RFP – AUCTIONEER SERVICES – ANSWERS TO QUESTIONS RECEIVED

1. How does the City currently dispose of real estate properties? Is real estate included in any of the categories (A-E) listed in the RFP?

Answer: Real Estate not included in this RFP. The City of Rochester disposes of real estate through sales, home auctions, etc.

2. Which vendor(s) are the incumbent provider(s) for each category (A-E) listed in the RFP? What are the commissions/fees/Buyer's Premiums for each incumbent vendor?

Answer:

Reynolds Auction Co: Group A – 7.5% of Gross, Group B – 07% of Gross
Roy Teitsworth, Inc: Group C – 10% of Gross, 3% Buyers Fee on Internet Purchases
MuniciBid.com: Group D – 0% of Gross, 8% Buyers Fee on sales up to \$100,000 and 5% for additional amount over \$100,000.

<u>Propertyroom.com:</u> <u>Group D</u> – <u>Group E</u> – 50% of Gross

3. Will the contractor be responsible for issuing titles to purchasers?

Answer: Yes

4. Who was the City's previous/current auction provider(s)

Answer: Please see Answer to Question #2.

5. What fees, if any, were charged to the City the previous contractor for each of these auction services?

Answer: Please see Answer to Question #2.

6. Did the previous contractor for these auction services charge a buyer's premium?

Answer: Please see Answer to Question #2.

If so, what was the buyer's premium rate? Please see Answer to Question #2. Was the buyer's premium rate on a graduated scale? N/A

7. Did the previous/current contractor collect the necessary Sales Tax for the assets sold on behalf of the City?

Answer: Yes

8. Did the previous/current contractor provide a dedicated sales manager to catalog/check-in auction assets to be sold at auction?

Answer: Yes

9. In the "Overview" It states live auctions shall be held at premises owned by the city or approved locations. Does this mean an approved location may be the vendor's site?

Answer: The fleet live auctions are at City locations; but yes, vendor's site can be approved on a case by case basis.

a. If vendor site is approved, can the City's assets be mixed in other sale inventory at vendor's location?

Answer: Only with the written approval of the City prior to said auction.

10. Will any assets for the internet auction stay on city property or will all of them be required to be hauled to vendor's location?

Answer: City's property

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11. Will the "live impound "(Group A) autos need to be a separate if the city approves the vendors site?

Answer: Vendors site not applicable to Group A – Auto

Or will they all sell at the impound yard?

Answer: all sales are held at the City Auto Pound only.

12. Under 9.6 and 9.8 (shows 9.4) in Auctioneer Services, it states no buyer premium for internet sales or live.

Answer: There will be no fees (buyer's premium, etc.) on Live Auctions.

Is there a cap on buyer fees? No cap

Can any other admin fees be charged for internet auctions?

Answer: The Auctioneer may charge a Buyer's Premium for on-line bids only.

13. 9.4.1 says in case of buyer default, the Auctioneer is responsible for paying the city. Whose buyer base is this referring to?

Answer: Yes, for live auctions, the Auctioneer shall guarantee the sale, pay the City and remove the item from the Auction lot. The item becomes the property of the Auctioneer.

a. Does this mean they will use the vendor's auction platform or the vendor's auctioneer uses the City's platform?

Answer: It means the City will be paid and the vehicle becomes the property of the Auctioneer

14. Under Additional Responsibility of Auctioneer (11, 11.2, 11.3), if Heavy Equipment gets moved to a live sale does the auctioneer have to pay for transportation?

Answer: Yes

15. Under Payments and Results of Sale (14.2), if impound units are not paid the same day the auctioneer, must pay the city?

Answer: Yes, for live auctions, the Auctioneer shall guarantee the sale, pay the City and remove the item from the Auction lot. The item becomes the property of the Auctioneer.

Is this the city's platform and their buyer base or the vendors buyer base?

Answer: The City's

16. Section 14.3, is collecting sales tax only for public buyers?

Answer: Yes

17. ``Section 14.7, who is registering buyers? Is this partly the City or all with the vendor's responsibilities?

Answer: Vendors

18. Under Performance Security, for the cash bond does the city hold that until the contract expires? Or, is it like an insurance premium and only a percentage is put upfront?

Answer: The City holds until it expires

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19. 22: Indemnity and Hold Harmless Agreement, the auctioneer is responsible for paying even if it is a city buyer that causes damage?

Answer: As per the specification; Auctioneer agrees to accept responsibility for loss or damage to any person or entity, and to defend, indemnify, hold harmless and release the City, its officers, and employees, from actions, claims, damages, disabilities or the cost of litigation that are asserted by any person or entity to the extent arising out of the negligent acts or omissions or willful misconduct in the performance by the contractor hereunder, whether or not there is concurrent negligence on the part of the City, but excluding liability due to the active negligence or willful misconduct of the City. This indemnification obligation is not limited in any way by any limitation on the amount or type of damages or compensation payable to or for contractor or its agents, under workers' compensation acts, disability benefits acts or other employees' benefits acts.

- 20. Who is registering and venting the buyer base? Is that solely on the vendor? Answer: The vendor is responsible for vetting and registering
- 21. Can public buyers go through an approved broker to fulfill the public auction requirement?

 Answer: No Brokering. Direct relationship with Vendor and City of Rochester