

## CITY COUNCIL

For City Clerk's Use:

☐ **APPROVED** ☐ **DENIED**

Reso No. \_\_\_\_\_ File No. \_\_\_\_\_

Ord No. \_\_\_\_\_

**Agenda Item No.:** 7

**Date:** April 14, 2010

**TO:** Honorable Mayor and Members of the City Council

**FROM:** Gilbert Rojas, Director of Finance

**SUBJECT:** Surplus Equipment for Sale

### RECOMMENDATION

It is requested that Council adopt Resolution No. 2010-56 to declare vehicles and equipment as surplus property and authorize the Director of Finance to dispose of the surplus property at an auction.

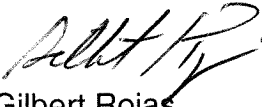
### FISCAL ANALYSIS:

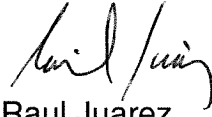
The City of Escondido will receive funds which are estimated to be \$80,000 from the sale of surplus equipment, which will be added to the Vehicle Reserve Fund; however, the exact amount cannot be predicted. The auction company will receive their proceeds from a buyer's premium, as per the agreement.

### BACKGROUND:

The vehicles and equipment have been removed from service and are now considered surplus property by the Fleet Services Division. City of Escondido is participating in a City of San Diego Cooperative Contract with Ken Porter Auctions to facilitate the disposal of surplus equipment.

Respectfully submitted,

  
Gilbert Rojas  
Director of Finance

  
Raul Juarez  
Fleet Superintendent

## RESOLUTION NO. 2010-56

A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF ESCONDIDO, CALIFORNIA,  
AUTHORIZING THE DIRECTOR OF FINANCE  
TO EXECUTE, ON BEHALF OF THE CITY,  
THE DISPOSITION OF CERTAIN PERSONAL  
CITY PROPERTY

WHEREAS, the City of Escondido currently has surplus vehicles and equipment;  
and

WHEREAS, the City Council desires at this time and deems it to be in the best  
public interest to declare the vehicles and equipment as surplus and authorizes its  
disposal; and

WHEREAS, Ken Porter Auctions will be holding auctions the first and third  
Saturday of every month; and

WHEREAS, the City agrees to Ken Porter Auctions requirements.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of  
Escondido, California:

1. That the above recitations are true.
2. That the City Council authorizes the sale of surplus City vehicles and  
equipment listed in Exhibit "A" attached to this resolution and incorporated by this  
reference.
3. That Ken Porter Auctions will hold an auction for the surplus vehicles and  
equipment according to the auction requirements listed in Exhibit "B", which is attached  
to this resolution and incorporated by this reference.

**SURPLUS EQUIPMENT**

VEH	YEAR	DESCRIPTION	VIN #
3067	1997	Yamaha XT350JC	JYA3NVC08VA041402
3068	1997	Yamaha XT350JC	JYA3NVC0XVA041384
3097	1993	Ford Crown Victoria	2FACP71W2PX196478
3120	1987	Ford Brush	1FDYK87U5HVA60063
3131	1999	Ford E-350 Medic	1FDWE30F2XHB05308
3148	1990	Sutphen Pumper	1S9A1BFD2L1003768
3185	1991	Chevrolet C-1500	1GCDC14HOMZ224868
3207	1991	Dodge 1T Van	2B7KB31Z1MK443750
3239	2003	Chevrolet S-10	1GCCS19X338183939
3261	1993	GMC C-3500 1 T	1GDKC34N6PJ500252
3305	1996	Chevrolet Lumina	2G1WN52MXT9255279
3310	1996	Chevrolet Lumina	2G1WN52M3T9179369
3339	1990	Ford F-250	2FTHF25H3LCB28337
3344	1991	Chevrolet C-1500	1GCDC14H2MZ226105
3385	1986	Toro 322-D Mower	F10GRL81371
3392	1988	Toro 322-D Mower	30788-81160
3422	2003	Chevrolet S-10	1GCCS19X638183715
3427	1997	Chevrolet 1/2 T 4X4	1GCEK14R3VZ150248
3457	1988	Chevrolet 1/2 T	1GCDC14H0JZ265142
3474	1995	GMC C-2500	1GTFC24H5SZ559572
3477	1992	GMC C-1500	1GTD14H9NZ538150
3520	1987	JCB Back Hoe	14BN2047/326066/7
3556	1994	GMC C-2500	1GTGC24K5RE518201
3582	1995	GMC C-2500 3/4 T	1GTFC24H5SZ560737
3609	1999	Chevrolet Tahoe	1GNEC13R5XR127367
3615	2000	Chevrolet Malibu	1G1ND52J2Y6236907
3633	2002	BMW T1150RTP	WB10499AX2ZE87968
3634	2002	BMW T1150RTP	WB10499A82ZE87970
3640	2000	Chevrolet Astro Van	1GN1M19W1YB204543
3674	1978	Armored Truck	TCD618V613209
3699	1996	Chevrolet Suburban	3GNFK16R2TG125962
3700	1996	Ford Crown Victoria	2FALP71W4TX171995
3702	1996	Ford Crown Victoria	2FALP71W8TX171997
3708	1996	Chevrolet Caprice	1G1BL52P8TR154469
3712	1996	Chevrolet Caprice	1G1BL52P3TR153536
3736	1998	Ford Crown Victoria	2FAFP71W4WX180424
3738	1998	Ford Crown Victoria	2FAFP71W1WX180512
3739	1998	Ford Crown Victoria	2FAFP71W2WX180423

VEH	YEAR	DESCRIPTION	VIN #
3740	1998	Chevrolet Camaro	2G1FP22G9W2138194
3741	1999	Ford Crown Victoria	2FAFP71W7XX105721
3742	1999	Ford Crown Victoria	2FAFP71WXXX187346
3744	2000	Ford Crown Victoria	2FAFP71W3YX106947
3747	2000	Ford Crown Victoria	2FAFP71W4YX106925
3749	2000	Ford Crown Victoria	2FAFP71W5YX106917
3750	2000	Ford Crown Victoria	2FAFP71W4YX106956
3752	2000	Ford Crown Victoria	2FAFP71W8YX106913
3753	2000	Ford Crown Victoria	2FAFP71W1YX106946
3754	2000	Ford Crown Victoria	2FAFP71W1YX106932
3755	2000	Ford Crown Victoria	2FAFP71W2YX106910
3758	2000	Ford Crown Victoria	2FAFP71W3YX106821
3760	2000	Ford Crown Victoria	2FAFP71W7YX106823
3761	2000	Ford Crown Victoria	2FAFP71W9YX106824
3766	2001	Ford Crown Victoria	2FAFP71W71X127533
3767	2001	Ford Crown Victoria	2FAFP71W71X127497
3769	2001	Ford Crown Victoria	2FAFP71W31X127495
3775	2001	Ford Crown Victoria	2FAFP71W51X173927
3780	2002	Ford Crown Victoria	2FAFP71W61X204165
3782	2002	Ford Crown Victoria	2FAFP71W31X204155
3795	2003	Ford Crown Victoria	2FAHP71W83X163307
3803	2001	Dodge BE1500	1B7HC12Y61G188779
3919	1992	Chevrolet 1/2 T 4X4	1GCEK14ZXXNZ141403
3922	1999	Chevrolet 1/2 T 4X4	1GCGK24U3XE230274



Dear Raul Juarez,

Per our previous conversations this document constitutes agreement between **Ken Porter Auctions** and the **City of Escondido** in regards to the **City of San Diego** Contract.

The purpose of this Memorandum (MOU) is to document an agreement between **Ken Porter Auctions**, herein referred to as "**Porter Auctions**" and the **City of Escondido**, herein referred to as "**City**".

**Ken Porter Auctions** hereby authorizes the **City of Escondido** to utilize and enter into a contractual agreement between Porter Auctions and the City to become a part of the existing Contract for Auction Services between the **City of San Diego** and **Ken Porter Auctions**. **Contract Reference No.9291-08-C**

The **City of Escondido** will be provided with the same services and benefits under the same terms and conditions spelled out in the existing Contract between **Ken Porter Auction** and the **City of San Diego**.

The agreement shall be in effect for the period of **one (1) year** from date of signing, with options to renew for four (4) additional one (1) year periods.

