



Purchasing Division

ADDENDUM NO. 1

DATE: October 13, 2020
FROM: City of Grand Junction Purchasing Division
TO: All Interested Parties
RE: Local Auction Services RFP-4828-20-SH

Bidders responding to the above referenced solicitation are hereby instructed that the requirements have been clarified, modified, superseded and supplemented as to this date as hereinafter described.

Please make note of the following:

1. **Question:** Who is the incumbent firm that provided auction services for the City under its last contract?
Answer: The incumbent is Buster Cattles Auction Services.

2. **Question:** Where were previous auctions for the city held (including address)?
Answer: See Section 4.3.3 of the original RFP document. Auction sites vary based on the schedule and activities of the awarded auctioneer.

3. **Question:** What pricing schedule did the incumbent firm use in their prior agreement with the City?
Answer: The current rates are as follows:
 10% for each titled vehicle/equipment, not to exceed \$500 per item
 18% for each untitled vehicle/equipment, not to exceed \$500 per item
 24.75% for all other surplus and police confiscated items

4. **Question:** What were the gross sales for each of the city's auctions for the past 5 years?
 a. What were the gross sales for each auction by asset type (vehicles, equipment, seized property, other)?

Answer: Gross sales for past five years:

	Spring	Fall
2019	\$ 22,970	\$ 53,795
2018	\$ 38,060	\$ 15,758
2017	\$ 79,860	\$ 60,345
2016	\$ 52,325	\$ 78,855
2015	\$ 49,730	\$ 87,785

a. This information is not available.

5. **Question:** What were the number of lots for each of the city's auctions for the past 5 years?

- a. What were the number of lots for each auction by asset type (vehicles, heavy equipment, seized property, other)?

Answer: This information is unknown and is not available.

6. **Question:** For the past 5 years, what were the number of lots at each auction that sold for the following price points?

- a. Between 0 and 200 Dollars?
- b. Between 201 and 400 Dollars?
- c. Between 401 and 700 Dollars?
- d. Between 701 and 1000 Dollars?
- e. Between 1001 and 2000 Dollars?
- f. Between 2001 and 4999 Dollars?
- g. Between 5000 and 7999 Dollars?
- h. Between 8000 and 10000 Dollars?
- i. In excess of 10000 Dollars?

Answer: This information is unknown and is not available.

7. **Question:** How many registered bidders did each auction have for the past 5 years?

- a. Were all registered bidders in attendance in-person, or were some/all of the bidders in attendance over the internet via an internet pre-bid or simulcast auction?

Answer: This information is unknown and is not available.

8. **Question:** Section 2.7 states that the contractor shall comply with all, “applicable laws, ordinances, rules, regulations, and orders of any public authority having jurisdiction for the safety of persons or property or to protect them from damage, injury, or loss”. Since the city is still operating under a “partial shutdown” of offices due to the COVID-19 Outbreak:

- a. Who is responsible for developing procedures to comply with state or county public health orders, such as social distancing, hand sanitization, PPE, etc.
- b. Who is responsible for providing the equipment to comply with state or county public health orders?
- c. If the county or state continues to be under a full or partial shutdown due to COVID-19 or other public health emergency, Will the city consider expanding the scope of work for this contract to include online-only or simulcast bidding?

Answer: a. The awarded auctioneer.

b. The awarded auctioneer.

c. No.

9. **Question:** Did the city hold any auctions in 2020 in light of the COVID-19 public health emergency?

- a. If not, what is the current status of the assets that were to be sold?
 - i. If they were not sold, were they held for a 2021 auction?
 - ii. If they were sold, How were they liquidated? Were they liquidated via other methods such as online auctions or sealed bids?

Answer: There was an auction hosted in March 2020. Another one is planned for late in the Fall.

10. **Question:** Our firm does not have dedicated certificates of insurance, because our insurance is purchased and maintained by a parental corporate holding company. Does the city require insurance to be carried by the exact corporate entity that is submitting the bid?

Answer: Certificates of insurance must be provided prior to contract award. The chosen contractor shall ensure the City of Grand Junction is listed at the "Additional Insured". Your parent company may provide the certificate(s).

