

**ATTACHMENT A
SCOPE OF WORK**

FOR

AUCTIONEER SERVICES

RFP NO.: DMS-20/21-097

**THE STATE OF FLORIDA
DEPARTMENT OF MANAGEMENT SERVICES**

Table of Contents

Section 1	SCOPE OF WORK	2
Section 2	CONTRACTOR DELIVERABLES	2
Section 3	DEPARTMENT RESPONSIBILITIES.....	7
Section 4	PERFORMANCE MEASURES	9
Section 5	FINANCIAL CONSEQUENCES FOR NONPERFORMANCE	10
Section 6	SUBCONTRACTORS.....	10
Section 7	ADDITIONS/DELETIONS	11
Section 8	TRANSITION PLAN.....	11

Section 1 SCOPE OF WORK

Note: Capitalized terms used herein are defined in the Contract.

The Contractor shall provide live Auctioneer Services and shall establish a site capable of accepting, storing, organizing, advertising and selling by public auction vehicles and equipment at the direction of the Department. Contractor shall use basic methods, procedures, and sale conditions as set forth herein. Lots should be arranged in rows in logical order and sold in a manner that optimizes bidder awareness and participation (e.g., from clearly marked mobile auction carts equipped with a public address system, audio/video recording equipment and adequate space for the auctioneer and required support staff). All Lots shall be sold individually and not combined with other Lots unless specifically directed by the Department's Contract Manager. Any Lot that is operational must be started and demonstrated before being sold. The demonstration of the Lots shall include, but not be limited to, starting the Lot, raising the hood, revving the engine, and/or allowing prospective bidders to view inside the Lot.

The online Auctioneer Services shall be conducted, as needed, during the monthly Live Auction. The Lots to be sold at the Online Auctions will not be transferred to the site of the Live Auction and will be maintained at a different location site (e.g., state office building).

Contractor must provide prospective bidders information regarding the pre-auction inspection of all vehicles and equipment. This information should specify the date the demonstration of Lots will be held. The Department reserves the right to accept or reject any bid at the auction and to withdraw any Lots from the auction at any time prior to being sold.

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Section 2 CONTRACTOR DELIVERABLES

2.1 Monthly Auction Requirements

The Contractor shall provide a monthly Live Auction at a single primary auction site for a total of twelve (12) auctions annually. The Contractor must also have the ability to combine an Online Auction with offsite Lots during the monthly Live Auction. The dates of the monthly auction shall be scheduled at least one (1) year in advance. Within thirty (30) days of commencement of the Contract, Contractor shall provide the Department with its annual schedule. There must be a minimum of three (3) weeks between each Live Auction, and holidays should be avoided. The following outlines a typical auction schedule:

2.1.1 All items will be delivered to the auction site by either the State contracted transportation company, or State agency sending equipment to the auction site no earlier than three (3) weeks prior to the scheduled auction, and no later than three (3) Business Days prior to the scheduled auction. Online items shall be processed during the same time period.

2.1.2 All titles/bills of sale will be delivered to the auction site no later than two (2) Business Days prior to the scheduled auction.

2.1.3 All Lots, which have been delivered or processed for Online Auction, shall be made available for video preview by the public starting five (5) Business Days prior to the scheduled auction.

2.1.4 The sale of Lots to state entities and political subdivisions shall be done any time in the five (5) Business Days preceding the date of the scheduled auction.

2.1.5 The Live Auction and Online Auction sites shall be open for preview and bidder registration at least one (1) hour prior to the scheduled start time of the auction.

2.1.6 The Live Auction site shall be accessible to buyers after the auction for at least two (2) weeks, Monday through Friday, for at least eight (8) hours per day for removal of Lots.

2.1.7 Immediately following the auction, a preliminary digital list of sales must be produced for the auction manager the day of the auction and immediately following the auction uploaded to the Department-identified secure online file storage system.