#### NOTICING

**Ken Porter Auctions**

**Donald Wood**

**Regional Marketing Director**

**400 E. Redondo Beach Blvd.**

**Gardena, CA 90248**

**Ph: 310-353-7140**

**Fax: 310-353-5740**

By: 

Date: 12/10/ 2009

**City of Escondido**

**Raul Juarez**

**Fleet Maintenance Superintendent**

**475 N. Spruce Street**

**Escondido, CA 92025**

**Ph: 760-839-4364**

By: 

Date: 12/10 2009

---

**400 East Redondo Beach Blvd.**

**Gardena, Ca 90248**

**Phone: 310-353-7140 • Fax 310-353-5740**

**www.kenporterauctions.com • E-mail: infor@kenporterauctions.com**

**MEMORANDUM OF UNDERSTANDING  
FOR AUCTION SERVICES  
BID NO. 9291-08-C**

**BETWEEN THE**

**CITY OF SAN DIEGO**



**AND**

**KEN PORTER AUCTIONS**

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**I. PURPOSE**

The purpose of this Memorandum of Understanding (MOU) is to document an agreement between Ken Porter Auctions, herein referred to as "Porter Auctions" and the CITY OF SAN DIEGO, herein referred to as "City", with the CITY OF EL SEGUNDO, as lead agency naming the City of San Diego as a participant, for furnishing AUCTION SERVICES, pursuant to the CITY OF EL SEGUNDO COOPERATIVE BID, BID SPECIFICATION No. 05-15 and City's Bid No.9291-08-C. The agreement shall be in effect for a period of one (1) year from date of signing, with options to renew for four (4) additional one (1) year periods.

**II. NOTICING**

For the City:

City of San Diego, Purchasing &  
Contracting Department  
ATTN: Purchasing Agent  
1200 Third Avenue, Suite 200  
San Diego, CA 92101  
United States of America

Tel.: (619) 236-6000

For Porter:

Ken Porter Auctions  
ATTN: Dale C. Van Wagner  
12580 Saticoy Street  
N. Hollywood, CA 91605  
United States of America

Tel.: (818) 255-0616



### III. REQUIRED SERVICES AND SPECIFIC PROVISIONS

#### A. REQUIRED SERVICES

Porter shall provided AUCTION SERVICES to the City as specified in CITY OF EL SEGUNDO COOPERATIVE BID, BID SPECIFICATION No. 05-15, a copy of which is included as Exhibit A of this agreement.

#### B. ROLES OF THE CITY PURCHASING AGENT, PROCUREMENT SPECIALIST, AND CONTRACT ADMINISTRATORS

The Procurement Specialist is the City of San Diego's authorized representative for all pre-contract matters related to this contract. Throughout the duration of the contract, the Purchasing Agent shall be the only individual with authority to modify any provisions of this contract including, without limitation, the statement of work, pricing, or any other sections in accordance with the applicable General Provisions for Proposals. The City's Contract Administrator or designee shall be the principal interface on behalf of the City for post-award technical matters, and shall have the authority to explain and provide further details regarding the City's expectations concerning the work to be performed hereunder and/or the items to be provided herein. The Contract Administrator or designee shall have no authority to modify any provisions of this contract.

#### C. OPTION TO RENEW

The City of San Diego reserves the option to renew the contract for four (4) additional one (1) year periods under the terms and conditions of the current contract beginning on the anniversary of the commencement of contract. The renewal is contingent on a mutual agreement between the City and Porter Auctions with such agreement to be confirmed sixty (60) days prior to the expiration of the contract period. The City of San Diego or Porter Auctions may decline to confirm the renewal of the contract for any reason whatsoever, which shall render the renewal option null and void.

The City's initial letter offering Porter Auctions an opportunity to renew the contract does not constitute an award of the option period. Any option acceptance must be confirmed by the City of San Diego in writing, before it becomes valid.

The City may also desire to extend a contract on a month-to-month basis upon expiration of the current contract period under the terms and conditions of the current contract unless modified in writing. The renewal is contingent on a mutual agreement between the City and Porter Auctions with such agreement to be confirmed in writing prior to the expiration of the contract period.

#### D. INSURANCE REQUIREMENTS

All required insurance shall be submitted to the Issuing Office within ten (10) days of provisional award. Failure to provide the insurance certificates within the time frame specified shall be cause for the bid to be rejected as non-responsive. Insurance shall be maintained by Porter Auctions in full force and effect during the entire period of performance under contract. Failure to do so shall be cause for termination of the contract.

All policies must have a thirty (30) day non-cancellation clause giving the City thirty (30) days prior written notice in the event a policy is canceled.

At the end of each contract year, the City reserves the right to review insurance requirements and to require more or less coverage depending upon assessment of the risk, Porter Auctions' past experience, and the availability and affordability of increased liability insurance coverage.

Insurance coverage must be from an insurance carrier licensed in the State of California and rated "A" or better by the A.M. Best Key Rating Guide.

The following coverage is required:

1. Commercial General Liability for a minimum of one million dollars each occurrence (\$1,000,000.00 EO). The City of San Diego must be named as an additional insured on the certificate. Participating Agencies may also require that they be named as an additional insured.
2. Automobile Liability for a minimum of one million dollars combined single limit (\$1,000,000.00 CSL). The City of San Diego must be named as an additional insured on the certificate. Participating Agencies may also require that they be named as an additional insured.
3. Workers' Compensation coverage in accordance with the laws of the State of California. Policy must contain a Waiver of Subrogation of Rights against the City of San Diego. Participating Agencies may also require a Waiver of Subrogation of Rights against the Agency.

#### E. TAXES

The City is exempt from Federal Excise Tax and will provide the Porter Auctions with Exemption Certificates. The City is responsible for all applicable sales tax, e.g., State and local sales tax (use tax).

F. PERMITS, NOTICES, FEES, AND LAWS

Porter Auctions shall, at Porter Auctions' expense, obtain all necessary permits and licenses, give all necessary notices, pay all fees required by law, and comply with all laws, ordinances, rules and regulations relating to work and to the preservation of the public health and safety.

G. HARMONY

Porter Auctions shall be entirely responsible for working in harmony with all others on the work site when Porter Auctions is working on City premises.

H. PARKING

If at any time Porter Auctions shall be on the premises of the City, then Porter Auctions is responsible for all parking fees, tickets, and permits. Porter Auctions shall also obey all parking regulations.

I. COMPLIANCE WITH THE LAW

Porter Auctions(s) agrees that its performance under this contract shall comply with all applicable laws of the United States of America, the State of California and the County and City of San Diego, and also with all applicable policies, ordinances, and regulations of the City.

J. NON-EXCLUSIVITY

Nothing in this agreement shall prohibit the City from acquiring the same type or equivalent AUCTION SERVICES from other sources, when deemed by the City to be in its best interest.

K. NOTICES

Notices under this contract shall be in writing and shall be considered effective upon personal delivery to the individual listed below or five (5) calendar days after deposit in any U.S. mailbox, first class, and addressed to the other party as follows:

For the City of San Diego:

Tammy Rimes, Purchasing Agent  
City of San Diego  
Purchasing Division  
1200 Third Avenue, Suite 200  
San Diego, CA 92101-4195

Telephone: (619) 236-5901  
Facsimile: (619) 533-3226

For Porter Auctions:

Porter Auctions  
ATTN: Dale C. Van Wagner  
12580 Saticoy Street  
N. Hollywood, CA 91605  
Tel.: (818) 255-0616  
Facsimile: (818) 255-0618

L. CONTRACT AMENDMENTS

The City of San Diego may, from time to time, make changes in quantities, specifications, place of delivery or delivery schedules, methods of shipment furnished to the City. Such proposed changes must be in writing and signed by the City of San Diego.

M. GENERAL PROVISIONS AND RELATIONSHIP OF CONTRACT DOCUMENTS

Except as otherwise specified herein, the City General Provisions for Proposals, dated January 18, 2005, (on file in the Office of the Purchasing Agent) are incorporated as part of this Memorandum of Understanding by reference. The General Provisions are available online at [www.sandiego.gov/purchasing](http://www.sandiego.gov/purchasing) or via request from the Purchasing Division by calling (619) 236-6000.

By signing and/or authorizing this Memorandum of Understanding, Porter Auctions acknowledges that they have read and understood the meaning, intent, and requirements of said General Provisions; and acknowledge said General Provisions are included as a part of this Memorandum of Understanding.

To the extent that there may be conflicts between the various documents that comprise this contract, the documents shall have the following order of precedence: first, this Memorandum of Understanding; second, Porter Auctions' response to the City's Bid; third, the General Provisions, fourth, the City of El Segundo's Bid.

