



Legislation Details (With Text)

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On agenda: 2/8/2023 **Final action:**

Title: Authorize a five-year service contract for marketing and selling, through public auction, of City owned land and facilities that have been declared surplus property for the Department of Public Works - Hudson & Marshall LLC dba Hudson & Marshall, most advantageous proposer of four - Financing: No cost consideration to the City (commissions to be paid by a buyer's premium)

Sponsors:

Indexes: 300

Code sections:

Attachments: 1. Resolution, 2. Response Letter, 3. Letter from Protest

Date	Ver.	Action By	Action	Result
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STRATEGIC PRIORITY: Government Performance & Financial Management

AGENDA DATE: February 8, 2023

COUNCIL DISTRICT(S): N/A

DEPARTMENT: Office of Procurement Services

EXECUTIVE: Jack Ireland

SUBJECT

Authorize a five-year service contract for marketing and selling, through public auction, of City owned land and facilities that have been declared surplus property for the Department of Public Works - Hudson & Marshall LLC dba Hudson & Marshall, most advantageous proposer of four - Financing: No cost consideration to the City (commissions to be paid by a buyer's premium)

BACKGROUND

This service contract will provide for marketing and selling, through public auction, of City owned land and facilities that have been declared surplus property for the Department of Public Works. Sixteen properties currently have been identified for sale which were first routed to City departments and outside agencies to determine whether they had a need for any of the properties. By contracting with a professional real estate auction firm, the City will be able to utilize the vendor's expertise in advertising, marketing, and promotion of surplus properties as well as industry contacts to generate interest in the properties being offered. As additional properties become available and are declared surplus by City Council, staff will coordinate future sales with the auction firm over the five-year time period.

The auction firm will aggressively market the properties on its website, the City's website, and other commercial real estate websites such as LoopNet, CityFeet, Globe Street, Property Auction and Commercial Investment Multiple Listing Service. The firm proposes to advertise residential properties on Google, RealtyTrac and Yahoo Real Estate.

In addition, the properties will be marketed through auction brochures (hard copy and eBrochures), auction signs and banners, newspaper, and publication ads, strategically located billboards, targeted direct mail, and email campaigns. Newspaper advertisements will meet or exceed those required by Texas Local Government Code, Section 253.008, and Section 272.001.

The auction firm proposes to market and sell the properties with no cost consideration to the City. The firm will charge a buyer's premium of four percent, from the winning bidder for each property sold. All properties will be offered for sale "as is, where is and with all faults." Each sold property will be conveyed by a deed without warranty.

Marketing efforts will begin approximately six weeks before the auction date. Approximately a week before the auction date, the auction firm will hold an open house event for improved properties. On the day of the auction, the auction firm will fully staff a single ballroom event with an auctioneer, bid assistants and cashiers to accept earnest money in the form of cashier checks. Contracts will be drawn up that day. Any properties that do not sell at the auction will remain on the auction firm's website for post-sale bidding opportunities. Winning bidders will have a specified time frame in which to close on the property with the City, typically within 30 to 45 days.

A six-member committee from the following departments reviewed and evaluated the qualifications:

- Department of Public Work (2)
- Department of Aviation (1)
- Department of Housing and Neighborhood Revitalization (1)
- Water Utilities Department (1)
- Office of Procurement Services (1)*

*The Office of Procurement Services only evaluated the cost and local preference if applicable.

The committee selected the successful respondent on the basis of demonstrated competence and qualifications under the following criteria:

- Qualifications 35 points
- Experience and Capabilities 30 points
- Cost 30 points
- Local Preference 5 points

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out email notifications to vendors registered under relevant commodity codes. To further increase competition, the Office of Procurement Services uses historical solicitation information, the Internet, and vendor contact information obtained from user

departments to contact additional vendors.

On November 10, 2015, the City Council authorized a living wage policy that requires contractors to pay their employees a “living wage” rate as established annually by the Massachusetts Institute of Technology Living Wage Calculator for Dallas County by Resolution No. 15-2141. The calculated living wage during the solicitation process of this contract is \$15.21; the selected vendor meets this requirement.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On October 24, 2018, City Council authorized a three-year service contract for marketing and selling, through public auction, of City owned land and facilities that have been declared surplus property for the Department of Sustainable Development and Construction with Hudson & Marshall LLC by Resolution No. 18-1513.

FISCAL INFORMATION

No cost consideration to the City (commissions to be paid by a buyer's premium).

M/WBE INFORMATION

In accordance with the City's Business Inclusion and Development Policy adopted on September 23, 2020, by Resolution No. 20-1430, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Procurement Category	M/WBE Goal
\$0.00	Other Services	N/A
M/WBE Subcontracting %	M/WBE Overall %	M/WBE Overall Participation \$
N/A	N/A	N/A
<ul style="list-style-type: none"> • This item is Other Services which does not have an availability and disparity participation goal. • Hudson & Marshall LLC dba Hudson & Marshall - Non-local; Workforce - 0.00% Local 		

PROCUREMENT INFORMATION

Method of Evaluation for Award Type:

Request for Competitive Sealed Proposal	<ul style="list-style-type: none"> • Utilized for high technology procurements, insurance procurements, and other goods and services • Recommended offeror whose proposal is most advantageous to the City, considering the relative importance of price, and other evaluation factors stated in the specifications • Always involves a team evaluation
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| • Allows for negotiation on contract terms, including price |
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The Office of Procurement Services received the following proposals from solicitation number BCZ22-00018733. We opened them on June 24, 2022. This service contract is being awarded in its entirety to the most advantageous proposer.

*Denotes successful proposer

<u>Proposers</u>	<u>Address</u>	<u>Score</u>
*Hudson & Marshall LLC dba Hudson & Marshall	10761 Estes Rd. Macon, GA 31210	86.00
Williams & Williams Marketing Services, Inc.	7140 S. Lewis Ave. Suite 200 Tulsa, OK 74136	79.40
**Higginbotham Auctioneers International Limited, Inc.	5900 Imperial Lakes Blvd. Mulberry, FL 33860	76.26
Auctions by Allstar, LLC	2333 Timberline Fort Worth, TX 76119	53.20

**The City has received a protest regarding this procurement which has been addressed. Please find attached the vendor protest letter and the City's response.

OWNER

Hudson & Marshall LLC dba Hudson & Marshall

B.G. Hudson, Jr., Chief Executive Officer
Steve Slocumb, Chief Operating Officer