STATE OF OHIO
DEPARTMENT OF ADMINISTRATIVE SERVICES
GENERAL SERVICES DIVISION
OFFICE OF PROCUREMENT SERVICES
4200 SURFACE ROAD, COLUMBUS, OH 43228-1395

MANDATORY USE CONTRACT FOR: AUCTIONEER SERVICES FOR SURPLUS VEHICLES, SIMULTANEOUS LIVE AND INTERNET

CONTRACT No.: OT902612 EFFECTIVE DATES: 01/01/12 to 12/31/13

The Department of Administrative Services has accepted bids submitted in response to Invitation to Bid No. OT902612 that opened on 11/07/11. The evaluation of the bid response(s) has been completed. The bidder(s) listed herein have been determined to be the lowest responsive and responsible bidder(s) and have been awarded a contract for the items(s) listed. The respective bid response, including the Terms and Conditions for Bidding, Standard Contract Terms and Conditions, and Supplemental Contract Terms and Conditions, special contract terms & conditions, any bid addenda, specifications, pricing schedules and any attachments incorporated by reference and accepted by DAS become a part of this Requirements Contract.

This Requirements Contract is effective beginning and ending on the dates noted above unless, prior to the expiration date, the Contract is renewed, terminated or cancelled in accordance with the Contract Terms and Conditions.

This Requirements Contract is available to the Department of Administrative Services, State and Federal Surplus Services, 420 Surface Road, Columbus, OH 43228-1395, as applicable.

Agencies are eligible to make purchases of the listed supplies and/or services in any amount and at any time as determined by the agency. The State makes no representation or guarantee that agencies will purchase the volume of supplies and/or services as advertised in the Invitation to Bid.

SPECIAL NOTE: State agencies may make purchases under this Requirements Contract up to $2500.00 using the state of Ohio payment card. Any purchase that exceeds $2500.00 will be made using the official state of Ohio purchase order (ADM-0523). Any non-state agency, institution of higher education or Cooperative Purchasing member will use forms applicable to their respective agency.

Questions regarding this and/or the Requirements Contract may be directed to:

Elizabeth Lind, CPPB
elizabeth.lind@das.state.oh.us

This Requirements Contract and any Amendments thereto are available from the DAS Web site at the following address:

http://www.ohio.gov/procure

Signed: _____
Robert Blair, Director Date

TABLE OF CONTENTS


| CLAUSES | PAGE NO. |
|---|---|
| Advertising | 6 |
| Amendments to Contract Terms and Conditions | 3 |
| Applicable Documents | 4 |
| Background | 4 |
| Bid Inquiries | 3 |
| Bid Response Content | 8 |
| Contract Award | 3 |
| Contract Price | 9 |
| Contractor Information | 9 |
| Delivery and Acceptance | 3 |
| Established Business | 3 |
| Experience and Licensing | 7 |
| Evaluation | 3 |
| Food Service | 7 |
| General Requirements | 4-6 |
| Minimum Payment | 7 |
| Notice on the Use of Social Security Numbers as Federal Tax Identification Numbers | 3 |
| Scope | 4 |
| Settlement | 6 |
| Staffing Levels | 7 |
| Site Visit | 3 |
| Trust Account | 7 |
| Usage Reports | 4 |

## SPECIAL CONTRACT TERMS AND CONDITIONS

AMENDMENTS TO CONTRACT TERMS AND CONDITIONS: The following Amendments to the Contract Terms and Conditions do hereby become a part hereof. In the event that an amendment conflicts with the Contract Terms and Conditions, the Amendment will prevail.

SITE VISIT: Prior to submitting their bid response, the bidder should visit the agency they are bidding in order to survey the facility and to become familiar with the requirements of the bid. To schedule an appointment, please contact David Settlemire at (614) 466-6585. Once a contract is awarded, failure of the bidder to have requested a site visit to become familiar with the facility and requirements of the bid will be insufficient reason to support any request to be released from the contract.

