



CITY COUNCIL AGENDA ITEM

April 10, 2012

To: John Szerlag, City Manager

From: Mark F. Miller, Director of Community and Economic Development
Susan A. Leirstein, Purchasing Director
Gary G. Mayer, Police Chief
Timothy L. Richnak, Public Works Director
Samuel P. Lamerato, Superintendent of Fleet Maintenance

Subject: Standard Purchasing Resolution 1 – Bid Award: Auction Services

Background

On March 7, 2012, bid proposals were opened to provide two (2) year requirements of auction services with an option to renew for two additional years for the City of Troy municipal offices. Twenty-one (21) companies were notified of the solicitation via the Michigan Intergovernmental Trade Network (MITN) website. A total of three (3) bid responses were received. One bid could not be considered as the bid surety deposit check was not submitted with the bid as required. The City plans on utilizing the auction service to dispose of all City owned surplus items, real estate, equipment and Police forfeiture and confiscated property. The auction contract is set up so that the buyer is responsible for all fees associated with the auction service, except to inventory items and provide printed inventory reports if needed, at a cost of \$25.00 per hour.

Recommendation

After reviewing the proposals, City management recommends awarding the contract for auction services with an option to renew for two (2) additional years for the City of Troy municipal offices, to the low total bidder, Chuck Cryderman & Associates, LLC, of Armada, MI. Chuck Cryderman & Associates, LLC, have auctioned items in the past for the City. The auctions were run very professionally with positive results. At times, the City may benefit by marketing specialty pieces of equipment through trade publications and auction websites, thereby increasing the value of specialized equipment.

Fund Availability

Funds for this contract will be covered by the buyer's premium placed on all auctioned items.

VENDOR NAME:	sl	Chuck Cryderman & Associates LLC	Midwest Auto Auction Inc
CHECK NO.		5085956199	1649934
CHECK AMOUNT		\$500.00	\$500.00

PROPOSAL A: Equipment / Vehicle:	ON - SITE	OFF-SITE	ON - SITE	OFF-SITE
ITEM DESCRIPTION	Buyer's Premium	Buyer's Premium	Buyer's Premium	Buyer's Premium
1. City Owned Property from City Facilities	10%	12%	9%	12%
2. City Owned Vehicles (as is)	5%	6%	9%	12%
3. Vehicles - Cleaned, Detailed, and Prep	3%	4%	9%	12%
4. Police Forfeiture & Confiscated Items	10%	12%	12%	15%
5. Real Estate & Dev Furnishings	10%	12%	9%	12%

PROPOSAL B: Real Estate Sales	ON - SITE	OFF-SITE	ON - SITE	OFF-SITE
	Buyer's Premium	Buyer's Premium	Buyer's Premium	Buyer's Premium
\$0 to \$49,999.99	7%	7%	7%	8%
\$50,000 to \$99,999.99	6%	6%	7%	8%
\$100,000 to \$149,999.99	5%	5%	7%	8%
\$150,000 to \$199,999.99	5%	5%	7%	8%
\$200,000 and over	5%	5%	7%	8%

PROPOSAL C: Off-Rd/Heavy Equip/etc	ON - SITE	OFF-SITE	ON - SITE	OFF-SITE
	Buyer's Premium	Buyer's Premium	Buyer's Premium	Buyer's Premium
\$0 to \$9,999.99	5%	6%	12%	15%
\$10,000 to \$24,999.99	5%	6%	12%	15%
\$25,000 to \$49,999.99	5%	6%	12%	15%
\$50,000 to \$99,999.99	5%	6%	12%	15%
\$100,000 to \$149,999.99	3%	4%	12%	15%
\$150,000 and over	3%	4%	12%	15%

OPTIONAL SERVICES	PER HOUR	Inventory	PER HOUR
**	\$ 25.00		\$ 18.00

OTHER SERVICES YOUR COMPANY OFFERS:	DESCRIPTION	COST	DESCRIPTION	COST
	value equipment	0	Blank	\$
	value automobiles	0		
	value real estate	0		\$

QUESTIONNAIRE:	Y or N	Attached	Yes	Yes
CONTACT INFORMATION:	Hrs of Operation		8-5pm	24/7
	Contact Phone #		(586)784-8890	(313)817-2000
INSURANCE:	CAN MEET		XX	XX
	CANNOT MEET			
EXTENSION OF AWARD TO THE MITN PURCHASING COOPERATIVE: - OPTIONAL	AGREED:		Yes	No
	NOT AGREED:			
PAYMENT TERMS:			w/i 14 business days of the auction or 60 days for real estate settlement	
PICKUP NOTICE FOR OFF-SITE AUCTIONS:			5 business days	14666 Telegraph Rd Redford
EXCEPTIONS:			Blank	See Notes
	** Per project - Two personnel 1st 8hrs complimentary			Proposal B: \$400 minimum per property
ACKNOWLEDGEMENT:	Y or N	Signed	Yes	Yes

PROPOSAL: Furnish All Labor, Equipment, and Materials to provide two-year requirements of Auction Services with an Option to Renew for two (2) additional years for the City of Troy

No Bid: _____ DMS: _____
 Public Surplus _____ MunicipiBid - \$500.00 bid surety not included w/bid submission as specified.

ATTEST:

Susan Riesterer
 Sam Lamerato
 Susan Leirstein

HIGHLIGHTED TYPE DENOTES LOW TOTAL BIDDER

Susan Leirstein, CPPO CPPB
 Purchasing Director