N. INDEPENDENT CONTRACTOR

It is understood and agreed that Porter Auctions is an independent contractor of the City and not an employee. The City shall not withhold income taxes, social security, or any other sums from the payments made to Porter Auctions hereafter. If Porter Auctions employs additional persons in the performance of this contract, those persons shall in no way be considered employees of the City, but rather they shall be employees or Contractors of Porter Auctions and Porter Auctions bears full responsibility for compensating those persons.

O. WAIVER

City's review or acceptance of, or payment for, work product prepared by Seller under this Agreement will not be construed to operate as a waiver of any right City may have under this Agreement, or Order placed under this Agreement, or of any cause of action arising from Seller's performance. A waiver by City of any breach of any term, covenant, or condition contained in this Agreement, or Orders placed under this Agreement, will not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, or condition contained in this Agreement, or Orders placed under this Agreement, whether of the same or different character.

P. ORDERS

The City of San Diego and Agencies may issue a blanket purchase order for their estimated requirements to the successful Bidder. This will authorize the acceptance of sub-orders from designated City of San Diego for their requirements. Porter Auctions shall complete delivery of items ordered to destinations set forth in the sub-order. Each sub-order shipment shall be accompanied by a priced invoice itemizing all material.

Q. BUSINESS TAX LICENSE

Any company doing business with the City is required to comply with Section 31.0301 of the San Diego Municipal Code regarding Business Tax. For more information please visit the City website at [www.sandiego.gov/treasurer/](http://www.sandiego.gov/treasurer/) or call (619) 615-1500.

The City requires that each vendor provide a copy of their Business Tax License, or a copy of their application receipt. Failure to provide the required documents within ten (10) business days of the City's request may result in a Bid being declared non-responsive and rejected.

#### IV. INVOICING

Porter Auctions shall work directly with the City's Contract Administrators to ensure invoices for services rendered are furnished with the required detail and provided in a timely manner. Payment of invoices shall be tied to the acceptance by the City in accordance with the requirements and specifications of this MOU.

#### V. PRICING

Pricing shall be in accordance with the CITY OF EL SEGUNDO COOPERATIVE BID, BID SPECIFICATION NO. 05-15 "AUCTION SERVICES" commission percentage rates listed on page 10 of said Bid.

## VII. GENERAL REQUIREMENTS

### A. AUDIT AND INSPECTION OF RECORDS

Porter Auctions and any Subcontractors, shall make available upon request all records which in the opinion of the City Auditor are necessary to conduct an audit of this contract. Such records may include invoices, materials, payrolls, personnel records, and other data relating to all matters covered by this contract. Porter Auctions and Subcontractors shall retain such data and records for a period of not less than three (3) years following receipt of final payment. Porter Auctions shall make available all requested data and records at reasonable locations within the City or County of San Diego, at any time during normal business hours and as often as the City deems necessary. If records are not made available within the City or County of San Diego, they shall pay the City's travel costs to the location where the records are maintained. Failure to make requested records available for audit by the date requested will result in immediate termination of contract.

### B. ASSIGNMENT OF CONTRACT

Porter Auctions shall not assign this contract or any right or interest hereunder, without prior written consent of the City. In the event of an approved assignment of contract, the assignee shall be required to comply with all terms and conditions of this contract including but not limited to price, warranty, and technical support.

### C. DRUG-FREE WORKPLACE POLICY

All City projects are subject to City of San Diego Council Policy No. 100-17, Drug-Free Workplace. This policy requires that all City construction Contractors, consultants, grantees, and providers of non-professional services provide a drug-free workplace in accordance with the provisions contained therein.

The Drug-Free Workplace Policy is available online at [www.sandiego.gov/purchasing](http://www.sandiego.gov/purchasing) or via request from the Purchasing Division by calling (619) 236-6000.

By signing this agreement Porter Auctions acknowledges that they have read and understood the meaning, intent, and requirements of said policy; acknowledge said policy is incorporated as part of this bid/proposal; certify that they have a drug-free workplace program in place that complies with said policy; and that Subcontractor agreements for this agreement contain language which indicates the Subcontractor's agreement to comply with this policy.

D. AMERICANS WITH DISABILITIES ACT

Every person or organization awarded a contract, lease, or grant by the City of San Diego acknowledges and agrees that they are aware of and will comply with Council Policy 100-04, adopted by Resolution No. 282153 relating to the federally mandated Americans with Disabilities Act (ADA). Contractors and Subcontractors will be individually responsible for their own ADA program.

E. EQUAL EMPLOYMENT OPPORTUNITY

Porter Auctions shall not discriminate against any employee or applicant for employment on any basis prohibited by law. Porter Auctions shall provide equal opportunity in all employment practices. Porter Auctions shall also ensure that their Subcontractors comply with the City's Equal Employment Opportunity Program. Porter Auctions agrees to be bound by the City Of San Diego Equal Opportunity Ordinance (Municipal Code Chapter II, Article 2, Division 27).

F. NONDISCRIMINATION IN CONTRACTING

Porter Auctions shall not discriminate on the basis of race, gender, religion, national origin, ethnicity, sexual orientation, age, or disability in the solicitation, selection, hiring or treatment of Subcontractors, Vendors or Suppliers. Porter Auctions shall provide equal opportunity for Subcontractors to participate in subcontracting opportunities. Porter Auctions understands and agrees that violation of this clause shall be considered a material breach of the contract and may result in contract termination, debarment, or other sanctions. This language shall also be included in construction contracts between Porter Auctions and any Subcontractors, Vendors, and Suppliers.

Upon the City's request, Porter Auctions agrees to provide to the City, within sixty (60) calendar days, a truthful and complete list of names of all Subcontractors, Vendors, and Suppliers that they have used in the past five (5) years on any of its contracts that were undertaken within San Diego County, including the total dollar amount paid by them for each subcontract or supply contract. Porter Auctions further agrees to fully cooperate in any investigation conducted by the City pursuant to the City's Nondiscrimination in Contracting Ordinance (Municipal Code Sections 22.3401 - 22.3417). Porter Auctions understands and agrees that violation of this clause shall be considered a material breach of the contract and may result in remedies being ordered against them up to and including contract termination, debarment, and other sanctions for violation of the provisions of the Nondiscrimination in Contracting Ordinance. Porter Auctions further understands and agrees that the procedures, remedies, and sanctions provided for in the Nondiscrimination Ordinance apply only to violations of said Nondiscrimination Ordinance.



SIGNATURES

KEN PORTER AUCTIONS

CITY OF SAN DIEGO  
A MUNICIPAL CORPORATION

BY: *Raymond Claridge*

BY: *Tammy Rimes*

Title: PRESIDENT

Tammy Rimes, Purchasing Agent

3/14/08

DATE SIGNED

3/14/08

DATE SIGNED

I HEREBY APPROVE the form and legality of the foregoing Agreement this

\_\_\_\_\_ day of \_\_\_\_\_, 2008.

Michael Aguirre, City Attorney:

By: Michael Calabrese, Deputy City Attorney



## Services Agreement

RECEIVED  
CITY CLERK'S OFFICE  
JAN 23 2008

CONTRACTOR: KEN PORTER AUCTIONS

DATE MAILED: JANUARY 12, 2008

Below you will find a checklist relating to insurance and other requirements that are required for doing business with the City of El Segundo. Only those items checked-off are MANDATORY, however if your standard policies exceed the minimum requirements please include. Commercial general liability insurance must meet or exceed the requirements of ISO-CGL Form No. CG 00 01 11 85 or 88. The amount of insurance set forth below will be a combined single limit per occurrence for bodily injury, personal injury, and property damage for the policy coverage. Liability policies will be endorsed to name the City, its officials, and employees as "additional insured's" under said insurance coverage and to state that such insurance will be deemed "primary" such that any other insurance that may be carried by the City will be excess thereto. Such insurance must be on an "occurrence," not a "claims made," basis and will not be cancelable or subject to reduction except upon thirty (30) days prior written notice to the City. Please find additional Terms and Conditions on the reverse side of this Services Agreement. This is not a purchase order or an authorization to begin work.

- ☒ Comprehensive General Liability, including coverage for premises, products and completed operations, independent contractors, personal injury and contractual obligations with combined single limits of coverage of at least \$2,000,000 per occurrence.
- ☒ Auto Liability, including owned, non-owned and hired vehicles with at least:
  - ☒ \$1,000,000 per occurrence.
  - ☐ \$100,000 - 300,000 per occurrence.
  - ☐ As required by State Statutes. A copy of your current policy must be submitted naming yourself and or your company.
- ☒ Workers' Compensation Insurance: as required by State Statutes. (Not needed if Self-employed with no employees and CONTRACTOR signs statement to this effect.)
- ☒ Business License: The CONTRACTOR shall agree to have a current City of El Segundo license on file at City Hall or purchase said license (at no cost to the City).
- ☐ Permits: Plans must be approved and permit(s) issued (no fee) by the Community, Economic and Development Services Department if appropriate. Call the Building Manager @ (310) 524-2345 if you have questions.
- ☐ Copy of valid picture I.D. (Drivers license etc.)