11. **Question:** Who is responsible for the payment and arrangement of transportation of assets from the point of origin to the auction site?
Answer: See Sections 4.3.4 and 4.3.5 of the original RFP document.
12. **Question:** Who is responsible for the security and storage of assets between the time of delivery and the auction?
 - a. If the auctioneer is responsible for the storage of assets, is the auctioneer under any circumstances permitted to charge a storage fee to the City, such as if storage exceeds 1 week?**Answer:** The auctioneer is responsible for security and storage of assets. See Section 4.3.5 of the original RFP document. The auctioneer may not charge a storage fee to the City.
13. **Question:** What is the minimum and maximum number of days that the auctioneer is required to store items under 4.3.5 of the scope of work?
Answer: There is no minimum or maximum as long as the eight week requirement in Section 4.1 is met. The auctioneer is expected determine what this time frame should be.
14. **Question:** What are the minimum requirements upon the contracted firm in regards to the number of personnel to conduct the auction?
Answer: The auctioneer is expected to determine how many personnel are needed. The general thought is a proficient and professional auctioneer should know how many personnel are needed to perform necessary duties.
15. **Question:** What are the minimum requirements upon the contracted firm in regards to public safety?
 - a. If there is a significant crowd size, will the contracted firm be expected to provide EMT's for a medical emergency?
 - b. If there is a significant crowd size, will the contracted firm be expected to provide armed security or off-duty law enforcement protection?
 - c. In order to minimize the risk of personal injury, is the auctioneer permitted to restrict children under the age of 18 from the auction site?
 - d. Is the auctioneer permitted to open carry or concealed carry a personal firearm to protect auction funds, assuming it is legal to do so at the location site?**Answer:** The auctioneer is expected to determine these requirements for themselves.
16. **Question:** Who is responsible for generating the auction catalog?
Answer: See Sections 4.2 and 4.3.7 of the original RFP document. The awarded auctioneer is responsible for all auction related activities under this contract.
17. **Question:** Who is responsible for photographing assets to be sold for the required marketing and advertising?
Answer: See Sections 4.2 and 4.3.7 of the original RFP document. The awarded auctioneer is responsible for all auction related activities under this contract.

18. **Question:** Who is responsible for verifying that the auction catalog is present at the auction site?
Answer: See Sections 4.2 and 4.3.7 of the original RFP document. The awarded auctioneer is responsible for all auction related activities under this contract.
19. **Question:** In the past five years, has the auction firm been required to sell firearms for the city?
a. If yes, are you requiring the incumbent auctioneer to hold a Federal Firearms License?
b. If yes, who is responsible for conducting the CBI background check?
c. If yes, where is the place of transfer for the ATFE/CBI background checks?
Answer: No.
20. **Question:** In the past five years, has the auction firm been required to sell any of the following assets:
a. Personal Property Items with high risk of theft such as:
i. Numismatics (coins)?
ii. Paper Currency?
iii. Philatelies (stamps)?
iv. Gold or Silver Bullion (including coins)?
v. Fine Jewelry containing gold, silver, diamonds, or other precious minerals?
vi. Electronics such as: Cell Phones, Game Consoles, Tablets and, Laptop Computers?
b. Personal Property Items that may be regulated at the state or federal level such as:
i. Native American Art or Artifacts
ii. Archeological items such as fossils
iii. Taxidermy, animal derived products such as bear rugs, or items containing bird feathers?
iv. Ivory or Bone-derived items?
1. If so, who is responsible for ensuring that these items are legal to sell?
v. Military Surplus, Para-military, aviation, or first responder items such as uniforms, armored vests, shields, batons, etc?
vi. Health or Medical Devices, including child car seats, canes, walkers, wheelchairs and crutches?
c. Personal Property at high risk of damage including:
i. Pottery?
ii. Glassware?
iii. Televisions?
iv. Scripophily (antique documents)?
v. Fine Art?
vi. Neon or other lighted electric signs?
d. Items requiring specialty moving, rigging, or storage such as:
i. Pool Tables?
ii. Pianos and Organs?
iii. Industrial Equipment?
iv. Restaurant Equipment?
v. Boats without Trailers?
vi. Bicycles?
vii. Bulk Materials such as pipe, brick, concrete, barriers
viii. Recreational Vehicles, Buses, or Heavy Duty Trucks per 49 CFR 523.6