2.1.8 All gross proceeds, invoices, spreadsheets of results and auction audio and video shall be submitted to the Department within 10 Business Days of the auction via a secure online file storage system. The audio and video recordings shall be of reasonable quality so that the average person can clearly hear and view all state auction proceedings.

2.2 Live Auction Site Requirements

The Contractor shall provide an auction site of sufficient size to accommodate, at a minimum, five hundred (500) Lots ranging in size from large trucks and construction equipment to small handheld equipment. The following are minimum requirements for this Contract:

2.2.1 The Live Auction site must be located in one (1) primary location and be of sufficient size to fulfill the requirements of this Contract.

2.2.2 The Live Auction site must be completely fenced with at least a six (6) foot security fence and must be kept locked during non-business hours.

2.2.3 Security must be provided for the Live Auction site during non-business hours when state equipment is present (e.g., electronic monitoring, alarm system, security officer(s), etc.).

2.2.4 The Live Auction site must be divided into areas for sale, parking, and storage and partitioned in such a way to prevent unauthorized removal of Lots.

2.2.5 The Live Auction site must have sufficient office space, restroom, and concession facilities to accommodate the maximum number of bidders that have attended any given auction within the preceding twelve (12) month period.

2.2.6 The Live Auction site shall be located on a major road (e.g., paved, minimum two (2) lanes) or highway to allow for reasonable access by the State transportation contractor and/or State agency.

2.3 Online Auction Site Requirements

The Contractor shall have an active auction website and provide website address to the Department. The website shall be accessible to the Department and the public twenty-four (24) hours a day, seven (7) days a week.

2.3.1 The website must be accessible through a web browser on a computer or mobile device.

2.3.2 The website must be user friendly with clear instructions on the bidding process, terms and conditions, and payment options.

2.3.3 The website must clearly state the auction bid start and bid close times.

2.3.4 The Contractor must provide sufficient personnel to facilitate online/offsite auctions consisting of the following:

- Inventory and catalog of all vehicles and equipment at offsite location.
- Photos and videos of all vehicles and equipment at offsite location.
- Verify all vehicle and equipment information is accurate based on the spreadsheet provided by the Department's Contract Manager or Auction Administrator.
- Provide vehicle and equipment paperwork to the Department's Auction Administrator certifying the item was sold and payment was received in full.

2.4 Required Personnel

The Contractor shall provide, at a minimum for each auction, the following personnel.

2.4.1 Auctioneers licensed in the State of Florida by the Department of Business and Professional Regulation (DBPR).

2.4.2 Auction ring personnel to assist the auctioneers with taking bids during the bid calling.

2.4.3 Online auction personnel to assist with Internet/online bids.

2.4.4 Auction clerks to assist the auctioneers with record keeping during the auction.

2.4.5 Yard personnel to start the equipment, move the auction cart, pass out sale receipts, etc. during the auction.

- 2.4.6 Forklift/loader operators to assist with loading and unloading equipment before, during, and after the auction.
- 2.4.7 Clerks to register bidders, collect proceeds, and complete bills of sale, and transfer forms during the auction.
- 2.4.8 Notary publics to notarize forms that are required to transfer titles to retail buyers during the auction.
- 2.4.9 Title clerks capable of performing tasks such as Vehicle Identification Number (VIN) verification, duplicate title application, title correction, title reassignment, and retail title transfer.
- 2.4.10 Armed/uniformed local law enforcement security personnel to assist with parking, crowd control, preventing vandalism and the unauthorized removal of items, and general security during the auction. Additional plain clothes security personnel are preferred.

2.5 Title Work, Clerical, and Accounting Services

The Contractor shall provide the following title work, clerical, and accounting services during the various stages of the auction process.