PLEASE NOTE: ALL APPLICABLE INFORMATION LISTED ABOVE MUST BE OBTAINED AND ON FILE, PRIOR TO THE ISSUANCE OF A CITY PURCHASE ORDER BEING SENT TO YOU (VIA FAX OR HARD COPY) BY THE RISK MANAGER/PURCHASING AGENT, THUS AUTHORIZING COMMENCEMENT OF WORK FOR THE CITY.

Submitted by (complete all blanks):

COLOR COPY REQUIRED BACK TO THE CITY

Company Name: KEN PORTER AUCTIONS	By (Print name & title): DALE C VAN WAGNER
Company Street Address: 12580 SATICOY STREET	Vendor's Authorized Signature required: 
City, State, Zip: N. HOLLYWOOD, CA 91805	Date signed: 01/23/2008
Phone: (818) 255-0616	FAX: (818) 255-0616
Vendor's Email address:	Vendor's Web site: www.kenporterauctions.com

Mail original agreement and insurance to: City of El Segundo City Clerk - Administrative Services Dept. 350 Main St. Room 4 El Segundo, CA 90245-3813

Originator/Department Contact: J. Richard Hogate

Date Initiated: January 11, 2006

Department Head Approval:

Date Approved: 1-11-2006

Risk Manager/Purchasing Agent approval:

Date Approved: 1-11-2006

cc: Business License; City Clerk; Purchasing Agent; Requesting Dept. name - Administrative Services Department - Risk Management/Purchasing Division

1/11/06

1/11/06

**1.GENERALLY.** The materials, supplies, or services (collectively, "Purchase") covered by this services agreement and purchase order ("order") must be furnished by Seller subject to all the terms and conditions contained in this order which Seller, in accepting this order, agrees to be bound by and comply with in all particulars. No other terms or conditions are binding upon the parties unless subsequently agreed to in writing. Written acceptance or shipment of all or any portion of the Purchase covered by this order constitutes unqualified acceptance of all terms and conditions in this order. The terms of any proposal referred to in this order are included and made a part of the order only to the extent it specified the Purchase ordered, the price, and the delivery, and then only to the extent that such terms are consistent with the terms and conditions of this order.

**2.INSPECTION.** The Purchase furnished must be exactly as specified in this order, free from all defects in Seller's performance, design, workmanship, and materials, and, except as otherwise provided, is subject to inspection and test by City at all times and places. If, before final acceptance, any any Purchase is found to be incomplete, or not as specified, City may reject it, require Seller to correct it without charge, or require delivery of such Purchase at a reduction in price that is equitable under the circumstances. If seller is unable or refuses to correct such items within a time deemed reasonable by City, City may terminate the order in whole or in part. Seller bears all risks as to rejected Purchases and, in addition to any costs for which Seller may become liable to City under other provisions of this order, must reimburse City for all transportation costs, other related costs incurred, or payments to Seller in accordance with the terms of this order for unaccepted Purchases. Notwithstanding City's acceptance of any Purchase, Seller is liable for latent defects, fraud, or such gross mistakes as constitute fraud.

**3.CHANGES.** City may make changes within the general scope of this order in drawings and specifications for specially manufactured supplies, place of delivery, method of shipment or packing of the order by giving notice to Seller and subsequently confirming such changes in writing. If such changes affect the cost of or the time required for performance of this order, an equitable adjustment in the price or delivery or both must be made. No change by Seller is allowed without City's written approval. Any claim by Seller for an adjustment under this section must be made in writing within thirty (30) days from the date of receipt by Seller of notification of such change unless City waives this condition in writing. Nothing in this section excuses Seller from proceeding with performance of the order as changed.

**4. TERMINATION.** City may terminate this order at any time, either verbally or in writing, with or without cause. Should termination occur, City will pay Seller as full performance until such termination the unit or pro rata order price for the performed and accepted portion of the Purchase. City may provide written notice of termination for Seller's default if Seller refuses or fails to comply with this order. If Seller does not cure such failure within a reasonable time period, or fails to perform the Purchase within the time specified (or allowed by extension), Seller will be liable to City for any excess costs incurred by City.

**5.TIME EXTENSION.** City may extend the time for completion if, in City's sole determination, Seller was delayed because of causes beyond Seller's control and without Seller's fault or negligence. In the event delay was caused by City, Seller's sole remedy is limited to recovering money actually and necessarily expended by Seller because of the delay; there is no right to recover anticipated profit.

**6.REMEDIES CUMULATIVE.** City's rights and remedies under this order are not exclusive and are in addition to any rights and remedies provided by law.

**7.TITLE.** Title to materials and supplies purchased under this order pass directly from Seller to City upon City's written acceptance following an actual inspection and City's opportunity to reject.

**8.PAYMENT.** City will pay Seller after receiving acceptable invoices for materials and supplies delivered and accepted or services rendered and accepted. City will not pay cartage, shipping, packaging or boxing expenses unless specified in this order. Drafts will not be honored.

**9.INDEMNIFICATION.** Seller agrees to indemnify and hold City harmless from and against any claim, action, damages, costs (including, without limitation, attorney's fees), injuries, or liability, arising out of the Purchase or the order, or their performance. Should City be named in any suit, or should any claim be brought against it by suit or otherwise, whether the same be groundless or not, arising out of the Purchase or order, or their performance, Seller will defend City (at City's request and with counsel satisfactory to City) and indemnify City for any judgment rendered against it or any sums paid out in settlement or otherwise. For purposes of this section "City" includes City's officers, elected officials, and employees. It is expressly understood and agreed that the foregoing provisions will survive termination of this order. The requirements as to the types and limits of insurance coverage to be maintained by Seller, and any approval of such insurance by City, are not intended to and will not in any manner limit or qualify the liabilities and obligations otherwise assumed by Seller pursuant to this order, including, without limitation, to the provisions concerning indemnification.

**10.WARRANTY.** Seller agrees that the Purchase is covered by the most favorable commercial warranties the Seller gives to any customer for the same or substantially similar supplies or services, or such other more favorable warranties as is specified in this order. Warranties will be effective notwithstanding any inspection or acceptance of the Purchase by City.

**11.ASSIGNMENT.** City may assign this order. Except as to any payment due under this order, Seller may not assign or subcontract the order without City's written approval. Should City give consent, it will not relieve Seller from any obligations under this order and any transferee or subcontractor will be considered Seller's agent.

**12.INSURANCE.** Seller must provide the insurance indicated on the face sheet of this Services Agreement.

**13.PERMITS.** Seller must procure all necessary permits and licenses, and abide by all federal, state, and local laws, for performing this order.

**14.INDEPENDENT CONTRACTOR.** City and Seller agree that Seller will act as an independent contractor and will have control of all work and the manner in which it is performed. Seller will be free to contract for similar services to be performed for other employers while under contract with City. Seller is not an agent or employee of City and is not entitled to participate in any pension plan, insurance, bonus or similar benefits City provides for its employees. Any provision in this order that may appear to give City the right to direct Seller as to the details of doing the work or to exercise a measure of control over the work means that Seller will follow the direction of the City as to end results of the work only.

**15.WAIVER.** City's review or acceptance of, or payment for, work product prepared by Seller under this order will not be construed to operate as a waiver of any rights City may have under this Agreement or of any cause of action arising from Seller's performance. A waiver by City of any breach of any term, covenant, or condition contained in this order will not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, or condition contained in this order, whether of the same or different character.

**16.INTERPRETATION.** This Agreement was drafted in, and will be construed in accordance with the laws of the State of California, and exclusive venue for any action involving this agreement will be in Los Angeles County.

Bid No. 05-15

## **BID INSTRUCTIONS AND CONDITIONS**

1. **Reservations:** The City reserves the right to reject any and all bids received, to take all bids under advisement for not to exceed ninety (90) days after date of opening thereof, to waive any informality on any bid and to be the sole judge of the relative merits of material mentioned in the respective bids received.
2. **Bid Form:** The proposal must be made on the forms provided for that purpose, enclosed in a sealed envelope and marked Bid No. "**AS APPROPRIATE**" and Bid Opening Date "**AS APPROPRIATE**" and addressed to City Clerk's Office Attn. Risk Manager/Purchasing Agent, 350 Main Street Room 5, El Segundo, California 90245-3813. No telegraphic fax or telephonic proposal will be considered.