BID INQUIRIES: Bidders may submit inquiries regarding this ITB during the inquiry period listed on the data screen for the bid at the State Procurement web site. To make an inquiry, use the following process:

Access the State Procurement web site at http://www.ohio.gov/procure
From the navigation bar on the left, select “Find It Fast”
Select “Doc/Bid/Schedule #”
Enter the bid number found on page 1 of the document
Select “Find It Fast”
One the bid data screen, select “Submit Inquiry”
Complete the “Personal Information” section
Type the inquiry in the space provided
Select the submit button

The bidder will receive an immediate acknowledgement that the inquiry has been received, as well as an email acknowledging receipt. Bidders will not receive a personalized email response to the question nor will they be notified when a response to the inquiry has been posted to the State Procurement web site. The State will try to respond to all inquiries within forty-eight (48) hours of receipt, excluding weekends and state-observed holidays.

Bidders may view inquiries and responses using the following process:

Access the State Procurement web site at http://www.ohio.gov/procure
From the navigation bar on the left, select “Find It Fast”
Select “Doc/Bid/Schedule #”
Enter the bid number found on page 1 of the document
Select “Find It Fast”
One the bid data screen, select “View Q & A” to display all inquiries with responses posted to date.

DELIVERY AND ACCEPTANCE: Services will be performed as set forth in the Contract and in accordance with paragraphs S-8, S-9, and S-10 of the Supplement Contract Terms and Conditions. The location of performance will be noted on the purchase order issued by the participating agency. Payment for services rendered will occur upon the inspection and written confirmation by the ordering agency that the services provided conform to the requirements set forth in the Contract. Unless otherwise provided in the Contract, payment shall be conclusive except as regards to latent defects, fraud, or such gross mistakes as amount to fraud.

EVALUATION: Bids will be evaluated in accordance with Article I-17 of the “Instructions to Bidders”. In addition, the State will evaluate the bid based upon the lowest percentage of gross proceeds per auction.

CONTRACT AWARD: The contract will be awarded to the lowest responsive and responsible bidder by line item.

ESTABLISHED BUSINESS: To be considered responsive, the Bidder must, at the time of bid submission be an established business firm with all required licenses, bonds, facilities, equipment and trained personnel necessary to perform the work in this bid. Documented proof may be required upon request by the Office of Procurement Services.

NOTICE ON THE USE OF SOCIAL SECURITY NUMBERS AS FEDERAL TAX IDENTIFICATION NUMBERS: The Department of Administrative Services (Department) requires vendors and contractors wishing to do business with the State to provide their Federal Taxpayer Identification Number to the Department. The Department does this so that it can perform statutorily required “responsibility” analyses on those vendors and contractors doing business with the State and, under limited circumstances, for tax reporting purposes. If you are a vendor or contractor using your Social Security Number as your Federal Taxpayer Identification Number, please be aware that the information you submit is a public record, and the Department may be compelled by Ohio law to release Federal Taxpayer Identification Numbers as a public record. If you do not want to have your Social Security Number potentially disclosed as a Federal Taxpayer Identification Number, the Department encourages you to use a separate Employer Identification Number (EIN) obtained from the United States Internal Revenue Service’s to serve as your Federal Taxpayer Identification Number.

USAGE REPORTS: Every six (6) months the contractor must submit a report (written or on disk) indicating sales generated by this contract. The report shall list usage by customer, by line item, showing the quantities/dollars generated by this contract. The report shall be forwarded to the Office of State Purchasing, 4200 Surface Road, Columbus, OH 43228-1395, Attn: Elizabeth Lind.

## SPECIFICATION

### I. SCOPE

The purpose of this Invitation to Bid (ITB) is to secure the services of a qualified auctioneer for the Department of Administrative Services, State and Federal Surplus Services regarding the sale of surplus vehicles as described herein. Any contract issued pursuant to this ITB will not cover the sale of miscellaneous property. The term of any contract issued pursuant to this ITB shall be two (2) years, from January 1, 2012 through December 31, 2013.