- 2.5.1 Compare the property number and serial number of items received against an auction list supplied by the Department's Contract Manager to ensure receipt of the correct items to be sold.
- 2.5.2 Perform VIN verification on vehicles received for the auction to ensure they match the titles received from the Department's Contract Manager.
- 2.5.3 Make title corrections and/or replacement applications at the request of the Department's Contract Manager, as needed.
- 2.5.4 Prepare titles and bills of sale for items to be sold prior to the auction to comply with Florida Statutes.
- 2.5.5 Prepare printed and electronic lists of Lots to be sold prior to the scheduled auction date for the Department's Contract Manager and the public.
- 2.5.6 Prepare a printed list of Lots sold on the day of the auction, immediately following the auction, for the Department's Contract Manager.
- 2.5.7 Collect and promptly deposit all auction proceeds into a secured escrow account.
- 2.5.8 Collect, report, and remit all applicable sales taxes as required by the State of Florida, Department of Revenue.
- 2.5.9 Transfer all gross proceeds of the auction, by Automated Clearing House (ACH) transaction, to the State within ten (10) Business Days of the auction.
- 2.5.10 Prepare and transfer all titles to retail purchasers through the State of Florida, Department of Highway Safety and Motor Vehicles (DHSMV) as a licensed motor vehicle dealer.
- 2.5.11 Reassign titles and notify the Florida DHSMV of all wholesale vehicle transactions as a licensed motor vehicle dealer, as specified by Florida Statutes.
- 2.5.12 Keep and maintain all records related to the sale of vehicles and equipment as required by law.

2.6 Reporting Requirements

The Contractor shall comply with all reporting requirements as established by the Department and at a minimum provide the following:

2.6.1 Prepare electronic spreadsheets of auction results with summary and detail data and send to the Department's Contract Manager and Auction Administrator within ten (10) Business Days of the auction by email and/or shared network drive and United States mail in bound hard copy format.

2.6.2 Submit recorded audio and video of the entire auction in electronic format to the Department via OneDrive within 10 Business Days of the auction. The audio and video recordings shall be of reasonable quality so that the average person can clearly hear and view all state auction proceedings.

2.6.3 Prepare a summary and detailed invoice for all authorized auctioneer charges (e.g., commission, replacement title fees, etc.) and send to the Department's Contract Manager and Auction Administrator within ten (10) Business Days of the auction.

2.7 Security Services

The Contractor shall provide, at a minimum, the following security services during the various stages of the auction process:

2.7.1 Security against theft or vandalism of vehicles and equipment delivered to the auction site until removed by the ultimate purchaser.

2.7.2 Security during the auction to create a safe and secure atmosphere for cash transactions.

2.7.3 Security personnel and procedures to secure all proceeds of each auction until deposited into an escrow account.

2.8 Concession Services at Live Auction Site

The Contractor shall provide sufficient concession services on the Live Auction day to provide food and beverage for auction personnel and attendees.

2.9 Special Procedures

The Contractor shall provide a mechanism and procedures for the following special situations:

2.9.1 Procedure for the Department's Auction Administrator to set a reserve (minimum) price on selected Lots.

2.9.2 Procedure for potential buyers to bid on vehicles and equipment in absentia (i.e., proxy bidding). This may be accomplished either by Internet or telephone bidding.

2.9.3 Procedure for handling buyer defaults (e.g., buyer refuses to pay after winning the bid; buyer leaves the auction site without paying, etc.).

2.10 Advertising Services

The Contractor shall prepare, coordinate, and place sufficient advertising prior to each scheduled auction to maximize the revenue generated by the auction. The Contractor should use the following forms of advertising to promote each auction:

- a) Radio and Television
- b) Newspapers and Trade Publications
- c) Website and Email
- d) Direct Mail

e) Social Media

2.11 License and Certificate Requirements

Contractor must possess the following valid and active licenses and certificates during the term of the Contract, including any renewal period.