Blank spaces in the proposal must be properly filled in, using ink, indelible pencil, or typewriter, and the phraseology of the proposal must not be changed. Any unauthorized conditions, limitations or proviso attached to a proposal will be liable to render it informal and may cause its rejection. Alteration by erasure or interlineation must be explained or noted in the proposal over the signature of the bidder. Bidders are invited to be present at the opening of the proposals. Proposals shall be subject to acceptance by the City for a period of ninety (90) days.

Three (3) of the completed bid forms shall be submitted to the City on the date and time specified in the Notice Inviting Bids.

3. **The Contract:** The bidder to whom the award is made will be issued a Purchase Order by the City or enter into a written contract with the City of El Segundo. In case of default by the vendor, the City reserves the right to procure the services from other sources and to hold the vendor responsible for any damages incurred by the City thereby.
4. **Payments:** Progress payments and/or complete payment on the contract price will be made in approximately thirty (30) days from date of completion and acceptance of the work performed by demands on the City Treasurers office of the City of El Segundo approved as required by Municipal Code and General Law Provisions.
5. **Performance Bond:** None unless specified by the attached specifications.
6. **Taxes:** Municipalities are EXEMPT from Federal Excise and Transportation taxes. Prices quoted are to EXCLUDE Federal Taxes. Exemption certificates will be furnished on request. Unless otherwise indicated, prices quoted will be considered to INCLUDE SALES or USE TAX which is payable by the City.
7. **Errors and Omissions:** The vendor shall not be allowed to take advantage of any errors and/or omissions in these specifications or in the vendor's specifications submitted with his proposal. Full instructions will always be given when such errors or omission are discovered.

Bid No. 05-15

8. **Default:**

- a. If the vendor fails in any manner fully to perform and carry out each and all of the terms, covenants, and conditions of the contract, he shall be in default and notice in writing shall be given him of such default by the Risk Manager/Purchasing Agent of the City. If the vendor fails to cure such default within such time as may be required by such notice, the City, acting by and through the Risk Manager/Purchasing Agent, may at its option terminate and cancel the contract, and at the expense of the vendor and his or its surety, complete the contract or cause the same to be completed. The performance bond and the money payable thereon shall be forfeited thereby and to remain the property of the City of El Segundo.
- b. In the event of such termination, all monies due the vendor under the terms of the contract shall be retained by the City, but such retention shall not release the vendor or his surety from liability for his default. In such event, however, the vendor and his surety will be credited with the amount of money so retained toward any amount by which the cost of completion of the contract, as above provided, exceeds the original contract price.
- c. Such termination shall not affect or terminate any of the rights of the City as against the vendor or his surety then existing, or which may thereafter accrue because of such default and the foregoing provision shall be in addition to all other rights and remedies available to the City under the law.
- d. The waiver or a breach of any term, covenant or condition hereof shall not operate as a waiver of any subsequent breach of the same or any other term, covenant, or condition hereof.

9. **Infringement on patent rights, copyrights or trademarks:** The contractor must save, keep, hold harmless and fully indemnify the City of El Segundo and its officers and employees, and agents from all damages, or claims for damages, costs or expenses, in law or equity that at any time arises or be set up for any infringement of patent rights, copyrights or trademark on any person or persons in consequence of the use by the City of El Segundo, or by any of its officers, employees, or agents, of articles to be supplied under this proposal, and of which the contractor is not the patentee or assignee or has not the lawful right to sell same.
10. **Safety Requirements:** The equipment you would supply to the City of El Segundo must comply with all requirements and standards as specified by the Occupational Safety and Health Act. All guards and protectors as well as appropriate markings will be in place before delivery. Items not meeting any OSHA specifications will be refused. Suppliers may be required at his expense to provide training to City employees in the operation of this item, and its maintenance at the convenience of the City.

CITY OF EL SEGUNDO  
CITY CLERK'S OFFICE  
350 MAIN STREET  
ROOM 5  
EL SEGUNDO, CALIFORNIA 90245-3813

**NOTICE OF INVITING BIDS**

NOTICE IS HEREBY GIVEN THAT THE Risk Manager/Purchasing Agent of the City of El Segundo will receive sealed bids for:

Professional auction services on an as needed basis by each participating agency and as described by City of El Segundo Bid Specification No. 05-15 "Auction Services."

**EACH BID MUST BE SUBMITTED IN THE ENCLOSED RETURN ENVELOPE OR SIMILARLY MARKED ENVELOPE IN TRIPLICATE AND ON THE FORMS AVAILABLE IN THE OFFICE OF THE RISK MANAGER/PURCHASING AGENT. IF AN ENVELOPE OTHER THAN THE ONE PROVIDED IS USED TO RETURN THE BID, IT MUST BE IDENTIFIED AS BID NO. 05-15 ON THE ENVELOPE. FAILURE TO IDENTIFY THE BID ON THE ENVELOPE MAY RESULT IN DISQUALIFICATION OF THE BID.**

Each Bid must be submitted in triplicate to the office of the City Clerk at 350 Main Street, El Segundo, CA 90245-3813. **Bids will be received until 11:00 AM on Tuesday the 25th day of October, 2005,** and will be opened at that time in the office of the City Clerk, City of El Segundo and, thereafter, will be submitted to the Risk Manager/Purchasing Agent/City Council or Governing Board of each participating agency for award of a contract or rejection of the responses as the Risk Manager/Purchasing Agent/City Council/ or Governing Board of each participating agency may deem wise in its discretion.

**BIDS RECEIVED AT 11:00 a.m. OR AFTER 11:00 a.m. WILL BE CONSIDERED LATE.** It is the policy of the City of El Segundo to reject any bid which is received late. Such bid may be returned unopened.

If you have any questions regarding this bid, please call J. Richard Hogate, Risk Manager/Purchasing Agent, at (310) 524-2339.

**DATED: THIS 10TH DAY OF OCTOBER 2005.**

**CITY OF EL SEGUNDO**

**J. RICHARD HOGATE  
RISK MANAGER/PURCHASING AGENT**

Bid No. 05-15

11. **Business License:** The successful vendor shall possess or obtain a City of El Segundo Business License within five (5) business days after receipt of the Notice of Acceptance of his bid.
12. The vendor will not be held liable for failure or delay in fulfillment if hindered or prevented by fire, strikes, or Acts of God.
13. **Permits:** All permits fees and licenses necessary for the completion of the work shall be paid for by the Contractor and subcontractors.
14. **BIDS ARE TO BE SUBMITTED TO THE CITY OF EL SEGUNDO IN TRIPLICATE. (ONE ORIGINAL AND TWO COPIES).**
15. The preceding Instructions and Conditions and the attached are applicable to this Bid and the BIDDER ACKNOWLEDGES ACCEPTANCE THEREOF OF BY SIGNING AND FILING SAID BID.

Bid No. 05-15

**CITY OF EL SEGUNDO COOPERATIVE BID  
SPECIFICATION NO. 05-15  
"AUCTION SERVICES"**

**1.0 GENERAL**

- 1.1 The City of El Segundo is acting as lead agency on behalf of other agencies soliciting bids for auction services to be used for the disposal of surplus property. Each agency participating shall be responsible for their own debts and for determining the extent if any, of their participation in the program. The Los Angeles Metro Public Purchasing Agents' Cooperative (LAMPPAC) membership consists of (38) City's, (2) County Agencies, (4) School Districts, and (2) Special Districts from Los Angeles and Orange Counties. Please visit [www.lamppac.org](http://www.lamppac.org) for more information.

**1.2 Length & Award of Contract**

The contract will be for five (5) years as follows: a three (3) year base contract with two (2) additional one year optional periods. Bidders are advised that the participation of an agency in the program is in most cases subject to the review and approval of the agency's governing board or council.

**1.3 Evaluation of Bids**

All bids received will be evaluated upon the best combination of commission rates, services offered, facilities, references and abilities to meet the requirements of the specifications. Agencies reserve the right to tour a bidder's facilities and to speak with officials of each company submitting a bid as part of the bid evaluation process.

**1.4 Agency Rights**

Each agency reserves the right to split the order and award the disposal of vehicles separately if such action is considered to be in the best interest of the agency. Each agency further reserves the right to establish reserve for any item placed up for auction with the Contractor. Prospective bidders are advised that no agency by virtue of its participation in the program is guaranteeing a certain number of vehicles, goods or materials will be placed up for auction with the Contractor during the life of the contract.