### II. BACKGROUND

The State estimates that there will be six (6) vehicle auctions each year from the surplus vehicle lot located at 4200 Surface Road, Columbus, OH 43228. Approximately seventy-five (75) to one hundred twenty-five (125) vehicles may be sold at each auction with proceeds typically averaging $286,948.00 per auction event. However, the state of Ohio makes no guarantee as to the number of auctions, the number of vehicles to be sold and/or the proceeds from each auction.

Cumulative auction sales figures for the previous two fiscal years are as follows:

| | FY 2010 (07-01-09 through 06-30-10) | | FY 2011 (07-01-10 through 06-30-11) | |
|---|---|---|---|---|
| | Monthly | Cumulative | Monthly | Cumulative |
| August | $198,850.00 | $198,850.00 | $307,075.00 | $307,075.00 |
| October | $345,575.00 | $544,425.00 | $422,275.00 | $729,350.00 |
| December | $259,500.00 | $803,925.00 | $255,125.00 | $984,475.00 |
| February | $343,300.00 | $1,147,225.00 | $272,950.00 | $1,257,425.00 |
| April | $191,250.00 | $1,338,475.00 | $232,950.00 | $1,490,375.00 |
| June | $340,025.00 | $1,678,500.00 | $361,750.00 | $1,852,125.00 |
| Average | $279,750 | | $308,688 | |

### III. APPLICABLE DOCUMENTS

Ohio Administrative Code (OAC, Chapter 901:8-2 – Auctioneers, Apprentice Auctioneers and Auction Companies http://codes.ohio.gov/oac/901%3A8-2)

### IV. GENERAL REQUIREMENTS

A. The auctioneer shall be notified by the Administrator of State and Federal Surplus Services a minimum of forty-five (45) days in advance of each auction. Auctions shall be held on Saturdays. Unavailability of, cancellation by or failure to perform a scheduled auction date by the contractor may result in the termination of the contract and the assessment of liquidated damages against the contractor.

B. The items to be auctioned shall be offered "as is, where is". The State shall make no guarantee as to the condition of items being auctioned. All sales shall be final.

C. The auctioneer shall visit the sale location prior to the day of sale to become familiar with the items to be sold.

D. The State shall provide a listing of the lot number, year, make, model, and VIN number of all vehicles to be sold to the auctioneer at least three (3) days prior to the sale. The auctioneer must be capable of receiving the vehicle inventory generated as either a Microsoft Access file or as a Microsoft Excel file, as directed by the Administrator of State and Federal Surplus Services.

SPECIFICATION (Cont'd.)

E. The auctioneer must provide a public address system, which can be clearly heard within a radius of one hundred (100') feet from the auctioneer.

F. The auctioneer must also provide contractor registration materials, buyer tickets, receipts and all other supplies and equipment required for a professional auction.

G. The auctioneer shall record a list of bidders with their name, address, zip code, telephone number and bidder number and shall provide this hardcopy list to the state the day of the sale. This data must be computerized, with the ability to be exported as either a Microsoft Access file or as a Microsoft Excel file, as directed by the Administrator of State and Federal Surplus Services. The auctioneer must provide this data in an electronic spreadsheet by the Monday following the auction with the following data fields: Inventory Number, Date Sold, Type of Sale, Sale Price, Bid Number, Business Office Reference Number, Buyer Name, Buyer Address, Buyer City, Buyer State, and Buyer Zip Code.

H. After each sale of ten (10) vehicles (i.e. each sale sheet), the sales information shall be given to the staff accepting payments to enable customers to pay for their vehicles as soon as possible.

I. Purchasers will be required to pay the entire amount due on the date of the sale. Vehicle titles will not be transferred to purchaser until full payment is received. The Auctioneer will be financially responsible to the State for the price of any vehicle released or title transferred before full payment is received. The auctioneer shall be responsible for the collection of all monies. Acceptable forms of payment shall be cash, cashier's check and business or personal checks provided they are accompanied by an irrevocable bank letter of credit guaranteeing payment. The State no longer accepts out of state business or personal checks. Any debit/credit card transaction fees charged to the auctioneer by the debit/credit card company shall be borne by the State. All sign-up, debit/credit card transaction and/or bidder participation fees are prohibited. Acceptable forms of payment must be clearly posted in the bidder registration area and must be publicly announced periodically during the auction event.