2.11.1 State of Florida Independent Dealer in Motor Vehicles;

2.11.2 Florida Annual Resale Certificate for Sales Tax;

2.11.3 State of Florida, Florida Board of Auctioneers, Auction Business;

2.11.4 State of Florida, Florida Board of Auctioneers, Auctioneer (for each auctioneer); and

2.11.5 Business Tax Receipt (current).

2.12 Loss or Damage Responsibility

The Contractor shall be responsible for the repair of any vehicles or equipment that are damaged while in the care, custody, and control of the Contractor. The Contractor shall be responsible for the fair market value of any vehicles or equipment that is stolen while in the care, custody, and control of the Contractor. The Contractor shall bear the risk of theft or loss of auction proceeds.

2.13 Warranty of Vehicles and Equipment

The Contractor shall sell all vehicles and equipment without warranty. The following language must be included, at a minimum, in the Contractor's buyer application and bill of sale:

ALL ITEMS ARE BEING SOLD "AS IS", , WITHOUT WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND/OR FITNESS FOR A PARTICULAR USE OR PURPOSE.

2.14 Conflict of Interest

Contractor, nor Contractor's employees, or Contractor employee's immediate family members are not allowed to bid on or purchase, either directly or indirectly, any vehicles or equipment sold at any auction held pursuant to this Contract. Contractor will be required to submit a Conflict of Interest affidavit to the Department within ten (10) Business Days of the Contract commencement

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Section 3 DEPARTMENT RESPONSIBILITIES

3.1 Sale to State and Political Subdivisions

The Department reserves the right to sell vehicles and equipment to State entities and political subdivisions during the week of the auction. Sales to State entities and political subdivisions shall be included in the total auction proceeds for purposes of calculating the Contractor's fee.

3.2 Cancellation of an Auction

In the event the Department cancels its participation in a scheduled auction for any reason, the Department shall reimburse the Contractor for those reasonable expenses incurred by the Contractor in preparation for the auction, as long as the Contractor is not the cause of the cancellation. The Contractor shall submit an itemized invoice, together with a receipt of payment for the services provided in accordance with section 3.2 of the Contract, within fifteen (15) Calendar Days after receipt of the cancellation notice from the Department.

3.3 Document Management System

The Department shall create a secure online file storage system that allows the vendor to sync documents, audio and visual recordings. If the secure online file storage system becomes unavailable, the documents and recordings will be received under arrangement mutually agreed upon by both the Department and the Contractor.

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Section 4 PERFORMANCE MEASURES

The Department desires to contract with a vendor who clearly demonstrates its willingness to be held accountable for the achievement of certain performance measures in successfully delivering services expressed by the Department in the Contract and Scope of Work... Therefore, the Department has developed the following performance measures, which will be used to measure Contractor's performance and delivery of services. The Contractor shall ensure that the performance measures and standards (level of achievement) are met.

A description of the Performance Measures is provided below:

4.1 Performance Measure #1- Monthly Auctions

Outcome: Contractor shall conduct an auction every month for the entire term of the Contract.

Measure: Contract manager or departmental designee will monitor each scheduled monthly auction by audio and video file or attend in person.

Standard: Contractor must meet or exceed ninety percent (90%) compliance annually.

4.2 Performance Measure #2 – Reporting Documentation

Outcome: Contractor shall provide written results of each auction, including but not limited to the gross proceeds, invoices, and auction audio/video, within ten (10) Business Days of each auction.

Measure: Contract manager or departmental designee will monitor each scheduled monthly auction by audio and video file or attend in person and review written documentation upon receipt.

Standard: Contractor must meet or exceed one hundred percent (100%) compliance annually.

4.3 Performance Measure #3 – Transfer of Auction Proceeds

Outcome: Contractor shall transfer all proceeds from each auction via ACH transfer, within ten (10) Business Days of each auction.

Measure: Department's Contract Manager or Auction Administrator will verify and review ACH transfers monthly.

Standard: Contractor must meet or exceed one hundred percent (100%) compliance annually.

4.4 Performance Measure #4 – License and Certificate Requirements

Outcome: Contractor shall possess valid and active licenses and certificates during the entire contract, including any renewal period.

Measure: Department's Contract Manager will maintain a copy of the appropriate license and certificates in the associated contract and review applicable renewal dates.

