

## 4. Cost Proposal

### 4.4.6 PRICE SCHEDULE

The bidder must submit its pricing using the format set forth in the State supplied price sheet(s) attached to this RFP. Failure to submit all information required will result in the bid being considered non-responsive. Each bidder is required to hold its prices firm through issuance of contract.

The price schedule requires bidders to supply a listing price, this is a price that the contractor shall be paid for listing the auction regardless if a sale is consummated or not. In addition, bidders are required to supply the percentage commission fee schedule that will be paid to the contractor for completed sales. For bid evaluation purposes, the listing price and the commission fee schedule will be used to determine a total bid price. A total bid price will be calculated by the Evaluation Committee using Attachment #1 (Auction Summary for FY 2007) and the listing price and commission scale provided by bidder.

#### **Response:**

Listed below are the costs that incorporate all fees for the proposed scope of services. There is no training cost, listing fees or any other cost other than the fees listed below. This fee schedule was determined to be a fair rate for our services when we signed our first client in 2001 and has changed very little since then. These fees are paid only after the State collects the money for the sale of an item. GovDeals submits one single itemized invoice at the end of each month that summarizes all sales made during the month. The invoice is sent on the first day of the following month and the State has 60 days to pay from the date of the invoice.

**Fees:** For any item that is sold as a result of posting it to the GovDeals web site, the following fees apply:

1. Where a single auction item does not yield greater than \$100,000 in a winning bid, Client agrees to pay GovDeals a fee of seven and one-half percent (7.5%) of the winning bid, but not less than \$5.00.
2. Where a single auction item yields greater than \$100,000, but does not yield greater than \$500,000 in a winning bid, Client agrees to pay GovDeals a fee of seven and one-half percent (7.5%) of the winning bid up to \$100,000 plus five and one-half percent (5.5%) of the winning bid that is in excess of \$100,000 up to \$500,000.
3. Where a single auction item yields greater than \$500,000 in a winning bid, Client agrees to pay GovDeals a fee of seven and one-half percent (7.5%) of \$100,000 of the winning bid, plus a fee of five and one-half percent (5.5%) of \$400,000 of the winning bid, plus a fee of three and one-half percent (3.5%) of the amount in excess of \$500,000 of the winning bid.

On occasion, and as an option, the State may determine that due to unanticipated staffing shortage, it may decide to request GovDeals supply on-site assistance to quickly move large amounts of items that have accumulated over a period of time. For this optional service, and upon mutual agreement between GovDeals and the State, an additional fee will be charged over and above the normal fee schedule shown in paragraphs 1, 2, and 3 above. For this mutually agreed upon additional fee, GovDeals will go to the State's site and record asset descriptions, take pictures, load assets to the auction site, and set auction

dates. Assets must be arranged in such a manner as to allow GovDeals personnel access to the assets for recording descriptions and taking pictures. If assets are not arranged in the proper manner, the State will provide personnel to assist the GovDeals representatives in arranging the assets for proper presentation. In order to exercise this option, the State must request and agree to the additional fee in writing. This fee does not apply to assets used in the initial training and will not apply when the State processes its own assets.