

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a new contract with **Brasher's Northwest Auto Auction** for Auctioning Services "as needed."

Backgrounder (if "yes," "See backgrounder information") No

Board Meeting Date: July 7, 2009

Project or Job Name: Auctioning Services

Project Contact: Gary Lentsch Ext. 3901

Purchasing Contact: Cheryl Golbek Ext. 3274

Action Requested:

- Contract Award
- Contract Renewal
- Contract Increase
- Other

Contract Amount:

Original Contract Amount: \$60,000

Additional \$ Previously Approved: \$ N/A

Invoices over last approval: \$ N/A

Percentage over last approval: N/A %

Amount this Request: \$60,000

Resulting Cumulative Total: \$60,000

Funding Source:

- Budget
- Reserves
- New Revenue
- Bonding
- Other

Contracting Method:

Method of Solicitation: Informal Request for Proposal (RFP)

If applicable, basis for exemption: N/A

Term of Agreement: July 8, 2009 – July 7, 2010

Option to Renew? Yes, Renewable annually up to 5 years total.

Approval for purchases "as needed" for the life of the contract Yes

Form of Contract:

- Single Purchase
- Services
- Personal Services
- Construction
- IGA
- Price Agreement
- Other

NARRATIVE:

The Board is being asked to approve a new contract with **Brasher's Northwest Auto Auction** for auctioning services "as needed."

The utility uses auctioning services in its disposal of surplus vehicles, trucks, heavy equipment, small tools, office furniture, computer equipment, and other miscellaneous surplus and excess personal property items. The majority of items are rolling stock (vehicles and heavy equipment), and only 10% is non-rolling stock items. Staff researched commissions currently being charged by auctioneer's (approximately 15% per item) for these services and determined it would be in EWEB's best interest to re-solicit for these services.

In June 2009, staff issued an informal RFP for Auctioning Services. The RFP was sent to four local vendors and one proposal was received from Brasher's Northwest Auto Auction. Brasher's offer was evaluated and determined to be responsive, responsible, meeting all EWEB requirements. The new commission rates will be 5.5% of rolling stock sales and 20% of non-rolling stock sales.

Auctioning Services will be required on an "as needed" basis. The exact amount of services required will vary depending on the amount of surplus items sold, but commissions will remain the same. Staff estimates between \$75,000 - \$150,000 worth of EWEB item will be sold each year, with approximately \$12,000 paid in auctioneering commissions each year.

This contract, if approved, will be for one year with the option, at EWEB's discretion, to renew for four additional one-year periods (total potential contract term: 5 years)

ACTION REQUESTED:

Staff requests Board approve the award of a contract with **Brasher's Northwest Auto Auction** for auctioning services "as needed." Funds for these services were budgeted for 2009 and will be budgeted annually.

SIGNATURES:

Project Coordinator: _____

Supervisor: _____

Purchasing Manager: _____

Division Director: _____

General Manager: _____

Board Approval Date: _____

Secretary/Assistant Secretary verification: _____