Standard: Contractor must maintain one hundred percent (100%) compliance annually.

By execution of any contract associated with this Scope of Work, the Contractor hereby acknowledges and agrees that its performance under the Contract shall meet the standards as forth above. Failure to achieve the Performance Measures identified above may result in assessment of financial consequences as provided in section 5 below. Any such assessment and/or subsequent payment thereof shall not affect the Contractor's obligation to provide services as required by the Contract.

Section 5 FINANCIAL CONSEQUENCES FOR NONPERFORMANCE

5.1 Withholding Payment

The Department reserves the right to withhold payment or implement other appropriate remedies, such as contract termination or nonrenewal, when the Contractor has failed to perform/comply with provisions of this Contract.

5.2 Commission Adjustment for Delay of Auction

If the Contractor fails to present an item for a Live Auction or Online Auction, that was delivered three (3) Business Days prior to the scheduled auction and is ready to be presented (i.e., free of any issues that would require a delay in presenting such as title problems, requiring removal of decals or emergency equipment, etc.), the item will be presented at the next monthly auction and the Contractor's fee/commission for the item will be reduced by fifty percent (50%). If the Contractor fails to present the same item at the next monthly auction, the item will be presented at the next monthly auction after that and the Contractor's fee/commission will be reduced to zero (0). If the Contractor fails to present the same item for a third time, the Department will instruct the Contractor to transport the item, at Contractor's expense, to a location of the Department's choosing so the item can be sold by the Department by other methods as determined by Department.

Section 6 SUBCONTRACTORS

The Contractor shall be fully responsible for all work performed under the Contract including but not limited to planning, managing, implementing, operation, supporting, and warranties if applicable. If the Contractor needs to subcontract for any services (other than those already outlined in its Proposal) the Contractor shall submit a written request to the Department's Contract Manager identified in section 5.2 of the Contract. The written request shall include, but is not limited to, the following:

- a) The name, address, and other information identifying the subcontractor;
- b) A description of the services to be performed by the subcontractor and why the Respondent is unable to perform this service;
- c) Time of performance of the identified service;
- d) A description of how the Respondent plans to monitor the subcontractor's performance of the identified services;
- e) Certification by the Respondent that the subcontractor has all licenses and has satisfied all legal requirements to provide the services per the Contract. Also, the Respondent shall certify that the subcontractor is approved by the Florida Department of State to transact business in the State of Florida;
- f) Certification by the Respondent that the subcontractor has successfully engaged in the identified business for a specified period of time, has successfully completed work comparable in scope and specification to that required by the resultant contract, and is qualified both technically and financially to perform services via a subcontract.
- g) A copy of the written subcontract agreement; and
- h) Acknowledgement from the subcontractor of the Respondent's contractual obligation to the Department and that the subcontractor agrees to comply with all terms and conditions of the Contract. This includes but is not limited to the PUR 1000 General Contract Conditions, section 35, Insurance Requirements.

All subcontractors must be approved in writing by the Department's Contract Manager before the Contractor is authorized to subcontract.

The Contractor is solely responsible for ensuring that the subcontractor performs as specified in the Contract. The Contractor's use of a subcontractor not identified in its Proposal or approved by the Department's Contract Manager as provided above shall constitute a breach of contract. During the term of the Contract, subject to prior written approval of the Department's Contract Manager (i.e., approval before services are provided by a subcontractor), subcontractors may be substituted or added.

Section 7 ADDITIONS/DELETIONS

Any additions or deletions shall be in accordance with the PUR1000 and receive prior approval in writing by the Department.

Section 8 TRANSITION ASSISTANCE

Upon termination of the Contract, Contractor shall cooperate with the Department and/or new Contractor with the transfer of Lots and titles to the Department and/or new Contractor. All Lots and titles must be transferred within one (1) month of the termination date of the Contract, if additional time is needed, Contractor should contact the Department's Contract Manager to receive approval for additional time.

Transition Assistance shall be at no cost to the Department.

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