



TO: Mayor Shaun Sipma
Members of the City Council

FROM: Dan Jonasson, Director of Public Works

DATE: 1/22/18

SUBJECT: PERMISSION TO USE GOVDEALS ONLINE AUCTION FOR DISPOSAL OF EXCESS EQUIPMENT

I. RECOMMENDED ACTION

We are requesting that council approve the option of using the GovDeals online auction website for the purpose of disposing of excess city vehicles/equipment.

II. DEPARTMENT CONTACT PERSONS

Dan Jonasson, Director of Public Works	857-4112
Jason Sorenson, Assistant Director of Public Works	857-4768
Brian Horinka, Vehicle Maint. /Bus Superintendent	857-4149

III. DESCRIPTION

A. Background

In an effort to maximize the revenue that the city receives from the sale of excess vehicles and equipment we have researched online auction websites specializing in the sale of excess government equipment. Certain excess vehicles and equipment does not attract much interest when attempting to sell locally through the sealed bid process. After looking at a number of options we believe that we would get the most visibility and potential revenue by utilizing GovDeals.com to advertise and sell these items. This website is already being used by other entities in North Dakota including Grand Forks and NDDOT.

IV. IMPACT:

A. Strategic Impact:

N/A

B. Service/Delivery Impact:

N/A

C. Fiscal Impact:

There would be no cost to the city to use this website to sell our excess equipment. The winning bidder would pay an additional 7.5% Administrative Fee in addition to their bid. The amount invoiced to the winning bidder will include the gross sale amount of the item, the administrative fee, any special fees and sales taxes, if any. At the end of each month, GovDeals will invoice the city for the 7.5% Administrative Fee that was collected.

V. ALTERNATIVES

N/A

VI. TIME CONSTRAINTS

Council's approval of this purchase will allow us to immediately begin to advertise and sell excess vehicles and equipment on the GovDeals website.

VII. LIST OF ATTACHMENTS

N/A