

LF020106-16

Paul Maggie

From: Schmidt Coleen
Sent: Friday, January 20, 2006 4:17 PM
To: Paul Maggie
Cc: Preston Jim; Miller Gena
Subject: Legal & Finance Agenda

Authorize Mayor & Finance Officer to sign contract with Martin Jurisch & Associates to conduct City auction on June 10, 2006. (Maggie, please include the attached memorandum to the agenda).

The only expense to the City would be advertising costs not to exceed \$800 and portable toilets at an approximate cost of \$125. A flat 10% buyer's premium would be charged on all sales to compensate Jurisch & Associates for their services. **(Gena, please ask Jurisch to attend the committee meeting on 2/1 in cash the members have questions.)**

If this method is not selected, the cost would be 12.5% on small items and nontitled personal property items and 5.5% commission on vehicles.

Martin Jurisch & Associates appears to have the best proposal either way.

MEMORANDUM

To: Mayor Shaw and City Council Members
From: Gena, City Finance Office
Subject: Auctioneer for surplus auction
Date: January 11, 2006

I received four proposals from auction companies interested in conducting the City's surplus auction.

Bradeen Real Estate & Auctions, Inc.
6.4% on vehicles and large equipment
12.4% on small items

Martin Jurisch & Assoc.
5.5% on vehicles and large equipment
12.5% on small items

Tri-State Auction Service
10% on all items

Waltman Auctions
10% on sales up to \$30,000
8% on sales \$30,001 and above

Alternate proposal by Martin Jurisch & Assoc
Flat 10% Buyer's Premium, paid by the buyer
No additional fees or commissions to the Seller

The City's auction averages \$31,227 with \$21,623 coming from vehicles. Based on these figures, the commissions would have been as follows:

Bradeen Auctions, Inc.:	\$2,574.76
Martin Jurisch & Assoc.:	\$2,389.77 or Alternate Proposal
Tri-State Auction Services:	\$3,122.71
Waltman Auctions:	\$3,098.17

I recommend that the City accept the alternate proposal from Martin Jurisch & Assoc. for the 2006-2008 surplus auctions. If this is not acceptable then I recommend the percentage proposal from Martin Jurisch & Assoc. for the surplus auctions.

Company	Year	%	Small Items	%	Large Items	Total
	2000		8,928.00		27,930.00	36,858.00
	2001		6,951.50		14,025.00	20,976.50
	2002		8,706.50		35,585.00	44,291.50
	2003		10,865.00		15,070.00	25,935.00
	2004		12,568.50		15,506.00	28,074.50
	Total		48,019.50		108,116.00	156,135.50
	Average		9,603.90		21,623.20	31,227.10

SUMMARY

Bradeen Auctions Inc	12.4	1,190.88	6.4	1,383.88	2,574.76
Martin Jurisch & Assoc ****	12.5	1,200.49	5.5	1,189.28	2,389.77
Tri State Auction Service	10	960.39	10	2,162.32	3,122.71
Waltman Auctions Bid stated 10% of gross sales up to \$30,000 and 8% over the \$30,000	10	3,000.00	8	98.17	3,098.17

****Alternate Proposal :
Martin Jurisch & Assoc
Flat 10% Buyer's Premium, paid by
the buyer..no additional fees or
commissions to the Seller
Additional expenses per proposal
still apply