**1.5 Contract Termination**

A contract may be terminated, with or without cause by any participating agency upon the submittal of thirty (30) days written notice to the Contractor. The Contractor shall have the right to terminate the contract upon the submittal of ninety (90) days written notice to the agency based upon agency failure to perform in accordance with the terms and conditions of the purchase contract or agreement.

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Bid No. 05-15

1.6 **Licenses & Permits**

The Contractor will be required to have and maintain during the life of the contract all necessary licenses and permits required to provide the specified services. Prospective bidders desiring specific information regarding a particular participating agency's license and permit requirements are urged to contact the agency directly.

1.7 **Proof of Insurance**

The Contractor shall be required to provide proof of insurance as required by each participating agency. The Contractor shall be required to obtain and maintain at all times during the term of the contract Commercial General Liability and Automobile Insurance protecting the Contractor for not less than \$1,000,000 combined single limit. Bidders are advised that some agencies may have insurance requirements greater than those previously stated. Accordingly, bidders should review Exhibit A for Individual Agency Requirements or contact agency directly for specific information.

1.8 **Agency Indemnification**

The Contractor shall defend, indemnify and hold harmless all of the participating agencies, their component units, and their officers, elected officials, employees, and volunteers from and against any and all claims and liabilities arising from or related to Contractor's work or other things done, caused to be done, permitted or suffered by Contractor in connection with performance or efforts to perform, under this contract, and from all costs, attorney's fees, and liabilities incurred in the defense of any claim or action or proceeding brought thereon. Contractor shall further defend, indemnify and hold harmless the participating agencies from and against any and all claims and liabilities arising from or related to any breach or default by the Contractor in the performance of any obligation to be performed under this contract, or arising from any act or omission or negligence of Contractor, or any officer, agent or employee of Contractor regardless of whether or not there exists any negligence, either active or passive, on the part of the participating agencies from all costs, attorney's fees, and liabilities incurred in the defense of any claim or action or proceeding brought thereon.

In the event any action or proceeding is brought against any of the agencies by reason of any claim or liability, Contractor shall defend the same at Contractor's expense by council reasonably satisfactory to the agencies. Contractor as a material part of the condition to the participating agencies, under this contract, hereby assumes all risk of damage to property or injury to persons, from any cause other than the agencies sole negligence and Contractor hereby waives all claims in respect thereof against the participating agencies, including active or passive. The Contractor shall give prompt notice to the participating agencies in case of casualty or accidents in connection with the work performed under this contract.

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Bid No. 05-15

1.9 **Withdrawal of Bids**

A bid may be withdrawn upon written request to the Risk Manager/Purchasing Agent for the City of El Segundo anytime prior to the opening of bids. No bid may be withdrawn for a period of 90 days after the date and time established for the opening of bids.

1.10 **Submittal of Bids**

All bids must be submitted to the City Clerk for the City of El Segundo in the manner prescribed by the date and time stated in the Notice Inviting Bids. Bids submitted after the date and time established for the opening of bids will be returned unopened to the sender. The City of El Segundo will not accept any bid submitted by Fax.

1.11 **Inquiries**

Any question regarding these bid specifications should be directed to Mr. J. Richard Hogate, Risk Manager/Purchasing Agent, City of El Segundo at 310/830-7600 extension 1231. Questions regarding the status of award of bid by a particular agency should be directed to the agency.

1.12 **Contract Extension To Other Agencies**

The prices, terms and conditions of this specification may be extended to other governmental agencies, at the mutual agreement of both the agency and the contractor. All requirements of specifications, purchase orders, invoices, and payments with other agencies would be direct with the successful bidder. The City of El Segundo does not warrant any additional use of the contract by such agencies.

The City of El Segundo shall be notified immediately by the Contractor of the extension of the bid to any agency not originally included in this RPF solicitation.

2.0 **REQUIRED SERVICES**

2.1 The Contractor shall provide off-site auction services, open to the public, for the sale of vehicles, equipment, miscellaneous supplies and materials provided periodically by the participating agencies. All items will be sold "as is."

2.2 It shall be the sole responsibility of the successful bidder to sell and/or properly dispose of all computer related items in compliance with all local, state and federal laws regulating the disposal of such items.

2.3 The Contractor shall be required to transport all vehicles, equipment, miscellaneous supplies and materials to the auction site no later than five business days after a request for pick up has been made. All transportation charges including providing pallets,

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Bid No. 05-15

material handling equipment, shrink-wrapping materials and labor shall be the responsibility of the contractor. Bidders are advised that it may be necessary to make pick ups from multiple sites within some jurisdictions.

- 2.4 The Contractor shall have responsibility for the marketing, advertising, and conducting the auction. The Contractor shall also be responsible for collecting all monies paid for items sold and shall give to each participating agency with payment a report indicating the items sold, the amount paid, the commission retained by the Contractor and the amount due the agency. Said payment and report shall be given to the agencies no later than five (5) business days after the conclusion of the sale. The agencies reserve the right to audit the sales and the Contractors books and records.
- 2.5 The Contractor will be required to pay each agency for items sold by check sent by certified mail within (10) working days after the date of sale. Checks shall be sent to the Risk Manager/Purchasing Agent or designated agency representative at the address referenced in the purchase contract or agreement with each agency.
- 2.6 The Contractor shall have responsibility for preparing necessary documentation to effectuate the transfer of ownership required by the Department of Motor Vehicles for all vehicles sold.
- 2.7 Contractor shall accept legal liability for all vehicles, equipment, miscellaneous supplies and materials beginning with pick up through sale.
- 2.8 Contractor will be required to have sufficient space to hold over items not sold at the sale held immediately after pick up and shall place said items for sale at a second auction to be held at a later date. Items not sold at the second auction will be returned to the agency unless otherwise instructed by the agency.
- 2.9 Bidders shall indicate their commission rate as a percentage of the total dollar amount sold for vehicles and then for equipment, miscellaneous supplies and materials. Said percentages are to be clearly stated on the bid summary page included as part of this specification.
- 2.10 Any and all fees which will be charged are to be listed on the bid summary page. Services provided by the Contractor but for which a fee is not indicated on the bid summary page shall be presumed to be given by the Contractor at no cost to the participating agencies.
- 2.11 The fees and percentages offered by the Contractor shall be fixed during the life of the contract. Each participating agency will retain the right to extend the contract for additional periods of time if such negotiated extension is considered to be in the best interest of the participating agency.

Bid No. 05-15

- 2.12 Bidders shall as part of their response provide at least five (5) references from clients served during the last twenty-four (24) months. At least three of the references given are to be public agencies.
- 2.13 Bidders as part of their response shall provide copies of brochures and advertisements used to market or promote their last three public auctions.
- 2.14 Bidders as part of their response must provide a listing of sold vehicles from recent auctions including model, year, condition and sales price.

3.0 **MISCELLANEOUS TERMS AND CONDITIONS**

- 3.1 The Contractor will be required to comply with applicable Federal, State, County and local rules and regulations.
- 3.2 Participating agencies shall not be charged storage fees for items stored through two sales at least.
- 3.3 Employees of the Contractor shall not be considered to be employees of any of the agencies participating in this bid solicitation.
- 3.4 The Contractor shall not sell, assign, subcontract or transfer the contract nor any of the rights and privileges granted thereby without the prior written approval of the participating agency(s).
- 3.5 The Contractor shall be responsible for tagging, inventorying and loading of items to be sold by the various agencies at their locations during normal business hours.

Bid No. 05-15

**CITY OF EL SEGUNDO COOPERATIVE BID  
BID SPECIFICATION NO. 05-15  
"AUCTION SERVICES"**

City of El Segundo  
City Clerk's Office  
Room 5  
350 Main Street  
El Segundo, California 90245-3813

Gentlemen:

In accordance with City of El Segundo Bid Specification No. 05-15 for auction services, we are pleased to provide the participating cities with auction services as described for a three (3) year base contract with two (2) additional one year optional periods, at the rates indicated below.

- A. Commission percentage rate for the sale of surplus motor vehicles shall be 0%.
- B. Commission percentage rate for the sale of surplus equipment, miscellaneous supplies and materials shall be 0%.
- C. Commission percentage rate for the sale of jewelry shall be 0%.
- D. Amount of buyers premium to be charged shall be 10.5% and the amount of buyers premium returned to the public agency shall be .5%.
- E. Schedule of Miscellaneous Fees (List Service and Corresponding Fees). Miscellaneous fees not listed below will not be accepted at a later date.

<u>Item</u>	<u>Fee</u>
None	N/A

Bidders Initials

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F. Company representative to be assigned to service this contract (s).

