



Legislation Text

File #: 19-0387, **Version:** 1

Recommendation to adopt resolution authorizing City Manager, or designee, to execute a contract with GovDeals, Inc., of Montgomery, AL, for surplus auction services with related solutions, on the same terms and conditions afforded to Sourcewell, formerly the National Joint Powers Alliance (NJPA), of Staples, MN, in a total amount not to exceed amount of \$200,000, until the NJPA agreement expires on June 22, 2020, with the option to renew for as long as the NJPA contract is in effect, at the discretion of the City Manager. (Citywide)

City Council approval is requested to enter into a contract with GovDeals, Inc. (GovDeals), for surplus auction services with related solutions, to support the Civic Center project move and associated decommissioning of existing City Hall furniture and technology equipment and future reallocation of asset needs.

The Public Works Department (PW) and Technology and Innovation Department (TID) are requesting to utilize the GovDeals online platform to reallocate City assets that will not be able to move to the new Civic Center, or have been decommissioned in the existing City Hall building. Staff will prioritize offering of assets to offsite City departments. In accordance with Administrative Regulation 1-1, Financial Policy and Procedure 7-1 - Accounting for Capital Assets, following the reassignment of assets to City departments, staff will open furniture and technology reallocation to local nonprofit organizations where auction items will be listed for a nominal dollar amount before opening to public bidders. TID will work with GovDeals to ensure that the reallocation of technology equipment complies with the City's administrative process so that nonprofits may then administer the refurbished devices to the hands of families in underserved neighborhoods or provide digital literacy training in underserved neighborhoods in accordance with the City's digital inclusion initiative.

The new Civic Center building will be equipped with brand new furniture, storage, and technology equipment. As such, there will be no movement of furniture from City Hall. However, recently replaced PCs and some current technology equipment will be used in the new Civic Center.

PW and TID, with the assistance of the Purchasing Division, investigated procurement options and learned that NJPA, of Staples, MN, had completed a Request for Proposals (RFP) for the procurement of Surplus Auction Services with related solutions in June 2016.

The contract was awarded to GovDeals. After evaluating the GovDeals contract, staff determined the contract to be a good fit for the City's needs. The GovDeals platform will allow the City to reallocate and then bid its assets. It will allow the City to establish a tiered release of items, which enables staff to establish and prioritize decommissioning options such

as reallocation to offsite departments, donation to local nonprofit organizations, and public auctioning. In addition to establishing these tiers, a timeline can also be established for the tiers to automatically go-live without manual interventions. The contract is mostly revenue driven as GovDeals takes a percentage of the proceeds from auction as payment for services; therefore, the cost for the vendor to provide this service is negligible. While this program is commission-based, the City requested purchasing authority to support supplemental needs for decommissioning, which include GovDeals staff support for uploading inventory to its platform, physical move of assets onsite, asset pickup coordination, and promotional and marketing support. For these reasons, staff is confident that the GovDeals platform is the best solution for the reallocation of the City's surplus assets.

City Charter Section 1802 provides an alternative procurement method by permitting the City to purchase or otherwise obtain services, supplies, materials, equipment, and labor with other governmental agencies by purchasing under their contracts on a voluntary and selective basis when authorized by Resolution of the City Council.

This matter was reviewed by Deputy City Attorney Amy R. Webber on April 4, 2019, by Purchasing and Business Services Manager Sandy Tsang-Palmer on April 4, 2019, and by Budget Analysis Officer Julissa José Murray on April 8, 2019.

City Council action to adopt a Resolution and award a contract concurrently is requested on April 23, 2019, to ensure the contract is in place expeditiously.

The total cost of the contract is estimated at \$200,000 for the contract term. Sufficient appropriation is budgeted in the Civic Center Fund (IS 380) in the Public Works Department (PW). The requested action is not expected to require additional staff hours beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

Approve recommendation.

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APPROVED:

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CITY MANAGER