J. The Auctioneer shall provide at least one (1) person, who is qualified as a Notary Public, to be present at the vehicle lot for the entire day of the auction.

K. Immediately upon receiving full payment for a vehicle, the Auctioneer shall fully complete the title transfer information, properly notarize the title, and present the title to the buyer.

L. Immediately after payment, the Auctioneer shall provide to each successful bidder, a receipt indicating the bidder's name, address, telephone number, bidder number, the year, make, model, VIN number, odometer reading, lot number of the vehicle and the sale price. Each receipt must be computer generated. Sales totals must be provided to the State as both a computer file and in hard copy format and must include the same information as the bidder receipt. The sales report shall have a total at the end.

M. The Auctioneer shall be responsible for the collection of all monies.

N. The Auctioneer may collect only the amount of the high bid for each vehicle sold, and shall not add any additional surcharge or fee of any kind other than as addressed herein.

O. The auctioneer shall notify bidders that pick up of property must be made by 4:00 P.M. closing time on the Friday following the sale or property will be considered abandoned and the State may dispose of it in any manner it chooses.

P. The auctioneer must count all cash receipts within one hour after completion of the auction and turn this cash over to the Administrator of State and Federal Surplus Services.

SPECIFICATION (Cont'd.)

Q. The Auctioneer must utilize a computerized support system, either a Microsoft Access file or as a Microsoft Excel file, as directed by the Administrator of State and Federal Surplus Services, which, at a minimum, registers bidders on the computer; utilizes computer generated sales receipts; and provides computer reports as required regarding the sale/payment status of any and all vehicles. The Auctioneer must have utilized this computer support system in conjunction with at least one (1) large-scale auction in the two (2) years prior to the bid opening. A large-scale auction for the purpose of this bid is defined as consisting of at least one hundred (100) line items of property and with at least two hundred (200) registered event bidders. Each Bidder, except as noted below, must submit a copy of one (1) page of the computerized bidders list, a computer generated sales receipt and a computerized sales report from such large- scale auction. The Administrator of State and Federal Surplus Services shall review the reports and may meet with the Bidder to verify, to the Administrator's satisfaction, that the Bidder has a viable computer support system capable of meeting the requirements of the state of Ohio. The Bidder must demonstrate the capability to provide a computerized support system which, at a minimum, complies the inventory; registers event bidders; creates computer generated sales receipts, and provides computer generated reports, as required, regarding the sale/payment status of all vehicles.

R. The Auctioneer must have experience with broadcasting auctions live via the internet and be able to make this service available at each vehicle auction. The state shall reimburse the Auctioneer for the cost of this internet bidding service, providing this service is competitively priced.

S. The Auctioneer must provide an electronic spreadsheet by the Monday following the auction with the following data fields: Inventory Number; Date Sold; Type of Sale; Sale Price; Bid Number; Business Office Reference Number; Buyer Name; Buyer Address; Buyer City; Buyer State and Buyer Zip Code.

## V. ADVERTISING

The Auctioneer shall place a prominent advertising notice in the *The Columbus Dispatch* newspaper (public auction section) on the Sunday preceding the sale outlining details of the sale. The Auctioneer is encouraged to initiate any other advertising he/she deems appropriate. However, no more than two thousand ($2,000.00) dollars per vehicle auction shall be spent on advertising, including printing of fliers, without specific written approval from the Administrator of State and Federal Surplus Services. Paid receipts for all advertising and copies of the advertising are required, prior to settlement, before reimbursement for advertising shall be allowed.

## VI. SETTLEMENT

A. Vehicle auctions shall have one interim settlement and a final settlement. On the day of the sale, the Auctioneer shall hand over to the Administrator of State and Federal Surplus Services, or his/her representative, all cash receipts collected on the day of the sale. The Administrator shall provide the Auctioneer a signed receipt for the monies collected.

