



# City of San Antonio

## Legislation Details (With Text)

**File #:** 20-3662

**Type:** Purchase - Annual Contract

**In control:** City Council A Session

**On agenda:** 6/18/2020

**Title:** Ordinance extending a contract with PropertyRoom.com, Inc. for online auction services for an additional one-year period for an estimated \$200,000.00 annual revenue (\$99,000.00 estimated sales proceeds retained annually by vendor), included in the Police Department's FY 2020 Adopted Budget. [Ben Gorzell, Chief Financial Officer; Troy Elliott, Deputy Chief Financial Officer, Finance]

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Contract Summary Sheet - PropertyRoom.com, 2. Bid Tab, 3. Draft Ordinance, 4. Ordinance 2020-06-18-0409

Date	Ver.	Action By	Action	Result
6/18/2020	1	City Council A Session	adopted	Pass

**DEPARTMENT:** Finance

**DEPARTMENT HEAD:** Troy Elliott

**COUNCIL DISTRICTS IMPACTED:** Citywide

**SUBJECT:**

6/18/2020 Annual Contract

**SUMMARY:**

An ordinance amending one annual contract to provide the City with commodities and services on an annual basis for the term of the contract, for an estimated \$200,000.00 annual revenue (\$99,000.00 estimated sales proceeds retained annually by vendor). This ordinance provides the procurement of the following item, as needed, and dependent on the Department's available budget, for the term of the contract:

- A. PropertyRoom.com for Online Auction Services, \$200,000.00 estimated annual revenue (\$99,000.00 estimated sales proceeds retained annually by vendor) - (1 contract, San Antonio Police Department)

**BACKGROUND INFORMATION:**

The City of San Antonio utilizes annual contracts for procuring high volume repetitive purchases. Annual contracts are an efficient method of securing the best prices through volume purchasing and reducing large amounts of work related to the bid process. Utilization of annual contracts allows the City to procure numerous different commodities in support of the normal daily operations.

**Amendment:**

A. PropertyRoom.com for Online Auction Services, \$200,000.00 estimated annual revenue (\$99,000.00 estimated sales proceeds retained annually by vendor), June 23, 2020 through June 22, 2021- This amendment will provide the Police Department with an extension to the initial term of the online auction services contract through June 22, 2021.

This contract will provide the City of San Antonio Police Department with an annual contract for online auction services provided by PropertyRoom.com, Inc. The portable personal property collected in connection with the law enforcement activities of the San Antonio Police Department, and various portable personal property items of surplus City owned property will be consigned to contractor for the purpose of auctioning said property on the Internet. PropertyRoom.com will transport collected items, store items in a secure facility, provide the marketing and an electronic platform for auctioning items. Contractor and City will split commission of sales and disposition proceeds accordingly. As a revenue generating contract, the estimated annual spend would be based on a split of profit of sales generated at auction.

This purchase is made in accordance with the National Joint Powers Alliance (Sourcewell) Cooperative Program passed on Ordinance 2009-02-12-0102, Dated 2/12/09. Sourcewell has extended the cooperative contract #041316-PRC for one additional year with PropertyRoom.com through June 22, 2021.

The term for the original contract was for January 08, 2015 through June 22, 2017 with three additional one-year renewal options. Amendment 1 will extend the cooperative contract with PropertyRoom.com, Inc. for an additional year from June 23, 2020 through June 22, 2021.

**ISSUE:**

Extension of this contract will allow the Police Department to have continued access to Online Auction Services required for daily operations. The additional time will allow adequate time to update contract specifications and issue a solicitation for award of a new contract. The vendor has agreed to extend this contract in accordance with existing terms and conditions, including pricing.

**ALTERNATIVES:**

Should this contract not be approved, the San Antonio Police Department would not have the space to warehouse and dispose of collected property efficiently. Without this contract, SAPD would not be able to generate revenue by reaching the established audience of the PropertyRoom.com website.

**FISCAL IMPACT:**

This is a net revenue generating contract. Funds are not encumbered by this ordinance. All expenditures will be in accordance with the Department's adopted budget approved by City Council.

**RECOMMENDATION:**

Staff recommends approval of this ordinance to extend the specified annual contract to continue providing the City with required goods and services. This annual contract is critical to the City's daily operations.