



# The State Bar of California

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## **OPEN SESSION AGENDA ITEM 50-2 MAY 2022**

**DATE:** May 19, 2022

**TO:** Members, Board of Trustees

**FROM:** Steve Mazer, Chief Administrative Officer

**SUBJECT:** Report of Action Taken by the Board Executive Committee Approving Specified Contracts Pursuant to Business and Professions Code Section 6008.6

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### **EXECUTIVE SUMMARY**

This item provides notice to the Board of Trustees of action taken by the Board Executive Committee to approve contracts in between regularly scheduled Board meetings.

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### **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 information technology 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. Because these contracts required

execution before the next regularly scheduled meeting of the Board of Trustees, they were approved by the Board Executive Committee on April 19, 2022.

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 that 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 center 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 of Trustees concur in the proposed action, passage of the following resolution is recommended:**

**WHEREAS**, the contracts listed herein required execution before the next regularly scheduled meeting of the Board of Trustees; and

**WHEREAS**, on April 19, 2022, the Board Executive Committee, approved said contract; it is hereby

**RESOLVED**, that the Board of Trustees affirms the action taken by the Board Executive Committee on behalf of the Board.

## **ATTACHMENT LIST**

None