



ADDENDUM NO. 1

Date: February 18, 2025
From: City of Grand Junction Purchasing Division
To: All Offerors
RE: Auction Services, RFP-5500-25-KF

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responding to the above-referenced solicitation are hereby informed that requirements have been clarified, modified, superseded, and supplemented as to this date as hereinafter described.

Please make note of the following clarifications:

1. **Q:** Would the City of Grand Junction consider a bid for online auction services?

A: No, online auction services are not included in this solicitation. As stated in **Section 4.1**, all auctions must be conducted **locally in Grand Junction, Colorado**. The City prioritizes in-person auctions to support community engagement and ensure residents have direct access to surplus property sales.

2. **Q:** We understand the City does not guarantee an amount or quantity (4.3.2), but can the City provide the expected quantities for both Titled Vehicles/Equipment and All Other Surplus/Unclaimed Property?

A: The City does not guarantee specific quantities, historical data based on previous auctions provides the following estimates:

- Titled Vehicles/Equipment: Typically, 7-15 units per auction, including cars, vans, trucks, bucket trucks, flatbed trucks, and landscaping equipment (e.g., woodchippers, mowers).
- All Other Surplus/Unclaimed Property: Generally, 50-200 miscellaneous items per auction, including bicycles, electronics, auto parts, furniture, tools, and household appliances.

3. **Q:** Can the City provide the current provider's average proceeds per item in each category?

A: The City does not disclose specific financial data from previous auctions. However, for reference, the City has provided a **sample Fleet Auction List and Property Auction Manifest** from a prior auction cycle are attached in the solicitation. These documents reflect the types of items made available for auction but do not confirm whether all items were sold or its final sale prices.

4. **Q:** Would the City consider a solution where assets are hauled away to the Contractor's location, stored, cataloged, imaged, and then auctioned solely online via the Contractor's online platform?

A: No, as stated in the response to Question 1, online-only auctions are not included in this solicitation. All auctions must be conducted locally in Grand Junction, Colorado. However, the City may consider online auction options for any remaining unsold items after a local auction has been conducted.

5. **Q:** Would the City consider a hybrid approach solution for assets that are not easily moved (i.e., vehicles, large equipment, etc.) where the City takes photos/provides basic information on the assets, the Contractor creates/auctions the listings on the Contractor's online platform, and the City & Contractor coordinate for the winning bidder to pick up the asset?

A: No, the City does not include online auction services in this solicitation. As stated in Section 4.1, all auctions must be conducted locally and in person. Additionally, the City will not take photos or provide detailed listings for auction items. Vehicles and equipment sell successfully through the City's existing in-person auction process, and there is no need to modify this approach.

6. **Q:** We have a standard monthly process for reconciling all assets with our clients. We auction items weekly, so we reconcile (deducting commission & fees) and pay out Net Proceeds monthly for the previous calendar month's completed auctions. There are no invoices issued to the City by the Contractor. Is this process acceptable?

A: The City prefers to conduct two larger auctions (Spring and Fall), with additional auctions scheduled as needed, rather than holding weekly auctions. Please refer to Section 4.2.1.2 for further details on auction frequency.

While the City does not require an invoice, the awarded Contractor must provide supporting documentation for each auction. As outlined in Section 4.2.1.6, the Contractor is responsible for furnishing a detailed consignment sales/auction recap report in electronic format. Please refer to Section 4.2.1.6 for the full reporting requirements.

7. **Q:** Are there multiple locations where assets may be kept? How many locations and where are they located?

A: Yes, assets may be stored at multiple locations. The primary storage location for surplus property is the City Stores/Warehouse, located at 333 West Ave, Grand Junction, CO. Occasionally, assets may also be stored at other City locations within Grand Junction.

The number of storage locations may vary depending on the auction cycle. The awarded Contractor will be notified and will be responsible for coordinating with

City personnel to facilitate the transportation of auction items from these locations to the approved auction site.

8. **Q:** How is the City currently disposing of assets?

A: The City of Grand Junction primarily disposes of surplus assets through in-person public auctions conducted by a contracted auctioneer, as outlined in the solicitation. These auctions facilitate the sale of surplus property, vehicles, equipment, and unclaimed items from various City departments.

While auctions serve as the primary disposal method, the City reserves the right to dispose of assets through sealed bids or other legal means, as stated in Section 4.3.2. Additionally, per Section 4.2.1.13, any unsold items remain the responsibility of the auctioneer for proper disposal.

9. **Q:** Can you inform us of the current incumbent providing this service for the City?

A: The Auction Team.

10. **Q:** Would the City consider an online-only marketing strategy, if receptive to an online only auction solution?

A: No.

11. **Q:** 4.2.1.4. "Coordinate the logistics and transportation of all auction items from the designated City locations to the approved auction site". Will the city perform the actual transportation or is this a required service? If the city will not provide transportation, is this an acceptable line-item expense? It may be covered in transportation for 4.3.5. but I would like clarification.

A: The awarded contractor is responsible for coordinating and providing transportation of all auction items from designated City locations to the approved auction site. As stated in **Section 4.3.5**, the proposed commission structure must be "**all-inclusive**," covering **all** costs associated with the auction process. This includes but is not limited to, presale advertising, item consolidation and arrangement, tagging and lot numbering, conducting the auction, credit card payment fees, managing unsold items, **transportation**, storage, labor, equipment, materials, supervision, pre-auction meetings, travel, mileage, permits, licensing, title fees, and any other necessary expenses to ensure the successful execution of the services.

Transportation is not an allowable separate line-item expense and must be accounted for within the proposer's commission structure.

12. **Q:** 4.2.1.3 "Select an auction site, subject to the City's approval, ensuring the site meets all logistical requirements" Under what circumstances will the city allow one of its sites to be used? Are there any requirements/requests for an acceptable site

(besides the logistic concerns for getting items in and out and accessibility to consumers)?

A: The City will not permit the use of its property for auctions due to liability, risk mitigation, access control, and security concerns. Each proposer must outline its strategy and implementation plan for delivering effective auction services, demonstrating experience and capability in providing, selecting, and managing an appropriate auction site.

The purpose of this RFP is for proposers to present its proposed auction site and demonstrate how it meets all logistical and operational requirements. At a minimum, an acceptable auction site must be secure, controlled, and accessible, ensuring proper staging, public access, and theft prevention.

The City will evaluate proposals based on the sites and strategies proposed, selecting the solution that best aligns with the City's needs and operational requirements.

No Further questions will be accepted.

The original solicitation for the project services noted above is amended as indicated. Please acknowledge receipt of this addendum on the Solicitation Response Form signature page of the proposal documents.

All other conditions of the subject remain unchanged.

Respectfully,

A handwritten signature in blue ink, appearing to read 'K. Franklin', is written over the typed name.

Kathleen Franklin, Senior Buyer
City of Grand Junction, Colorado