



# City Council Report

**Date:** September 18, 2017  
**To:** City Council  
**Through:** Mike Kennington, Chief Financial Officer  
**From:** Edward Quedens, MPA, C.P.M., CPPO, Business Services Director  
Matt Bauer, MBA, CPPO, CPPB, CPSM, Procurement Administrator  
**Subject:** One-Year Renewal Contract for Auctioneering Services for the Fleet Services, Police and Business Services Departments **(Citywide)**

## Purpose and Recommendation

Council is requested to approve the Renewal Contract for Auctioneering Services as recommended.

The Fleet Services, Police and Business Services Departments and Purchasing recommend authorizing the renewal with The Public Group, LLC and Sierra Auction Management, Inc.

## Background / Discussion

City of Mesa, as the lead agency, solicited Request for Proposals (RFP) for Auctioneering Services for surplus City vehicles and equipment on June 19, 2014. Cooperative partners include: City of Chandler, City of Apache Junction, Town of Queen Creek, Town of Fountain Hills, Town of Gilbert, City of Peoria, City of Scottsdale, City of Glendale, City of Goodyear, City of Surprise, Maricopa County, Pinal County, Maricopa County Community College District, Pima Community College and Phoenix-Mesa Gateway Airport Authority. In addition, any/all S.A.V.E cooperative members may also purchase from the resulting contract.

The Auctioneer disposes surplus City vehicles, equipment, firearms and other surplus property as needed. Their main objective is to maximize the City's return of surplus sales and minimize operational costs.

On 10/6/2014, Council approved the initial three-year contract with two, one-year renewal options. This is the first, one-year renewal contract with a one-year renewal remaining.

The City has been satisfied with the performance of both contractors and this contract continues to be advantageous to the City and it is in the City's best interest to renew the agreement.

## Alternatives

Council may choose not to authorize the renewal and the City may use a State or County cooperative contract for these auctioneering services. This may yield less revenue from the City's surplus property sent to auction.

## **Fiscal Impact**

This contract provides revenue to the City based on the sale price of the item less any of the buyer's premium percentage and seller's premium percentage.

## **Coordinated With**

Fleet Services Department, Police Department, Business Services Department - Materials and Supply, and Purchasing, and S.A.V.E. cooperative members (Cities of Peoria, Apache Junction and Chandler)

## **PURCHASING INFORMATION**

Action: Renewal Authorization

Procurement Type: Request for Proposals

Solicitation Number: 2014085

Responses Received: Six

Initial Contract Term: Three years

Renewal Term: One year

Possible Renewals: One-year renewal subject future Council consideration

## **Proposals received on July 16, 2014**

Bar None Enterprise dba Bar None Auction - Rancho Cordova, CA

GovDeals, Inc. - Montgomery, AL

PropertyRoom.com, Inc. - Frederick, MD

Sierra Auction Management, Inc. - Phoenix, AZ (Awarded)

The Public Group, LLC - Provo, UT (Awarded)

Western Sales Management Inc. dba WSM Auctioneers (WSM) - Phoenix, AZ

**RENEWAL RECOMMENDATION**

***Sierra Auction Management, Inc.***  
**Phoenix, AZ**

Description
Auctioneering Services for <u>On-Site Auction, Online Auctions and Firearms</u> per Contract No. 2014085, Terms and Conditions and Specifications. Vendor is paid per the Buyer's and Seller's Premium Rates as identified in the BAFO and modified per Amendment 1 of the Contract.

***The Public Group, LLC***  
**Provo, UT**

Description
Auctioneering Services for <u>Online Auctions</u> per Contract No. 2014085, Terms and Conditions and Specifications. Vendor is paid per the Buyer's Premium Rate as identified in the BAFO.