- e. Items subject to high risk of counterfeiting or reproduction such as:
 - i. Watches?
 - ii. Tin or Porcelain Signs?
 - iii. Celebrity Autographed items?
 - iv. Television / Movie / Music / Sports Memorabilia?
- f. Items subject to Software or Other Copyright Licensing Restrictions such as:
 - i. Desktop and Laptop Computers?
 - ii. Point of Sale Equipment?
 - iii. Movie, Television and Music Recordings?
 - iv. Computer Software Packages?
- g. Other Regulated items
 - i. Cannabis / CBD / Hash Oil Equipment
 - ii. Alcohol
 - iii. Tobacco Products
 - iv. Aircraft

- Answer:**
- a. No.
 - b. No.
 - c. No.
 - d. This information is unknown. If the equipment is needed, it is the responsibility of the auctioneer.
 - e. This information is unknown.
 - f. This information is unknown.
 - g. No.

21. **Question:** Who is responsible for ensuring that any personal property items are not under an active Consumer Product Safety Commission recall?

Answer: Personal property is not part of this contract.

22. **Question:** Who is responsible for researching and disclosing any open National Highway and Transportation Safety Administration recalls for motor vehicles?

Answer: Only City-owned motor vehicles are part of this contract and recalls would be handled prior to sale at auction. Any recalls issued after sale at auction would be handled as they are for any other used vehicle sold as is.

23. **Question:** In the past five years, has the auction firm been required to sell surplus titled motor vehicles for the City?

- a. If yes, are you requiring the incumbent auctioneer to hold a Colorado Used Auto Dealer's License?
- b. If yes, who is responsible for the verification of the vehicle's VIN number to the documentation?
- c. If yes, who is responsible for calculation of motor vehicle sales tax, and the preparation of the Standard Tax Receipt?
- d. If yes, are you requiring the incumbent auctioneer to issue emissions coupons for gasoline-powered vehicles sold to buyers within the emissions testing area?
- e. If yes, are you requiring the incumbent auctioneer to obtain a passing emissions test for diesel-powered vehicles sold to buyers within the diesel emissions testing area?
- f. If yes, who is responsible for obtaining a temporary registration tag for the buyers?
- g. If yes, who is responsible for the preparation of the sales documents (bill of sale, application for title, FTC buyer's guide) ?
- h. Who is responsible for verifying that the buyer has mandatory minimum insurance?

Answer: Yes, titled motor vehicles are sold at City auctions. The awarded auctioneer is responsible for all auction related activities under this contract.

24. **Question:** In the past five years, has the auction firm been required to sell seized, impounded, or abandoned motor vehicles for the City without a title?
- a. If yes, are you requiring the incumbent auctioneer to hold a Colorado Used Auto Dealer's License?
 - b. If yes, who is responsible for the verification of the vehicle's VIN number to the documentation?
 - c. If yes, who is responsible for the preparation of the sales documents (bill of sale) ?
 - d. Who is responsible for verifying that the buyer has mandatory minimum insurance?
 - e. Who is responsible for conducting an appraisal of the vehicle?
 - f. Who is responsible for determining that the vehicle is roadworthy?

Answer: No.

25. **Question:** What are the geographic requirements for the auction site?
- a. Can the Auction Site be located outside of the City of Grand Junction?
 - b. Can the Auction Site be located outside of Mesa County?
 - c. Can the Auction Site be located outside of the State of Colorado?

Answer: See Question 2 above.

- a. No.
- b. No.
- c. No.

26. **Question:** What are minimum requirements for the auction location?
- a. What is the minimum indoor square footage required by the city?
 - b. What is the minimum outdoor square footage required by the city?
 - c. Does any indoor space have minimum improvements (electricity, restrooms, seating, display fixtures, locked cages for high-theft items, jewelry cases, video display boards, Security Cameras, access control doors, food options)?
 - i. If so, what are they?
 - d. Does any outdoor space have minimum improvements (fencing, carports, paved surfaces, security cameras, guard sheds, etc)?

Answer: See Question 2 above.

- a. The City has no requirements for this – the awarded auctioneer is responsible for all auction related activities under this contract.
- b. The City has no requirements for this – the awarded auctioneer is responsible for all auction related activities under this contract.
- c. The awarded auctioneer is responsible for all auction related activities under this contract.
- d. The awarded auctioneer is responsible for all auction related activities under this contract.