Name: Dale Van Wagner

Title: Marketing Director

Phone: (818) 201-6573 Address: 12580 Saticoy Street, North Hollywood, CA 91605

**ALL BIDS ARE TO BE SUBMITTED IN TRIPLICATE**

Name of Company: Ken Porter Auctions

Date: October 24, 2005

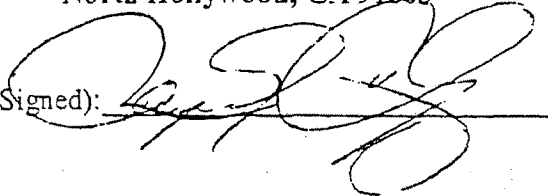
Address: 12580 Saticoy Street

Telephone: (818) 255-0616

North Hollywood, CA 91605

Fax: (818) 255-0618

By (Signed):



Title: President

Bid No. 05-15

**APPENDIX A**

**REFERENCES**

Please provide in the space below the names of five clients served during the past twenty-four (24) months. Three of the five clients served must be public agencies.

**1. Company/Agency: County of Ventura**

**Address: 800 S. Victoria Avenue, Ventura, CA, 93009**

**Phone: (805) 654-3752**

**Contact Person: Leslie Percy**

**2. Company/Agency: City of Long Beach**

**Address: 2600 Temple Avenue, Long Beach, CA, 90802**

**Phone: (562) 570-5404**

**Contact Person: Timothy Duggan**

**3. Company/Agency: City of Upland**

**Address: 1370 N. Benson Avenue, Upland, CA, 91785**

**Phone: (909) 931-4253**

**Contact Person: Frank Domijan**

**4. Company/Agency: Durham School Services**

**Address: 9011 Mountain Ridge Drive, Suite 200, Austin, Texas, 78759**

**Phone: (512) 343-6292**

**Contact Person: Tom Mc Bride**

**5. Company/Agency: Walt Disney Studios**

**Address: 500 S. Buena Vista Street, Burbank, CA, 91521**

**Phone: (818) 560-1285**

**Contact Person: Rick White**

  
Bidders Initials

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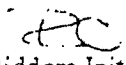
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APPENDIX B

GENERAL INFORMATION

Bidders are asked to answer the following questions as part of their bid response. Please do not leave any question unanswered. Answers to these questions will be considered as part of the evaluation process. Use additional sheets if necessary.

<u>Question</u>	<u>Response</u>
1. Number of times auction is held per month:	1
2. Where is your local auction site?	22800 S. Normandie Ave. Torrance, CA 90502
3. What is the average attendance?	400 - 500
4. How many parking spaces do you provide for the general public? Paved or unpaved?	150 plus Both
5. What are your hours of operation?	8:00 am to 5:00 pm Monday to Friday
6. How much storage capacity do you have?	420,000 square feet
7. Do you send out descriptive photo brochures? If so, please provide a copy in your bid.	Yes See Exhibit B
8. How many names are on your current mailing list?	8,800 plus

  
Bidders Initials


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Bid No. 05-15

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|-----|--|--|
| 9.  | What paper of general circulation do you advertise in?                                 | Los Angeles Times, Long Beach Press Telegram, Orange County Register, Ventura County Star. |
| 10. | Do you have pre-auction inspections for bidders?                                       | Yes  |
| 11. | Transportation contracted or subcontracted?  | Contracted   |
| 12. | Does the provider of transportation carry their own insurance?                         | Yes  |
| 13. | Name & location of transportation services?  | Cinema Vehicles Services<br>12580 S. Saticoy Street<br>North Hollywood, CA 91605           |
| 14. | Contractor/Subcontractor licensed and bonded?  | Yes  |
| 15. | Full service, turn key auction?  | Yes  |
| 16. | Licensed/Bonded Dealer?  | Yes  |
| 17. | Professional Appraisal Services Available?   | Yes  |
| 18. | Average number of vehicles sold per auction?   | 200 plus   |
| 19. | What was the total number of lots for each of your last three auctions?                | 235 + 284 + 335 = 854  |
| 20. | Number of years in business?   | 43 plus years  |
| 21. | Will you allow Cities currently under contract to you to enter into this new contract? | Yes  |

  
Bidders Initials

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22. Does your site have restroom facilities? Yes
23. What is your policy regarding allowing a buyer to renege on a purchase? We do NOT let buyers renege. If they refuse to pay, they lose their deposit.

PC  
Bidders Initials

BID for Auction services .#05-15 .specifications.doc

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Bid No. 05-15

**CITY OF EL SEGUNDO  
BID NO. 05-15**

**AFFIDAVIT OF NON-COLLUSION**

The undersigned, as bidder declares that this proposal is made without collusion with any other person, firm or corporation and that the only person or parties interested as principals are named herein. Having carefully examined the Notice Inviting Bids, the Specifications and the Terms and Conditions, we do hereby propose and agree, in the event of acceptance hereof to enter into the required agreement with the City of El Segundo.

Dated this 24<sup>th</sup> day of October 2005. I  
certify (or declare) under penalty of perjury  
that the foregoing is true and correct.

Name of Company: **Ken Porter Auctions**

Signature:

A handwritten signature in black ink, appearing to be "Ken Porter", written over a horizontal line.

Title: **President**

Bid No. 05-15

## Exhibit A

### INSURANCE REQUIREMENTS

[MUST BE SUBMITTED WITH PROJECT PROPOSAL]

To be awarded this contract, the successful bidder must procure and maintain the following types of insurance with coverage limits complying, at a minimum, with the limits set forth below:

<u>Type of Insurance</u>	<u>Limits</u>
Commercial general liability:	\$2,000,000
Professional liability	N/A
Business automobile liability	\$1,000,000
Workers compensation	Statutory requirement.

Commercial general liability insurance must meet or exceed the requirements of the most recent ISOCOL Form Number. The amount of insurance set forth above must be a combined single limit per occurrence for bodily injury, personal injury, and property damage for the policy coverage. Liability policies must be endorsed to name the City, its officials, and employees as "additional insured" under said insurance coverage and to state that such insurance will be deemed "primary" such that any other insurance that may be carried by the City will be excess thereto. Such insurance must be on an "occurrence," not a "claims made," basis and will not be cancelable or subject to reduction except upon thirty (30) days prior written notice to the City.

Professional liability coverage must be on an "occurrence basis" if such coverage is available, or on a "claims made" basis if not available. When coverage is provided on a "claims made basis," the Consultant must continue to maintain the insurance in effect for a period of three (3) years after this Agreement expires or is terminated ("extended insurance"). Such extended insurance must have the same coverage and limits as the policy that was in effect during the term of this Agreement, and cover the Consultant for all claims made by the City arising out of any errors or omissions of the Consultant, or its officers, employees or agents during the time this Agreement was in effect.

Automobile coverage must be written on ISO Business Auto Coverage Form CA 00 01 06 92, including symbol 1 (Any Auto).

The Consultant must furnish to the City duly authenticated Certificates of Insurance evidencing maintenance of the insurance required under this Agreement, endorsements as required herein, and such other evidence of insurance or copies of policies as may be reasonably required by the City from time to time. Insurance must be placed with admitted insurers with a current A.M. Best Company Rating equivalent to at least a Rating of "A:VII." Certificate(s) must reflect that the insurer will provide thirty (30) day notice of any cancellation of coverage. The Consultant will require its insurer to modify such certificates to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions.

By signing this form, the bidder certifies that it has read, understands, and will comply with these insurance requirements if it is selected as the City's consultant. Failure to provide this form may render the bidder's proposal "nonresponsive"

Date: 10/24/2005

BID for Auction Services #05-15-Specifications.doc

Bidder: Ken Porter Auctions  
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Bid No. 05-15

F. Company representative to be assigned to service this contract (s).

Name: Dale Van Wagner

Title: Marketing Director

Phone: (818) 201-6573 Address: 12580 Saticoy Street, North Hollywood, CA 91605

**ALL BIDS ARE TO BE SUBMITTED IN TRIPLICATE**

Name of Company: Ken Porter Auctions

Date: October 24, 2005

Address: 12580 Saticoy Street

Telephone: (818) 255-0616

North Hollywood, CA 91605

Fax: (818) 255-0618

By (Signed):



Title: President

~~SECRET~~ ~~TOP SECRET~~

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Memorandum of Understanding between the City of San Diego and Ken Porter Auctions, per  
Bid No. 9241-08-C

