeror is entitled to the Alaska Bidder Preference. I know and understand that the Alaska Bidder Preference provides for substantial benefits which could be favorable to the offeror and which could affect the award of the Request for Proposals to the offeror's benefit. I am aware that falsely claiming the Alaska Bidder Preference is a violation of the State of Alaska Procurement Code (AS 36.30) and may be cause for felony prosecution and conviction.

I offer the following evidence or statements in support of my Certification of Entitlement to the Alaska Bidder Preference:

- 1) As of the deadline for receipt of the bids, the offeror possesses a valid Alaska business license in any one of the following forms:
 - a copy of an Alaska business license;
 - certification on the bid that the bidder has a valid Alaska business license and has included the license number in the bid;
 - a canceled check for the Alaska business license fee;
 - a copy of the Alaska business license application with a receipt stamp from the State's occupational licensing office; *OR*
 - a sworn notarized affidavit that the offeror has applied and paid for the Alaska business license.
- 2) In addition to holding a current Alaska business license prior to the deadline for receipt of proposals, the offeror:
 - (a) is submitting a bid for goods or services under the name appearing on the offeror's current Alaska business license;
 - (b) has maintained a place of business within the state staffed by the offeror, or an employee of the bidder, for a period of six months immediately preceding the date of the proposal;
 - (c) is incorporated or qualified to do business under the laws of the state, is a sole proprietorship, and the proprietor is a resident of the state, is a Limited Liability Company (LLC) organized under AS 10.50 and all members are residents of the state, or is a partnership under AS 32.06 or AS 32.11 and all partners are residents of the state; *AND*
 - (d) if a joint venture, is composed entirely of ventures that qualify under items (a)-(c) of this subsection.

Signature of Bidder or Bidder's Authorized Agent

Date

Printed Name

ATTACHMENT 3

COST PROPOSAL FORM

Offerors are to submit their cost using this Cost Proposal Form. Costs offered are to remain firm for the duration of the contract and are to include all costs associated with providing required services, including, but not limited to, direct and indirect costs, payroll, supplies, equipment, overhead, travel, and profit. Failure to complete and submit this Cost Proposal form will result in rejection of the offer as being non-responsive.

The costs offered on this Cost Proposal Form for Property Management Services must be the ANNUAL costs to provide required services.

The costs offered here will be used only for award and evaluation purposes (see Sec. 3.04 Contract Type). The costs offered must reflect the costs provided on fee schedules and other cost related information within the offered proposal. The State does not guarantee a minimum or maximum quantity of services to be provided or dollar amount to be spent or earned under any contract resulting from this RFP.

Offerors are required to provide a standard fee schedule for the services required within this RFP.

The Total Contract Cost of this Cost Proposal Form is the cost that will be evaluated by the State. This cost must equal the Total Fees/Costs of Lines 1, 2, and 3.

LINE 1. CONSTRUCTION MANAGEMENT: Provide Construction Management fee calculations and total costs for the following projects. Construction management costs are contract on a fixed fee basis – there is no reimbursement for expenses such as travel or overhead. All costs should be included in the Total Construction Management fee figures.

PROJECT	CONSTRUCTION BUDGET	CALCULATION OF MANAGEMENT FEES	TOTAL CONSTRUCTION MANAGEMENT FEE
Project A – Roof Replacement - Juneau	\$50,000.00		
Project B – Tenant Improvement Buildout - Anchorage	\$200,000.00		
Project C – Parking Lot Resurface - Fairbanks	\$280,000.00		
Project D – Addition to Building - Fairbanks	\$1,000,000.00		
TOTAL CONSTRUCTION MANAGEMENT FEES (add Projects A – D Total Construction Management Fee totals)			

LINE 2. LEASING: Provide leasing fees and calculations for the following new lease and lease renewal, fees should be based on a percentage of the lease value.

