



## CITY COUNCIL REPORT

July 14, 2010

TO: John Szerlag, City Manager

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

SUBJECT: Final Reporting – BidNet On-Line Auction Services – June 2010

### 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 an on-line surplus auction service for the MITN System (Michigan Inter-governmental Trade Network), which can be accessed through the City of Troy home web page. MITN is the official e-procurement website used by the City 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, seven (7) Dell desktop computers with monitors and one (1) magazine rack auctioned on-line through BidNet, the City's e-procurement website, from June 9, 2010 and closed by, June 21, 2010.
- Final reporting is also being presented for one (1) 2001 Dodge 2.5 yd dump 4WD truck, one (1) 1978 Ford tractor w/broom, one (1) 2001 Dodge Stratus, one (1) 2003 Pontiac Bonneville, one (1) 2001 Ford Crown Vic, and one (1) 2004 Ford Crown Vic auctioned on-line through BidNet, the City's e-procurement website, from June 10, 2010 and closed by June 16, 2010.

July 14, 2010

To: John Szerlag, City Manager

Re: Final Reporting – BidNet On-Line Auction Services –June, 2010

Financial Considerations - continued

Final sale amounts and fees are listed below:

DESCRIPTION	PROCEEDS	SUB-TOTAL	NET INCOME
Dell desktop computers w/monitors & magazine rack	\$ 318.08		
Vehicles	26,804.00		
5% Buyers' premium – for Auction Fees	1,340.20		
<b>SUB-TOTAL:</b>		<b>\$28,462.28</b>	
	<b>FEES:</b>		
5% (Dell desktops computers w/monitors, etc) Fee	(\$ 15.91)		
5% on Vehicles (paid back thru buyer's premium)	(\$1,340.20)		
\$5.00 for each Feature Item (4 vehicles)	(\$ 20.00)		
<b>SUB-TOTAL:</b>		<b>(\$1,376.11)</b>	
Sales Tax +6%,(Dell desktop computers w/monitors)	\$ 19.10		
Sales Tax (None on Vehicles):	0.00		
<b>SUB-TOTAL:</b>		<b>\$ 19.10</b>	
			<b>\$ 27,105.27</b>

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 June 2010 auctions to City management.
- No action required