<b>PRODUCER</b> United Agencies Inc. CA License # 0252636 100 No. 1st Street, Ste 301 Burbank CA 91502 Phone: 800-800-5980 Fax: 677-901-5522  C.H.P Enterprises, Inc. Ken Porter Auctions 12580 Saticoy Street N. Hollywood CA 91605	THIS CERTIFICATE IS ISSUED AS A MATTER OF COURTESY ONLY AND CONFERS NO RIGHTS UPON THE HOLDER. THIS CERTIFICATE DOES NOT ALTER THE COVERAGE AFFORDED BY THE POLICIES.
<b>INSURERS AFFORDING COVERAGE</b>	
INSURER A	Vigilant Insurance Company
INSURER B	
INSURER C	
INSURER D	
INSURER E	

## COVERAGES

INSR ADD'L LTR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	<b>GENERAL LIABILITY</b> <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER POLICY: PRO. 100 JECT LCC	79530782	06/16/05	06/16/06	EACH OCCURRENCE \$ 1000000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1000000 MED EXP (Any one person) \$ 10000 PERSONAL & ADV INJURY \$ 1000000 GENERAL AGGREGATE \$ 2000000 PRODUCTS - COMPIOP AGG \$ 2000000
A	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input checked="" type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	79549906	06/16/05	06/16/06	COMBINED SINGLE LIMIT (Ea accident) \$ 1000000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
A	<b>GARAGE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO <input checked="" type="checkbox"/> OTHER THAN AUTO	73536132	06/16/05	06/16/06	AUTO ONLY - EA ACCIDENT \$ 1000000 OTHER THAN AUTO ONLY EA ACC AGG \$ 1000000 AGG \$ 2000000
A	<b>EXCESS/UMBRELLA LIABILITY</b> <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$ -0-	79466678	06/16/05	06/16/06	EACH OCCURRENCE \$ 5000000 AGGREGATE \$ 5000000 \$ \$ \$
<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/ MEMBER EXCLUDED (Yes, describe under SPECIAL PROVISIONS below)			NO STATE- TORY LIMITS E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$		
OTHER					

DESCRIPTION OF OPERATIONS - LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

Auction Operations

<b>CERTIFICATE HOLDER</b>  <b>PROOF OF INSURANCE ONLY</b>	<b>CANCELLATION</b> SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE <i>Kathy M. Burd</i>
---	---

Bid No. 05-15

**CITY OF EL SEGUNDO COOPERATIVE BID  
BID SPECIFICATION NO. 05-15  
"AUCTION SERVICES"**

City of El Segundo  
City Clerk's Office  
Room 5  
350 Main Street  
El Segundo, California 90245-38 13

Gentlemen:

In accordance with City of El Segundo Bid Specification No. 05-15 for auction services, we are pleased to provide the participating cities with auction services as described for a three (3) year base contract with two (2) additional one year optional periods, at the rates indicated below.

- A. Commission percentage rate for the sale of surplus motor vehicles shall be 0%.
- B. Commission percentage rate for the sale of surplus equipment, miscellaneous supplies and materials shall be 0%.
- C. Commission percentage rate for the sale of jewelry shall be 0%.
- D. Amount of buyers premium to be charged shall be 10.5% and the amount of buyers premium returned to the public agency shall be .5%.
- E. Schedule of Miscellaneous Fees (List Service and Corresponding Fees). Miscellaneous fees not listed below will not be accepted at a later date.

Item

Fee

None

N/A

Bidders Initials

BID for Auction services #05-15 specifications.doc

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Bid No. 05-15

F. Company representative to be assigned to service this contract (s).

Name: Dale Van Wagner

Title: Marketing Director

Phone: (818) 201-6573 Address: 12580 Saticoy Street, North Hollywood, CA 91605

**ALL BIDS ARE TO BE SUBMITTED IN TRIPLICATE**

Name of Company: Ken Porter Auctions

Date: October 24, 2005

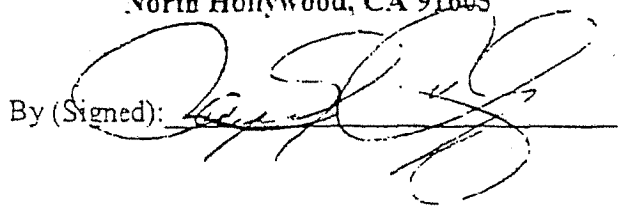
Address: 12580 Saticoy Street

Telephone: (818) 255-0616

North Hollywood, CA 91605

Fax: (818) 255-0618

By (Signed):



Title: President

**VEHICLE DEALER** Lic No **08680**

Expires **DEC 20, 2006** Expiration Date **NOV 30, 2008**

This license shall be signed and displayed in the office at the address shown below pursuant to the California Vehicle Code.

**KEN PORTER AUCTIONS**  
**400 E REDONDO BEACH BL**  
**GARDENA CA 90248 BR**

**A/C USED**  
**TRL NEW**

License must be renewed prior to expiration date pursuant to California Vehicle Code Sections 11500.003, 11500.004, 11500.005, 11500.006 & 11500.007.


**871062**

*[Signature]*

DISPLAY CONSPICUOUSLY AT PLACE OF BUSINESS FOR WHICH ISSUED

CALIFORNIA STATE BOARD OF EQUALIZATION

**SELLER'S PERMIT**



ACCOUNT NUMBER  
**6/14/2001 SR Y AC 13-689721 00006 AS**

**C.H.P. ENTERPRISES**  
**400 E REDONDO BEACH BLVD**  
**GARDENA, CA 90248-2348**

NOTICE TO PERMITTEE:  
You are required to obey all Federal and State laws that regulate or control your business. This permit does not allow you to do otherwise.

IS HEREBY AUTHORIZED PURSUANT TO SALES AND USE TAX LAW TO ENGAGE IN THE BUSINESS OF SELLING TANGIBLE PERSONAL PROPERTY AT THE ABOVE LOCATION. THIS PERMIT IS VALID ONLY AT THE ABOVE ADDRESS.

THIS PERMIT IS VALID UNTIL REVOKED OR CANCELED AND IS NOT TRANSFERABLE. IF YOU SELL YOUR BUSINESS OR DROP OUT OF A PARTNERSHIP, NOTIFY US OR YOU COULD BE RESPONSIBLE FOR SALES AND USE TAXES OWED BY THE NEW OPERATOR OF THE BUSINESS.

Not valid at any other address

For general tax questions, please call our Information Center at 800-400-7115.  
For information on your rights, contact the Taxpayers' Rights Advocate Office at 888-324-2798 or 916-324-2798.

BOE-442-R REV. 15 (2-06)

**A MESSAGE TO OUR NEW PERMIT HOLDER**

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Memorandum of Understanding between the City of San Diego and Ken Porter Auctions, per  
Bid No. 9291-08-C

PRODUCER  
 United Agencies Inc.  
 CA License # 0252636  
 100 No. 1st Street, Ste 301  
 Burbank CA 91502  
 Phone: 800-800-5880 Fax: 877-901-5522

THIS CERTIFICATE IS ISSUED AS A MATTER OF **EXHIBIT B**  
 ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE  
 HOLDER. THIS CERTIFICATE DOES NOT AMEND **Page 39 of 39**  
 ALTER THE COVERAGE AFFORDED BY THE POLICY

C.H.P. Enterprises, Inc.  
 Ken Porter Auctions  
 12580 Saticoy Street  
 N. Hollywood CA 91605

INSURERS AFFORDING COVERAGE

INSURER A Vigilant Insurance Company

INSURER B

INSURER C

INSURER D

INSURER E

## COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED NOTWITHSTANDING  
 ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR  
 MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH  
 POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY CLAIMS MADE <input checked="" type="checkbox"/> OCCUR	79530782	06/16/05	06/16/06	EACH OCCURRENCE \$ 1000000 DAMAGE TO RENTED PREMISES (EA occurrence) \$ 1000000 MED EXP (Any one person) \$ 10000 PERSONAL & ADV INJURY \$ 1000000 GENERAL AGGREGATE \$ 2000000 PRODUCTS - COMP/OP AGG \$ 2000000
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A	GARAGE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input checked="" type="checkbox"/> OTHER THAN AUTO	73536132	06/16/05	06/16/06	AUTO ONLY - EA ACCIDENT \$ 1000000 OTHER THAN AUTO ONLY: EA ACC \$ 1000000 AGG \$ 2000000
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	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE/OFFICER/ MEMBER EXCLUDED? YES, DESCRIBE LIMITS SPECIAL PROVISIONS ETC. OTHER				NO STATUTORY LIMITS EL EACH ACCIDENT \$ EL DISEASE - EA EMPLOYEE \$ EL DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

Auction Operations

CERTIFICATE HOLDER

PROOF CO

PROOF OF INSURANCE ONLY

## CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

Kathy M. Muro