PROJECT	TERM	FEES AND CALCULATIONS (INCLUDE COMMISSION %)	TOTAL LEASING COST
Lease A	A three-year lease with a new tenant for a total lease value of \$120,000.00		
Lease B	A three-year lease renewal with a total lease value of \$120,000.00		
TOTAL LEASING COSTS (add Lease A – B Total Leasing Cost totals)			

LINE 3. PROPERTY MANAGEMENT: Provide an Annual cost for Property Management services for the listed properties in the table below. Account for management of vacant spaces not occupied by tenants. Provide methodology for fee calculations for tenants that do not pay rent or pay a reduced rent.

PROJECT	TERMS	FEES AND FEE STRUCTURE	TOTAL ANNUAL PROPERTY MANAGEMENT FEE
Project A	1 Tenant Building – Fairbanks - Office 10,000 sq. feet; \$120,000.00 rent per year; NNN		
Project B	1 Tenant Building – Fairbanks - Office 6,000 sq. feet; \$72,000.00 rent per year; NNN		
Project C	4 Tenant Building – Anchorage - Office 21,929 RSF; 13,713 sq. feet – 3 paid tenants – \$311,000.00 rent per year; ALL FULL SERVICE		
Project D	Multiple Tenant Building – Anchorage - Office		

	28,068 RSF; 8,764 sq. feet – 5 paid tenants – \$239,000.00 rent per year; 5,004 sq feet – Owner Occupied – \$500.00 rent per year; Remainder of space vacant ALL FULL SERVICE		
Project E	1 Tenant Building – Anchorage - Office/Warehouse 10,736/14,830 sq. feet; \$72,000.00.00 rent per year; NNN – Below Market Lease		
Project F	Multiple Tenant Building – Juneau - Office/Warehouse 18,100/1,400 sq. feet; Tenant 1 – 2,171 sq. feet \$42,000.00 rent per year; Tenant 2 – 2,000 sq. feet \$43,800.00 rent per year; Remainder of space vacant ALL FULL SERVICE		
Project G	1 Tenant Building – Fairbanks - Medical Office 8,678 sq. feet; \$96,000.00.00 rent per year; NNN – Below Market Lease		
TOTAL ANNUAL PROPERTY MANAGEMENT FEE (add Projects A – G Total Annual Property Management Fee totals)			

TOTAL CONTRACT COST (add sums of 1-3 above)	
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COMPANY INFORMATION:

