



Legislation Text

File #: 20-0041, Version: 1

MOTION TO GRANT THE USE OF THE CITY'S LOGO ON BIDERA LLC'S ONLINE WEB-BASED AUCTIONEERING SYSTEM, WHICH THE CITY USES TO SELL SURPLUS ITEMS AND EQUIPMENT AT NO COST TO THE CITY OF PEMBROKE PINES.

PROCUREMENT PROCESS TAKEN:

- *Chapter 35 of the City's Code of Ordinance is titled "PROCUREMENT PROCEDURES, PUBLIC FUNDS."*
- *Section 35.25(A) of the City's Code of Ordinances is titled "OPEN MARKET PROCEDURE" and states "Generally. A purchase of, or contract for, commodities or services that is estimated by the Chief Procurement Officer to cost \$5,000 or less, maybe purchased either in the open market without newspaper advertisement and without observing the procedures prescribed by § 35.19, or in accordance with the competitive bidding procedure prescribed by § 35.19, as deemed appropriate by the Chief Procurement Officer. However, all such purchases of greater than the estimated cost of \$5,000 but less than or equal to \$7,500 shall require at least three oral quotations. Purchases of an estimated cost greater than \$7,500 but less than or equal to \$25,000 shall require at least three quotations in written form."*
- *Section 35.18 of the City's Code of Ordinances is titled "COMPETITIVE BIDDING OR COMPETITIVE PROPOSALS REQUIRED; EXCEPTIONS."*
- *Section 35.18(C) states that "Only the following situations are exempt from the competitive bid and competitive proposal requirements of this section:"*
- *Section 35.18(C)(5) states that "Commodities or services that are the subject of contracts with the state its political subdivisions or other governmental entities including the United States government, are exempt from this section, provided, however, that this division shall apply only if the contract expressly permits or if the awarding jurisdiction and/or the vendor agree to allow the city to purchase therefrom and if either: (i) the commodities or services are the subject of a price schedule negotiated by the state or federal government or by competitive bid by another governmental agency and not on any preference; (ii) or the price offered for the commodity or service exactly equals or is lower than the governmental contract from vendors awarded the governmental contract. Where an award is made pursuant to this paragraph, the terms and conditions agreeable to the city may be used in lieu of those terms and conditions of the contract with the other governmental agency."*

SUMMARY EXPLANATION AND BACKGROUND:

1. On September 14, 2015, the City of North Miami advertised Request for Qualifications # 34-06-15 "Surplus Auction Services Pre-Qualification" for the purpose of retaining experienced and qualified Auctioneers to provide auction services for surplus items for the City, including but not limited to vehicles, office equipment, furniture, etc.
2. On October 29, 2015, Bidera LLC was ranked as the the most responsive, responsible respondent for the provision of Surplus Auction Services and on November 24, 2015 the City of North Miami's City Commission approved to enter into an agreement with Bidera for these services.
3. On December 23, 2015, the City of North Miami entered into the agreement with Bidera for an initial one year period with two (2) additional one year renewal periods.
4. Pursuant to the agreement, Bidera provides the services at no cost to the City, and charges 10% of the bid price to the highest bidder (i.e., purchaser) of the auctioned property.
5. On December 19, 2017, pursuant to section 35.18(C)(5) of the City's Code of Ordinances, the City of Pembroke Pines and Bidera LLC entered into an agreement utilizing the same pricing arrangement as the City of North Miami, with the terms and conditions agreeable to the City of Pembroke Pines.
6. The agreement between the City of Pembroke Pines and Bidera was for an initial two year period with two (2) additional two year renewal periods.
7. The City would like to allow Bidera LLC to utilize the City's logo on their online web-based auctioneering website.
8. The City has a proprietary interest in its logo and Florida Statutes section 165.043, requires that the City Commission must specifically authorize third parties, including the City's vendors, to use the City's logo on their website. Absent expressed authorization by the City Commission, the vendor cannot use the City's logo under Florida law.
9. Prior to utilizing Bidera, the City utilized another online auctioneering company, which generated approximately \$78,000 in revenue per year from fiscal year 2011 to 2017. The City generated \$314,575 by utilizing Bidera in fiscal year 2017-18, and \$194,669.40 in fiscal year 2018-19.
10. Recommend that the City Commission grant the use of the City's logo on Biddera LLC's online web-based auctioneering system, which the City uses to sell surplus items and equipment at no cost to the City of Pembroke Pines.

FINANCIAL IMPACT DETAIL:

- a) **Initial Cost:** None.
- b) **Amount budgeted for this item in Account No:** Not Applicable.
- c) **Source of funding for difference, if not fully budgeted:** Not Applicable.
- d) **5 year projection of the operational cost of the project** The amount of revenue generated fluctuates depending on the amount of surplus equipment and items that the City has for sale.
- e) **Detail of additional staff requirements:** Not Applicable.