



Legislation Text

File #: 17-025, Version: 1

TO: Mayor and Commissioners
FROM: John Morgan, Director of Environmental Services Department
THROUGH: Chief Neal de Jesus, Interim City Manager
DATE: March 1, 2017

APPROVAL OF A MEMORANDUM OF UNDERSTANDING WITH GOVDEALS, INC. ONLINE AUCTION SERVICE

Recommended Action:

Motion to Approve a Memorandum of Understanding with GovDeals, Inc. for the disposal of the City's surplus non-real property via an online auction service.

Background:

The City's Agreement with GovDeals, approved by City Commission on October 21, 2008 has expired.

This new Agreement will increase staff efficiency and reduce City costs by allowing GovDeals to conduct online auctions on behalf of the City to dispose of surplus City assets. The Environmental Services Department with support from the Finance Department, is requesting approval to execute the Online Auction Memo of Understanding utilizing Option B2, which will allow GovDeals to collect the City's auction proceeds and remit the proceeds weekly to the City. This will reduce the time required of City staff that are currently collecting money from the bidder and remitting payments to GovDeals. Under the recommended Option B2, the City will pay a fee of five percent of the proceeds of the auction sale, but not less than five dollars. This is a reduction from the seven and one-half percent that the City has been paying for online auction service fees under the previous agreement with GovDeals.

The revenues collected from auction sales on GovDeals.com since Fiscal Year 2009 are as follows:

Fiscal Year 2009/2010 - \$145,398
Fiscal Year 2010/2011 - \$190,873
Fiscal Year 2011/2012 - \$77,307
Fiscal Year 2012/2013 - \$101,942
Fiscal Year 2013/2014 - \$146,162
Fiscal Year 2014/2015 - \$99,527
Fiscal Year 2015/2016 - \$105,214

This recommendation complies with the City Code of Ordinances, Chapter 36, Section 36.08, "*Disposal of Non-Real Property*".

City Attorney Review:

Approved as to form and legal sufficiency.

Finance Department Review:

Finance recommends approval. This agreement will reduce costs and strengthen internal controls.

Funding Source:

Funding is available from account number 501-3311-591.34-90 (Central Garage Fund: Other Contractual Services).