Company Name: _____

Printed Name of Authorized Agent: _____

Signature of Authorized Agent: _____

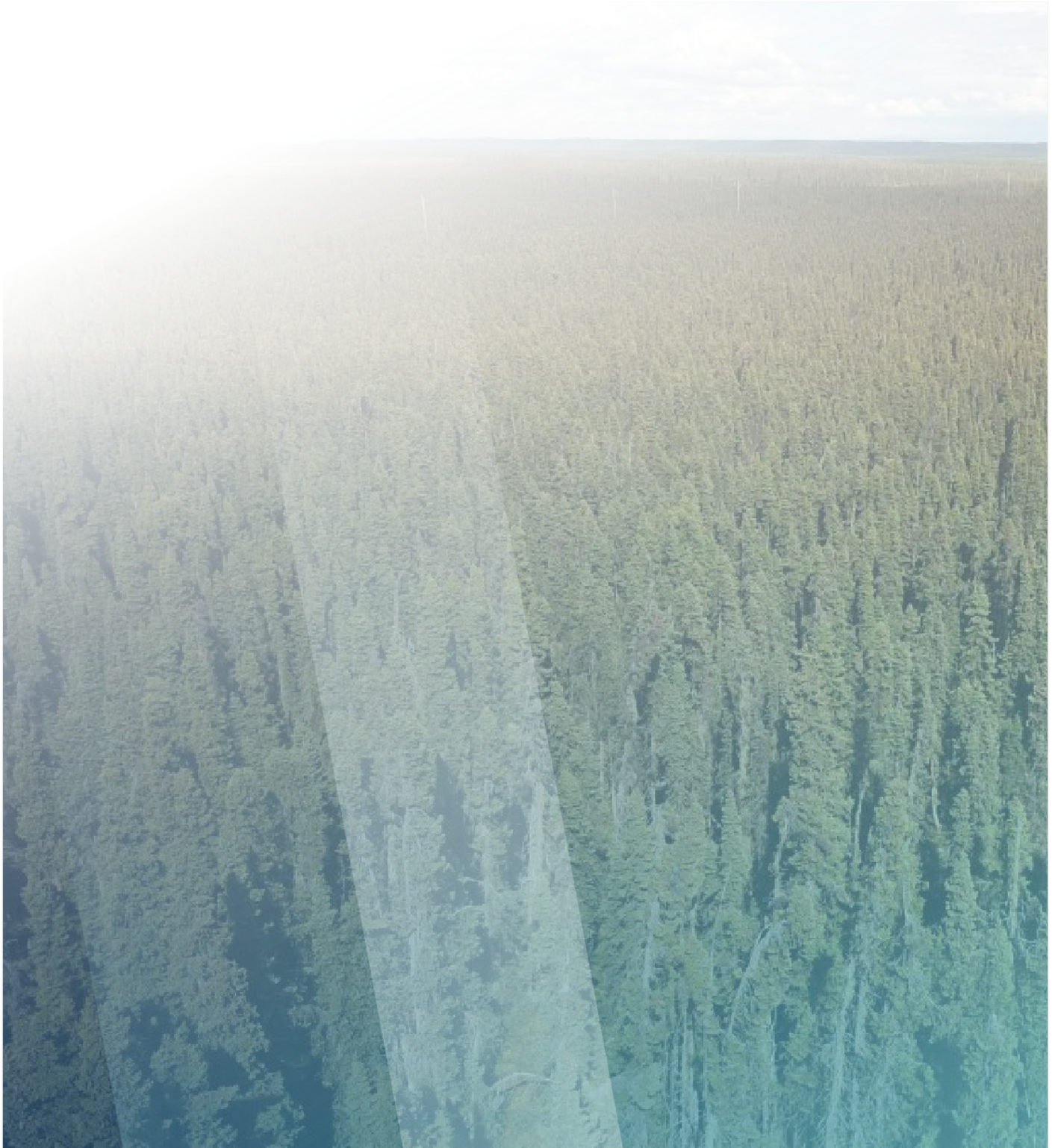
date signed: _____

ATTACHMENT 6
Real Estate Management Strategy
Attached Separately

ATTACHMENT 6

PROGRAM-RELATED REAL ESTATE RESOURCE

MANAGEMENT STRATEGY



PROGRAM-RELATED REAL ESTATE RESOURCE MANAGEMENT STRATEGY

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INTRODUCTION

The use of Trust land for a Trust beneficiary or organization acting on behalf of Trust beneficiaries to directly benefit persons is consistent with Congress' intention to create a mental health trust for the State of Alaska. The Alaska Mental Health Enabling Act (1956) obligated the Territory of Alaska to administer the lands granted as a public trust. Congress further declared that proceeds and income from the land shall "first be applied to meet the necessary expense of the mental health program of Alaska." It is consistent with the formation of the Trust to use its lands to directly benefit beneficiaries. This potential direct use is anticipated in the TLO regulations:

11 AAC 99.110 Direct use by beneficiaries.

A Trust beneficiary, or an organization acting on behalf of a Trust beneficiary wanting to use Trust land to directly benefit persons as part of, or to fulfill, the Trust Authority's purpose to ensure a plan for an integrated, comprehensive mental health program prepared under AS 47.30.660 (a)(1), may be granted use of Trust land. Trust land use to be granted under this section must be approved by the Authority before consideration by the executive director.

The above provision is interpreted to also allow the use of properties acquired by the Trust for program and beneficiary purposes.