The final settlement shall be made with the Administrator of State and Federal Surplus Services, or his/her representative, no later than eleven (11) working days after the auction. At final settlement, the auctioneer shall remit the entire amount of the gross proceeds of the sale to the Administrator of State and Federal Surplus Services, or his/her representative, via a cashier's check made payable to the "Treasurer, State of Ohio". No deductions of any kind from the gross proceeds are authorized.

At the final settlement, the auctioneer shall provide a bill to the State for:

1. Auctioneer services in the amount specified in the contract, and

2. Reimbursement for the advertising and printing of fliers up to a seven hundred fifty (750.00) dollar limit. Copies of the paid invoices for advertising and printing must be included.

No reimbursement beyond these two items shall be included. Also at the final settlement, the auctioneer shall provide a listing of each item and lot sold to include lot number, brief description, award price, and bidder number of buyers, and a listing of all items not sold.

SPECIFICATION (Cont'd.)

VII. EXPERIENCE AND LICENSING

A. The primary and alternate auctioneer must be licensed in the state of Ohio throughout the term of the contract. The primary and alternate auctioneer must have successfully conducted at least ten (10) public auctions consisting of over one hundred (100) line items and grossing over ten thousand ($ 10,000.00) dollars each within the past two (2) years or have performed satisfactorily as a contract auctioneer for the federal government or the state of Ohio within the past two (2) years. The contractor shall provide evidence of the required experience and proof of licensing along with the bid.

B. The auctioneer must have a substantial business presence which requires both:

1. A business listing in the telephone directory (white or yellow pages) as an auctioneer; and

2. An identifiable location/place of business separate from a residential location.

VIII. STAFFING LEVELS

The auctioneer shall provide sufficient experienced staff to conduct the auction smoothly, expeditiously and professionally. The minimum staffing levels are:

A. One (1) primary auctioneer and one (1) alternate (who will serve as a "ring man"), one (1) tally clerk and not less than three (3) support personnel to sign up bidders and accept payments during and after the sale. Staffing requirements shall start at 8:00 a.m. and continue through the remainder of the day's auction event.

B. The auctioneer shall provide not less than three (3) computer workstations for each auction. One (1) station shall be exclusively for initial bidder registration and later, for the entry of event sales records as received from the tally clerk. Two (2) stations shall be exclusively for the initial registration of bidders and later, for the processing of event sales payments as bidders check out.

C. Subcontracting shall not be permitted, unless specifically authorized in writing by the Administrator of State and Federal Surplus Services or his/her representative.

D. Neither the auctioneer(s) nor any of his/her employees shall be employees of the state of Ohio.

E. The auctioneer, the auctioneer's designee and the auctioneer's employees shall not participate in the public auction.

IX. MINIMUM PAYMENT

If the specified payment rate in the contract fails to reach one thousand ($1,000.00) dollars for an auction, the State shall make up the difference and the auctioneer shall be paid a total amount of one thousand ($1,000.00) dollars for that auction.

X. TRUST ACCOUNT

The contracted auctioneer must not co-mingle funds from the state of Ohio auctions with his/her own business or personal funds. The auctioneer must have an escrow or trustee account in which all state of Ohio auction proceeds must be kept.

XI. FOOD SERVICE

The auctioneer shall be solely responsible for providing food service support at each auction. Food service shall be available from 8:30 a.m. until one (1) hour after the bidding is complete, or 4:30 p.m., whichever is earlier.

SPECIFICATION (Cont'd.)

XII. BID RESPONSE CONTENT

A. Bid Document: The bidder must provide the completed original (not a duplicate) bid document. It is requested that page 1 of the bid response be signed in blue ink.

B. Auctioneer License: The bidder should provide a copy of their auctioneer license issued by the Ohio Department of Agriculture.

