

4. SURPLUS PROPERTY AUCTION SERVICES -- DIVISION OF FINANCE

FUNDING -- DIVISION OF FINANCE

(Request sent to 30 vendors)

RFP #18-0048 Contract

	IronPlanet, Inc. dba GovPlanet	Purple Wave, Inc. dba Purple Wave Auction	The Public Group, LLC dba Public Surplus
Surplus Property Auction Services. Percentage (%) of gross auction proceeds.	10% buyer's fee, full service online seller fee 5%, seller do-it-yourself seller fee 2.5%	10% buyer's fee	7% buyer's fee
No Bids	Woody Auction	Evenson Auctioneers Inc	JP Weigand & Sons
	Wray Auction Services	I35 Auto Auction	Lone Star Auctioneers, Inc.
	Williams & Williams Marketing Services		

On the recommendation of Paul Regehr, on behalf of the Division of Finance, Linda Kizzire moved to **accept the best proposal from Purple Wave, Inc. dba Purple Wave Auction and establish a contract for three (3) years with two (2) one (1) year options to renew.** Tim Myers seconded the motion. The motion passed unanimously.

An evaluation committee comprised of Ammi Walters, Division of Finance; Penny Poland, Fleet Management; Juaquina Bowers, Division of Information Technology and Support Services and Paul Regehr - Purchasing evaluated and scored the responses based on criteria set forth in the RFP. All three vendors gave demonstrations. Purple Wave Auction was given the highest score and chosen for award.

Purple Wave Auction is Sedgwick County's current provider for this service. The county has consistently received good customer service from them and any issues are resolved quickly.

The territory manager handles all showings. He lives near Wichita and is always available to handle concerns, take pictures and meet with buyers even on short notice. If a buyer is late in taking their purchased item, county personnel can call him and he will move the item to Purple Wave Auction's local storage facility at no cost to the county. Purple Wave Auction staff are professional and knowledgeable about auctions. They are able to provide options for selling and quick estimates for an item's value. Their service is provided at no cost to the county.

IronPlanet, Inc. dba GovPlanet and The Public Group, LLC dba Public Surplus personnel need to travel considerable distances to provide in-person assistance to the county. This can potentially cause delays and obligate county staff to use their valuable time to take care of common auction tasks. These two companies also do not have local storage facilities.

Note:

Net sales for 2017 were \$234,260.00. This does not include the Sheriff's Office because their sales are tracked by them.

Questions and Answers

Tom Stolz: When we get items ready for auction, do we store them in a singular location or is it all over the county?

Ammi Walters: It depends on the size of the item. Mostly the surplus is stored under the employee parking garage. However, if it's a bigger piece of equipment like a rolling cabinet system or a huge x-ray machine, it is kept at the location and our surplus contact goes to that location and does everything he needs to do there.

Tom Stolz: Is that Purple Wave that does that or somebody different?

Ammi Walters: That's Purple Wave.

Tom Stolz: While we're waiting for said auction, will Purple Wave store that in a storage building while the auction goes on?

Ammi Walters: No. That stays in place. Once the auction is finished, he meets the winning bidder at that location to help unload and makes sure that bidder gets exactly what they paid for. Nothing more, nothing less.

Tom Stolz: The reason I asked that is because part of our justification for basically going for a more expensive provider is the other two companies don't have local storage facilities, which makes it seem like it's significant. If we're not even storing our stuff there, why is it even mentioned in here?

Ammi Walters: The main reason I feel we went with them is because the person with Purple Wave is local. He is able to come take pictures, meet with bidders, do everything else. With the other two companies, they wanted us to take pictures and upload the information. That's something we feel we could do on eBay or Craigslist without them.

Tom Stolz: When we put the RFP out, was that a requirement for the company to take the pictures?

Joe Thomas: Since this was a proposal, we asked them to give us the best solution. These are all buyer's fees. They could charge the buyer 7% but we're picking up the excess costs. The buyer pays them less, but we pay more in our costs by taking care of it. Purple Wave puts the cost on the buyer at 10%.

Tom Stolz: It costs the buyer more to do business with Purple Wave than it would with the public group.

Joe Thomas: What they are saying is instead of having the county having to pay for the work, they are putting that expense on the buyer.

Tom Stolz: We've had the same discussion every time we hire auction because people come to an auction with a certain amount of money in their pocket and if they are going to have to pay more of a buyer's fee, they are going to have to pay the county less. That's the give and the take of that. I get the locality is important.

Tim Myers: How often do they have to store if a buyer doesn't show up? Is that something we've seen regularly occur?

Ammi Walters: I've been doing this for five years and I've never had to have them store anything. Our auctions are usually held monthly. If we need them to be more often, they are able to do that for us. So we able to get the surplus in and out quickly.

Tom Stolz: Do we know if the City of Wichita still uses Purple Wave?

Ammi Walters: They do at this time.

Linda Kizzire: If we've never had to have them store anything, there's a statement in here if the buyer's late that we'll move it to their local storage facility at no cost but we've never used that service.

Tom Stolz: But if we did, Purple Wave would handle it. The other two have no capacity.

Ammi Walters: Penny handles the fleet surplus and she said they do use it for some of the fleet vehicles. That's probably a lot more helpful because their equipment is a lot bigger than what I deal with.