This plan serves to provide general guidance on the use of Trust land for beneficiary programs but is limited in scope to real estate or land use related issues. Decisions related to beneficiary programs or policies are made by trustees. In addition, the plan identifies policies, procedures and other considerations relative to Trust land use or property/land acquisition for beneficiary programs.

From time to time, Trust staff, working on behalf of or with a beneficiary group, may bring a proposal to the TLO for real estate consideration. Proposals may identify the need to acquire select properties and/or the need to identify a parcel of Trust land that would be appropriate for the development of a beneficiary program or facility. TLO staff can provide technical and professional assistance and service to Trust staff by identifying existing Trust land or other available land for potential consideration by Trust staff and/or trustees.

This scenario was employed for the development of the Fairbanks Enhanced Detox Facility (2004-2008). The TLO worked with a team of stakeholders representing nonprofits, tribal organizations, and state and federal agencies to acquire raw land, develop a subdivision with road and utilities, and contract for the design and construction of a 10,500-square-foot treatment facility. The TLO's role included land and entitlement acquisition, project management and procurement for subdivision development, oversight of the construction contract and negotiation of the facility and land lease with Fairbanks Community Behavioral Health Center (FCBHC). Although initially the facility was owned by FCBHC to support funding its construction, it is now owned by the Trust, and the TLO contracts with a property manager to manage the building and provide ongoing maintenance. This model, or a variation thereof, can be implemented when facilities need to be acquired or constructed for Trust-funded program purposes.

PROGRAM-RELATED REAL ESTATE RESOURCE MANAGEMENT STRATEGY

Upon initiation by the Trust, the TLO will research, analyze and conduct due diligence relative to proposed beneficiary uses of Trust land to make recommendations to the Trust and its board

of trustees. The TLO will consider those issues related to the Trust acquiring lands or buildings for beneficiary purposes but will defer to the Trust for direction and decisions related to program needs and program development. The TLO will consider long-term and short-term risk to the Trust, financial risks and considerations, investment implications and due diligence findings and provide recommendations to Trust staff and the trustees when appropriate. Any proposed beneficiary program on Trust land will be treated by the TLO as it would any other project — all recommendations will consider the best interest of the Trust. The TLO will not consider or verify the merits or values of a beneficiary program but defer to Trust program officers and the trustees for these decisions.

Between 2018 and 2020 the TLO has evaluated several properties for a new home for Choices and the Consumer Web. The TLO coordinated closely with the Trust Authority program officers and the non-profit organization staff to understand their property needs. TLO located potential properties and found ones that might fit the purposes. TLO negotiated purchase price and conducted physical building inspections and best fit evaluations to create expected budgets to complete the acquisition and building retrofit. The TLO was unable to find any available buildings that met all the needed parameters within the budgetary constraints. This highlights that the TLO can provide technical assistance, but it does not guarantee results on any individual project.

The use of Trust land for beneficiary interests at times may conflict with the TLO's mission to maximize revenue from Trust land. As a result of the settlement agreement of 1994, the Trust received some lands that were encumbered by long-term leases or other management agreements established under the Department of Natural Resources' (DNR)

management of the lands as "general state land." Although the TLO has an ongoing obligation to honor valid existing rights, such as public and charitable leases, the long-term management goal of these lands will be to maximize revenue generation over time. Each scenario will need to be considered and reviewed on a case-by-case basis, as lease conditions vary. In the case of nonprofit organizations that may also serve beneficiaries of the Trust, the TLO should always consider the potential revenue opportunities that a parcel of Trust land may offer and be ready to manage for other uses in the event that a beneficiary or nonprofit-oriented lease expires or the occupant abandons the property or changes its need for the land.

