



CITY COUNCIL REPORT

November 21, 2008

TO: Phillip L. Nelson, City Manager

FROM: John M. Lamerato, Assistant City Manager/Finance & Administration
Susan A. Leirstein, Purchasing Director

SUBJECT: Final Reporting – BidNet On-Line Auction Services – September
and October, 2008

Background

- Resolution #2004-02-075 established the auction fee of 5% and provided approval to use BidCorp with the provision that other on-line auction service options would be considered. BidNet moved forward and implemented the on-line surplus auction service for MITN System (Michigan Inter-governmental Trade Network), which can be accessed through the City of Troy home web page. MITN is the official Purchasing e-procurement website used for posting bids, tabulations, quotations, and award information. It was a Purchasing goal that one e-procurement site would be operational for all functions.

Financial Considerations

- In compliance with Resolution #2004-02-075, final reporting is being presented for twenty-seven (27) computers with keyboard & mouse, one (1) computer monitor, two (2) small storage units, one (1) fax machine, one (1) Dell printer, one (1) Craig transcription machine, one (1) lot of counter pump soap dispensers, and one (1) lot of wall soap dispensers that were auctioned on-line through BidNet, the City's e-procurement website, on September 16, 2008 and closed on, September 30, 2008.
- Final reporting is also being presented for two (2) 2001 Dodge Ram pick-ups, one (1) 2002 GMC Envoy, one (1) 1998 Dodge Dakota, one (1) Ford Explorer and one (1) 1999 Ransomes mower that were auctioned on-line through BidNet, the City's e-procurement website, on September 28, 2008 and closed on, October 3, 2008.

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Financial Considerations - continued

Final sale amounts and fees are listed below:

DESCRIPTION	PROCEEDS	SUB-TOTAL	NET INCOME
Computers, Printer, Fax Machine, Monitor & etc.	1,935.33		
(5) Vehicles and (1) mower	\$23,966.01		
SUB-TOTAL:		\$25,901.34	
	FEES:		
5% -Computers, Printer, Fax Machine, Monitor & etc.	(96.77)		
\$5 for each Featured Item – (9 Vehicles)	(45.00)		
5% - Five (5) Vehicles and (1) Mower sold	\$(1,198.30)		
SUB-TOTAL:		(\$1,340.07)	
Sales Tax +6% (Computers, Printer, Fax Machine, etc):	\$116.12		
Sales Tax (None on Vehicles): Tax Exempt.	0.00		
SUB-TOTAL:		\$116.12	
			\$ 24,677.39

Legal Considerations

- Farmington Hills, Michigan was the lead agency for the bid process for an on-line auction website. Resolution #2004-02-075.

Policy Considerations

- Sale of surplus property is a statutory requirement of the Purchasing department. (Chapter 7, Sec 8), no perceived Policy consideration is associated with this item.

Options

- To report final results of September and October 2008 auctions to City management.
- No action required