27. **Question:** Regardless of the type of facility proposed by the auction company, Is the contracted firm expected to provide any or all of the following to meet the minimum requirements of this contract?
- a. An indoor facility
 - b. An outdoor space under a tent
 - c. Electricity
 - d. Internet Access

- e. Tables
- f. Chairs
- g. Jewelry Cases
- h. Carports, tents, or other coverings for vehicles

Answer: The awarded auctioneer is responsible for all auction related activities under this contract.

28. **Question:** In the past five years, has the auction firm been required to sell items seized or distrained by the City's finance department for failure to pay sales tax, such as restaurants?
- a. If so, does the finance department hold its own auctions, or are they incorporated into this general contract?

Answer: No.

29. **Question:** For all vehicles and heavy equipment previously owned by the city:
- a. Who is responsible for demarking the vehicles of any logos, seals, or other identifying information from decommissioned vehicles?
 - b. Who is responsible for removing restricted items such as radio equipment and emergency lights from vehicles?

Answer: The City's Fleet Services Division prepares vehicles for auction.

30. **Question:** For any asset sold by the city in the past five years?
- a. Have any vehicles been inoperable and required a tow truck to transport?
 - b. Have any pieces of heavy equipment been sold that were inoperable and/or could not be driven to the auction site?
 - c. Is the auctioneer required to provide appraisals or pre-auction estimates to the city?

Answer: a. Yes.
b. Yes.
c. No.

31. **Question:** For any vehicles or heavy equipment sold:
- a. Who is responsible for security of keys?
 - b. Is the contracted auctioneer required to provide one or more "preview days" prior to the auction?
 - c. Is the contracted auctioneer required to develop a "check out system" for keys to be loaned out during any preview periods?
 - d. Is the contracted auctioneer required to permit the public to test drive vehicles?
 - i. If so, under what circumstances?
 - e. Is the contracted auctioneer required to demonstrate the operational ability of vehicles and/or heavy equipment by driving them through a lane, or is selling them from a parked, stationary position sufficient?
 - f. Is an online video demonstration in lieu of an in-person public preview within the minimum scope of work for this project?

Answer: a. The awarded auctioneer is responsible for all auction related activities under this contract.

b. No.

c. The awarded auctioneer is responsible for all auction related activities under this contract.

d. No.

e. There is no requirement for the auctioneer to demonstrate the operational ability of vehicles prior to sale.

f. No.

32. **Question:** Scope of Work Item 4.1 prohibits auctions to be held at “city locations with permission of the city”. Does this prohibition on “City Locations” extend to:

- a. The Grand Junction Regional Airport or any of its associated hangars?
- b. Mesa County Fairgrounds?
- c. Canyon View Park?
- d. The Grand Junction Convention Center?

Answer: a. Grand Junction Regional Airport is not part of this contract.
b. No Mesa County venues are part of this contract.
c. Yes.
d. Yes.

33. **Question:** Scope of Work item 4.3.6 states, “Auctioneer is responsible for complete accountability for collection of funds and the record of all transactions.”

- a. Who gets to determine the payment policies for the auction?
- b. Is the auctioneer permitted to charge a “gate fee” or other admission charge to enter the auction site?
- c. Is the auctioneer permitted to charge a “buyer’s premium” to the buyers to minimize the commission costs to the city?
- d. Is the auctioneer permitted to charge a “buyer’s premium” at the auctions to assist with credit card charges, if they waive the “buyer’s premium” for cash payments?
- e. Is the auctioneer permitted to require all buyers to post a cash deposit in order to obtain a bid number and ensure compliance with all Terms and Conditions of the auction?
 - i. For heavy equipment items?
 - ii. For vehicles and heavy equipment items?
 - iii. For all items in the auction?
- f. Assuming that an auctioneer is permitted to charge a bid deposit, In the event that a buyer defaults on payment of their items, is the auctioneer permitted to keep any forfeited bid deposits as liquidated damages?
- g. Who is responsible for uncollected funds in the following circumstances?
 - i. The customer’s credit card is declined?
 - ii. The customer’s check was returned for insufficient funds?
 - iii. A buyer pays for an item with a counterfeit note?
 - iv. The buyer pays for an item with a credit card, but files a chargeback?
 - v. A customer bids on an item, but has no funds to pay for it?
- h. Is the auctioneer permitted to develop special policies regarding coin acceptance or disbursement if the US Federal Reserve continues to experience a coin shortage, such as “no change given”?
- i. Is the auctioneer required to collect sales tax on personal property items?
- j. Who is responsible to remit any applicable sales or use tax on personal property items sold during the auction, the City, the Auctioneer, or the Buyers?
- k. Is the auctioneer permitted to use a City-owned credit card machine / credit card merchant account to process credit card payments?
- l. What is the time frame required to remit net funds to the city to meet the definition of “complete accountability”?
- m. Is the auctioneer permitted to hold keys and/or title to an asset until funds clear the auctioneer’s bank?

