



The State Bar of California

OPEN SESSION AGENDA ITEM APRIL 2022 BOARD EXECUTIVE COMMITTEE II.A

DATE: April 19, 2022

TO: Members, Board Executive Committee

FROM: Steve Mazer, Chief Administrative Officer

SUBJECT: Approval of Specified Contracts Pursuant to Business and Professions Code Section 6008.6

EXECUTIVE SUMMARY

This item requests approval to execute contracts for goods or services with a value in excess of \$50,000 or, for information technology (IT) goods and services, in excess of \$100,000.

BACKGROUND

Pursuant to Business and Professions Code section 6008.6, the State Bar shall award no contract for goods, services, or both, for an aggregate amount in excess of \$50,000, or for IT goods, services, or both, for an aggregate amount in excess of \$100,000, except pursuant to the standards established in Article 4 (commencing with section 10335) of Chapter 2 of Part 2 of Division 2 of the Public Contract Code and approval of the Board of Trustees. In the event that approval for a particular contract by the Board is not feasible because approval of the contract is necessary prior to the next regularly scheduled meeting of the Board, the executive director may approve the contract after consultation with and approval by a designated committee of the Board and subject to notification of the full Board at the next regularly scheduled meeting.

DISCUSSION

The contracts listed below are in excess of \$50,000 (or, for IT goods and services, in excess of \$100,000) and have met the standards established by Article 4 of the Public Contract Code, as

implemented through the State Bar's Procurement Policy. These contracts require approval by the Board of Trustees in order to be executed. Because the contracts require execution before the next regularly scheduled meeting of the Board of Trustees, approval is sought from the Board Executive Committee.

Ref #	Office	Cost Center	Fund	Vendor	Contract Amount	Goods or Services
1	General Services	5510	General Fund	Cushman & Wakefield, Inc.	See below	Commercial Real Estate Advisory and Brokerage Services
2	Information Technology	5310	General Fund	Slalom, LLC	\$143,000	System Analysis and Requirements Documentation Project

1. Cushman & Wakefield, Inc.

Cushman & Wakefield will represent the State Bar in the contemplated sale of its San Francisco headquarters building at 180 Howard Street, and the pursuit of new space in the Bay Area, either through purchase or lease. The State Bar has negotiated a favorable fee structure with Cushman & Wakefield for the various real estate transactions it may pursue. Exact fees will be based on the sale price and terms, purchase price and terms, or leasing price and terms of the specific real estate transactions the State Bar ultimately pursues. In a leasing transaction it is market practice for the building owner to pay a brokerage fee to its own broker and to the tenant's broker. The fee structure for sale and purchase transactions can vary based on the specific terms of the transaction; in some cases, a seller pays its own broker as well as the buyer's broker, and in other cases each party pays its own broker. The fee structure under the proposed contract is as follows:

- Sale of 180 Howard Street: 0.3 percent of the sale price.
- Purchase of a new building: \$250,000 in a transaction where each party pays its own broker. No fee in a transaction where the seller pays the buyer's broker.
- Lease of space in a new building: No fee, as building owner will pay tenant's broker.

2. Slalom, LLC

Vendor will conduct a detailed system analysis and document requirements in preparation for the acquisition of a new Attorney Regulation Information System, to replace the current AS400 system. This is one of the information technology projects funded by the 2020 licensing fee increase.

FISCAL/PERSONNEL IMPACT

The expenses above are included in the 2022 budget for the cost centers noted, or will be included in the budget for future years, per the normal budget planning process.

AMENDMENTS TO RULES

None

AMENDMENTS TO BOARD OF TRUSTEES POLICY MANUAL

None

STRATEGIC PLAN GOALS & OBJECTIVES

Goal: None – core business operations

RECOMMENDATIONS

Should the Board Executive Committee concur in the proposed action, passage of the following resolution is recommended:

RESOLVED, that the Board Executive Committee approves execution of the contracts listed herein.

ATTACHMENT LIST

None