C. Company Profile: Each bid response should include a profile of the bidder's capability, capacity and relevant experience working on projects similar to the work outlined in this ITB. The profile should also include the bidder's legal name, address, telephone number, fax number and email address; home office location; date established; ownership (such as public firm, partnership or subsidiary); firm leadership (such as corporate officers or partners); number of employees; number of employees engaged in tasks directly related to the work; and any other background information that will help the state gauge the ability of the bidder to fulfill the obligations of the contract. This ITB includes a Company Profile Summary form as Attachment One. The bidder should use this form and fill it out completely to provide the bidder requirement information.

D. Company References: The bidder should include a minimum of one (1) reference for whom the bidder has successfully provided auctioneer services fulfilling the requirements specified herein. The reference must relate to work that was completed within the past two (2) years. This ITB includes a reference form as Attachment Two. The bidder should use this form and fill it out completely for each reference. The forms should be completed using typewritten or electronic means. The forms may be recreated electronically, but all fields and formats should be retained. The reference(s) should be willing to discuss the bidder's performance with the DAS, Office of Procurement Services during the bid evaluation.

E. Company Performance Form: The bidder should complete and submit Attachment Three (Bidder Performance Form) with their bid response.

F. Payment Remittance Address: The bidder should provide the address to which payment remittance to the bidder will be sent.

G. Certificate of Insurance: The bidder should provide a certificate of insurance demonstrating coverage of the types and levels specified in the Supplement Contract Terms and Conditions (see Articles S-12 and S-13 of the Supplemental Contract Terms and Conditions).

H. Workers' Compensation Certificate: A current Workers' Compensation Certificate of Premium Payment should be submitted with the bid response, if applicable (see Article S-12 of the Supplemental Contract Terms and Conditions).

I. Affirmative Action Plan: Verification letter from the Equal Opportunity Division (EOD) of approval of an Affirmative Action Plan filed by the bidder with EOD (see Article V.I. of the Standard Contract Terms and Conditions) should be submitted with the bid response.

J. Declaration Regarding Material Assistance/Non-Assistance to a Terrorist Organization (DMA): A completed Declaration Regarding Material Assistance/Non-Assistance to a Terrorist Organization (DMA) should be submitted with the bid response. The form is available at http://www.publicsafety.ohio.gov/links/HLS0038.pdf. Prior to completion of the DMA, the bidder shall review the Terrorist Exclusion List available at http://www.publicsafety.ohio.gov/links/terrorist_exclusion_list.pdf.

K. Banning the Expenditure of Public Funds on Offshore Services. The Offeror must complete the Contractor/Subcontractor Affirmation and Disclosure form (Attachment Four) to abide with Executive Order 2011-12K issued by the Governor of Ohio, affirming no services of the Contractor or its subcontractors under this Contract will be performed outside the United States.

During the performance of this Contract, the Offeror must not change the location(s) of the country where the services are performed, change the location(s) of the country where the data are maintained, or made available without express written authorization of the Department of Administrative Services.

All documents specified in paragraphs XII.B. through XII.K. are necessary to evaluate the bid response. If any of the documents specified in paragraphs XII.B. through XII.K. are not included with the bid response, they will be requested during the bid evaluation. If documents are requested during the bid evaluation, they must be provided within five (5) business days of verbal or written request. Failure to submit documents requested during the evaluation may deem your bid not responsive and further consideration for award may not be given.

| OAKS ITEM ID NO. | ITEM | BIDDER PAYMENT (PERCENTAGE OF GROSS PROCEEDS PER AUCTION) |
|---|---|---|
| 8831 | Percentage (%) of the auction event gross proceeds for each auction/sale from January 1, 2012 through December 31, 2013 | 2.79% |

CONTRACTOR AND TERMS:

BID/CONTRACT NO.: OT902612-1 (12/31/13)

197605
Cassel & Associate
6827 North High Street, Suite 109
Worthington, Ohio 43085

TERMS: Net 30 Days

CONTRACTOR'S CONTACT: Robert S. Cassel,

Toll Free: (866) 840-7355
Telephone: (614) 433-7355
FAX: (614) 433-9020
E-mail: bob@casselauctions.com