- n. Under what circumstances would the city take back possession of an asset as “unsold”, such as for a payment default?
 - i. Is the auctioneer required to guarantee payment for any and all bids placed during the auction?

Answer: a. The auctioneer.

b. No.

c. No.

d. No.

e. The awarded auctioneer is responsible for all auction related activities under this contract. There has never been a need for cash deposits in Grand Junction.

f. The awarded auctioneer is responsible for all auction related activities under this contract. The incumbent does not charge bid deposits. Items are paid in full at time of sale by cash or check.

g. The awarded auctioneer is responsible for all auction related activities under this contract.

- i. Credit cards are not accepted by the current auctioneer.

- ii. The awarded auctioneer is responsible for all auction related activities under this contract.

- iii. The awarded auctioneer is responsible for all auction related activities under this contract.

- iv. See item g.i above.

- v. There is no evidence this has happened in the past.

h. The expectation is, as a reputable auctioneer, all business transactions are handled fairly and openly. If a transaction requires coins be returned, then coins should be returned,

i. No.

j. The awarded auctioneer is responsible for all auction related activities under this contract.

k. No, the awarded auctioneer is responsible for all auction related activities under this contract.

l. See Section 4.3.9 of the original RFP document.

m. The awarded auctioneer is responsible for all auction related activities under this contract.

n. The City will not retake possession. See Section 4.3.10 of the original RFP document. All items become the auctioneer’s responsibility once he takes possession.

- i. The awarded auctioneer is responsible for all auction related activities under this contract.

34. **Question:** Is the auctioneer required to develop terms and conditions for auction(s) at the time of submission of this RFP to the City?

Answer: Yes. See Section 5.C of the original RFP document. This information should be part of the Strategy and Implementation Plan.

35. **Question:** In Scope of work item 4.3.7:

- a. What is minimum number of insertions required to meet the minimum Scope of Work?

- b. What is the minimum size of advertisement required to meet the minimum Scope of Work?

- c. Are ads required to run in specific newspaper(s) to meet the minimum scope of work, or will any publication that is approved to run legal notices be sufficient?
- d. What are "other known sites"?

Answer: The awarded auctioneer is responsible for all auction related activities under this contract. Please explain your plan to fulfill this requirement in your Proposal under Section 5.C of the original RFP document. Since this contract is for local auction services, it is expected the local newspaper would be used as a minimum. Other known sites is referring to standard sites typically used by your firm to announce upcoming auctions. Please provide details in your Proposal.

36. **Question:** In Scope of Work Item 4.4:

- a. Was the previous auction vendor utilized for all renewal periods for the entire five year cycle?

Answer: Yes.

37. **Question:** Is the auctioneer responsible for the repair or replacement of an item if a member of the public damages it?

Answer: Yes, once the item is in the auctioneer's possession, the auctioneer bears all responsibility for the items.

38. **Question:** Is the auctioneer responsible for the replacement of an item if a member of the public steals it?

Answer: Yes. Once the item is in the auctioneer's possession, the auctioneer bears all responsibility for the items. There is no knowledge of theft in the past.

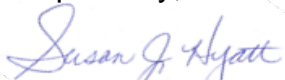
39. **Question:** If the auctioneer is required to provide tables or fixtures to display personal property items, are they permitted to sell the tables or fixtures at the end and keep those proceeds?

Answer: The awarded auctioneer is responsible for all auction related activities under this contract. No personal property is sold at City auctions.

The original solicitation for the project referenced above is amended as noted.

All other conditions of subject remain the same.

Respectfully,



Susan Hyatt, Senior Buyer
City of Grand Junction, Colorado