Any recommendations to the Trust Authority Office or the board of trustees for use of Trust land for beneficiary purposes will include an assessment of any reduced revenue or revenue potential by encumbering the land as proposed. Trustees can make the determination to forgo alternative revenues when balanced against the potential future funds that would be necessary to produce the same program benefit without the program related land use. The trustees can also determine how much to subsidize the program related land use, fully, partially, or at market rents while providing a necessary facility.

RISK MANAGEMENT

The primary consideration of risk to the Trust for beneficiary-related uses of Trust land includes, but may not be limited to, the following:

- Loss of potential revenue from alternative/ competing development projects;
- Holding costs associated with program development when the Trust advances a program-related investment (PRI) acquisition;

- Instability in operating budgets or loss of beneficiary program funding for an existing program;
- Management or administrative issues that could negatively impact beneficiary program operations; and
- Loss of TLO staff time focusing on revenue-producing opportunities.

These potential risks vary depending on the scenario at hand. Some beneficiary-related uses of Trust land were granted prior to the reconstitution of the Trust (for example: ARC located in the Community Park Alaska Subdivision, Anchorage). Generally, these land use rights were granted by DNR under a limited rights conveyance document (such as a management agreement) or other long-term lease document that granted exclusive use rights, at times without an expiration date. In some instances, these land use rights were assignable to other non-profits or beneficiary groups. As in the case of Catholic Social Services (CSS), also located on Trust land in the Community Park Alaska Subdivision, the land lease originally had been granted by the Municipality of Anchorage to the Sisters of Providence for a 40-year term. In 1991, the lease was assigned to CSS. The CSS programs at this location serve some of the Trust's beneficiaries, but are not considered solely "mental health programs." The complexity of existing land use rights coupled with the need for program services makes the identification of risk and consequent management of these existing rights and

assets more difficult. As such, the TLO will work with Trust program officers to advance the mission of the TLO and the Trust subsequently, when possible.

POLICIES

In order to balance beneficiary needs with the TLO's mission to maximize revenue for the Trust, proposed beneficiary-related uses of Trust land should be initiated by Trust staff. Requests from beneficiary-related groups or mental health providers operating or proposing to operate on Trust land should be considered on a case-by-case basis.

Decisions to use Trust land to directly benefit beneficiaries or to fulfill the Trust Authority's plan for an integrated comprehensive mental health program must be approved by the trustees, and then forwarded to the TLO for consideration by the executive director.

When appropriate and approved by the board of trustees, TLO staff may seek supplemental funding from the Trust for time and funding spent for projects initiated by Trust staff. This would typically be when the expenditures were not planned for or can not be absorbed by the approved TLO operational budget.

TLO and Trust staff will work together to set priorities for specific beneficiary-related projects with the direction of the board of trustees.

PROGRAM-RELATED REAL ESTATE RESOURCE GOALS AND OBJECTIVES

Goal 1: Assure the real estate needs of mental health programs sponsored by the Alaska Mental Health Trust Authority are met as appropriate.

Objective 1: TLO will provide expertise to Trust staff relative to program-related real estate projects or land use authorizations on Trust land.

Objective 2: TLO will provide expertise and services to the Trust to acquire land or property for beneficiary programs.

Goal 2: Manage Trust land for the long-term preservation of the Trust's land base while supporting and enhancing the Trust's mission to promote a comprehensive integrated mental health program.

Objective 1: TLO will manage land and facilities owned by the Trust to serve the best interest of the Trust.

Objective 2: TLO will provide professional property management and other real estate and stewardship services to protect the value of program-related Trust investments.

Goal 3: Develop Trust land inventory and long-term management plans related to beneficiary programs.

Objective 1: TLO will maintain an inventory all of existing beneficiary related uses of Trust land.

Objective 2: As a function of maintaining the land base, the TLO will develop individual long-term management plans for existing mental health programs located on Trust land. The plans will identify opportunities and potential scenarios for future revenue generation.

Objective 3: TLO will create an inventory identifying all Trust land that is currently zoned consistent with potential Trust beneficiary needs.