



Recommendation for Action

File #: 20-3515, **Agenda Item #:** 36.

12/3/2020

Posting Language

Authorize negotiation and execution of two multi-term cooperative contracts with GovDeals, Inc. and Gaston & Sheehan Auctioneers D/B/A Gaston & Sheehan Auctioneers & Real Estate, to provide auction services, each for up to five years for an estimated revenue amount of \$6,550,000, combined from both contractors.

(Note: Revenue contracts are exempt from the City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program; therefore, no subcontracting goals were established).

Lead Department

Purchasing Office.

Client Department(s)

Financial Services Department; Fleet Mobility Services.

Fiscal Note

Estimated net revenue will be allocated to the Fiscal Year 2020-2021 Operating Budget of various City departments. Net revenue for the remaining contract terms will be available in future budgets.

Purchasing Language:

Multiple cooperative purchase programs were reviewed for these services. The Purchasing Office has determined these contractors best meet the needs of the departments to provide the services required at the best value for the City.

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov <<mailto:AgendaOffice@austintexas.gov>> or to Sydney Ceder, at 512-974-2225 or sydney.ceder@austintexas.gov <<mailto:sydney.ceder@austintexas.gov>>.

Additional Backup Information:

These contracts are for auction services to sell the City's surplus vehicles and equipment, office furniture, small tools, power tools, electronics, computers and other miscellaneous items.

GovDeals, Inc. is a leading source for selling surplus materials, equipment and vehicles for government entities. It provides a means for government entities to list items for sale and for potential buyers to bid upon those items via an online auction system. This contractor will research and assist in determining comparable fair market values, provide marketing of on-line auction services to potential buyers and has a staffed help desk on weekdays.

Gaston & Sheehan Auctioneers provides online auctioneering services for the sale of abandoned or unclaimed property received from the Austin Police Department, the Austin Convention Center, Austin Public Library, Aviation, City surplus property and surplus vehicles.

Each contractor's auction captures a different audience and departments will choose the contractor that best meets the needs based on the item offered for auction. The contractors collect the purchase price and remit payment to the City weekly, minus their service fees. This keeps any liability for fraudulent payments or chargebacks on the contractors.

The Texas Local Government Purchasing Cooperative, administered by the Texas Association of School Boards, Inc. (BuyBoard) cooperative and Omnia Partners, Inc. establish competitively bid contracts that can be utilized by government agencies through a cooperative agreement. Cooperative agreements leverage volume-buying power to drive up revenue on revenue contracts through a streamlined cooperative purchasing program, resulting in additional revenue for the City.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Contract Revenue</u>
Initial Term	3 yrs.	\$3,930,000
Optional Extension 1	1 yr.	\$1,310,000
Optional Extension 2	1 yr.	\$1,310,000
TOTAL	5 yrs.	\$6,550,000

Note: Contract revenue amounts are based on the City's estimated annual usage.

Strategic Outcome(s):

Government that Works for All.