

extension remaining but staff recommends not exercising the option to extend this contract. Instead, staff is recommending piggybacking on a multi-agency bid coordinated by the Los Angeles Metro Public Purchasing Agents' Cooperative (LAMPPAC). LAMPPAC was formed in 1996, among a consortium of Los Angeles area public entities who's mission is to coordinate joint bids and piggyback opportunities to its members for commonly purchased items and to provide a forum for sharing information, networking and the development and attainment of purchasing goals.

Recently, the City of Carson acted as the lead city, on the behalf of the other cities in LAMPAC, and solicited bids for auction services. Other cities participating in this bid were Arcadia, Downey, Vernon, El Segundo, Culver City, Torrance, Lakewood, West Covina and Manhattan Beach. As the result of a competitive bid process, a three (3) year base contract with two (2) additional one (1) year option periods was awarded to General Auction Company. Consequently, due to the scale of this multiple city contract, the terms are more attractive than those available by extending the contract with Nationwide.

The current contract with Nationwide calls for the City to pay the following fees:

- 5% commission on all vehicle sales;
- 10% commission on the sale of all other items;
- \$60 per vehicle for auto detailing;
- \$10 per vehicle for D.M.V. verifications;
- and \$40 per ton in transportation charges.

Under the proposed contract with General Auction Company, the City will pay no fees or commissions. The revenue for the auctioneer is derived from a 10% buyer's fee charged to buyers for each transaction. The City receives 100% of the sales price for each item or lot sold at auction. Therefore, it is in the City's best interest to enter into a contract with General Auction Company to provide auction services to dispose of surplus property.

Staff from the Purchasing Division inspected General Auction's facility to determine their ability to meet the City's needs. Staff determined that General Auction does meet the City's requirements and can adequately provide auction services to the City of Pasadena. The proposed contract is in compliance with the City's Competitive Bidding, Affirmative Action in Contracting and Living Wage Ordinances.

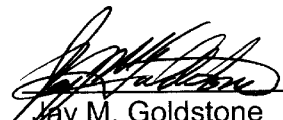
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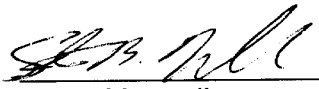
The sale of salvage equipment provides a return to the City on previous expenditures for property and equipment as well as a mechanism to convert asset forfeiture items into revenue. In the past year the City has received approximately \$83,991 from the sale of surplus property and equipment.

Respectfully submitted,

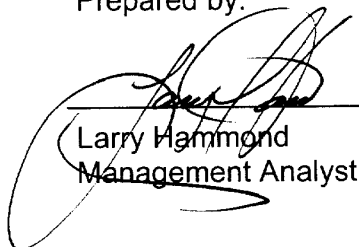

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