NEW YORK STATE DEPARTMENT OF TRANSPORTATION
Request for Karp Fixture Auctioneer Services
REQUEST FOR COMMENTS
January 17, 2014
THIS IS NOT A REQUEST FOR PROPOSALS

Introduction:

The New York State Department of Transportation (NYSDOT) has acquired an Access Door Manufacturing and Distribution company as part of an upcoming transportation project in New York City. NYSDOT will be soliciting proposals from responsive and responsible auction companies to advertise and sell the contents contained within the facility based upon specific minimum conditions and requirements as outlined below. Located within the facility are approximately 2.5 million dollars (depreciated value) worth of manufacturing equipment and potentially 2 million dollars (depreciated value) worth of tool and die equipment. Reusable parts of the building itself are also for sale.

The contents being advanced towards auction previously belonged to Karp Associates located at 54-54 43rd Street, Maspeth, New York, 11378. The auction would be held at that address at a date to be determined (anticipated in early to Mid-March of 2014).

NYSDOT is seeking comments as to the feasibility of the following conditions prior to issuance of a Request for Proposal to ensure its request for Auctioneer Services is in-line with industry standards.

Conditions:

1. NYSDOT anticipates but does not guarantee having possession of the subject property on February 15, 2014. No inspection of the building interior or the building contents will be allowed until NYSDOT has possession. Prospective auction contractors shall not contact the building occupant or otherwise attempt to gain access to the building without the express written permission of NYSDOT. NYSDOT does not anticipate prospective bidders will be able to inspect the building interior or contents prior to bid submission.

2. NYSDOT will provide prospective auction contractors with a written inventory of contents. NYSDOT may also provide building sketches, video of building and contents, and photo inventory of contents for use in developing their bid and for use in marketing and advertising the auction.

3. The auction must be completed and all sold items removed no later than March 31, 2014. In the event NYSDOT cannot secure possession of the building in time to hold the auction and remove all sold items by March 31, 2014, the contract shall be canceled without cost or penalty to either party.

4. The auction contractor shall inventory/catalog the building contents, appropriately and widely advertise the auction, conduct the auction and arrange/accomplish the removal of all sold items within a five business day period (Monday – Friday).

5. All items on the written inventory included in the bid package are to be offered for sale by public auction to the highest bidder(s) individually or grouped into lots. No items can be sold or removed which create a hazardous condition, violate state, federal or local laws/ordinances, leave the building unsecure-able or leave the building interior exposed
to the elements. NYSDOT reserves the right to deny the availability for sale any items included in the inventory or any items not included in the inventory.

6. Any individual items not sold are to be offered in bulk, individually, or as lots as scrap to the highest bidder. NYSDOT reserves the right to deny the availability for sale of any potential scrap items.

7. NYSDOT does not guarantee the existence or availability of any item listed in the written inventory. Additional items not included in the written inventory may be present and may be available for inspection and sale by public auction upon approval of NYSDOT.

8. Additional building components not listed in the inventory may be available for scrap or sale upon approval of NYSDOT. No building components may be sold or removed which create a hazardous condition, violate state, federal or local laws/ordinances, leave the building unsecure-able or leave the building interior exposed to the elements.

9. The auction contractor shall prepare a written inventory and video of all items that are present in the building at the time of first entry. The inventory shall be provided to the NYSDOT for review and approval to sell the inventoried items. NYSDOT shall be provided with a copy of the video.

10. The auction contractor shall be responsible for advertising, marketing and conducting the auction. The auction shall be open and advertised to the general public. Advertising/marketing shall be completed at least one week prior to the auction date and shall at a minimum consist of: posting on the auction contractor web site, a one day print notice and one day on-line notice in a local major newspaper, notice to the auction contractors client or contact list (this list must include a minimum of 10 contacts). The auction contractor shall provide NYSDOT with a advertising/marketing report which outlines and documents the advertising campaign. NYSDOT reserves the right to conduct additional advertising efforts at its own cost and to direct inquires to the auction contractor.

11. The auction contractor shall be responsible for arranging and supervising the removal of the sold items once the auction is completed.

12. The auction contractor shall furnish and show evidence of bonding and licensure by New York State. Auction contractor must also show evidence and comply with all license requirements by the City of New York City (the link for those who are not is: http://www.nyc.gov/html/dca/html/licenses/036-071.shtml).

13. The auction contractor shall, at the auction contractor’s expense and for the term of initial entry until final removal of all sold items, furnish and show evidence of workers compensation insurance and General Liability Insurance coverage. Such general liability insurance shall be issued by an insurance carrier licensed to do business in the State of New York for the protection of the State of New York and the auction contractor against any claims, suits, demands or judgments by reason of bodily injury, including death, and for any claims resulting in property damage occurring on or in proximity to the permit area. Such General Liability Insurance shall be in the amount no less than $2,000,000 (combined property damage and/or bodily injury, including death) single limit per occurrence, and shall name the People of the State of New York as an additional insured. The Permittee will furnish the State with a certificate of insurance, with a (30) thirty day(s) prior written notice of any cancellation or major change in the policy conditions.

14. Utilities to the structure will be turned off at the time NYSDOT takes possession of the building. Provisions for electricity during the auction and during removal of items sold
shall be the responsibility of the auction contractor. The NYSDOT will authorize the auction contractor to open an account with the utility provider to turn on electric at the building upon request.

15. Compensation to be paid to the auction contractor shall be based upon a percentage of gross sales, or a buyer’s premium or a combination of the two. Additional charges, if any, for any other services provided shall be based upon a percentage of gross sales. No advance payment of compensation will be made by NYSDOT and no minimum payment of compensation is allowable.

16. The auction contractor shall be responsible to collect all payments for sold items including down payment and final payment. The auction contractor must at a minimum accept cash and certified check but may also accept any other form of payment. Auction contractor shall be responsible to pay NYSDOT the states full share of the high bid for each item. Losses from bounced checks and credit card transaction fees are the responsibility of the contractor if they choose to accept these forms of payment. The auction contractor shall, upon the close of the auction, provide NYSDOT with a log/inventory of each sold item, high bid amount, name and address of bidder, down payment amount, balance due and buyer’s premium charge if any. Within 3 business days of the final item removal date, the auction contractor shall provide NYSDOT with a completed log/inventory of each item sold and removed including high bid amount, name and address of bidder, down payment amount, balance paid and buyer’s premium charge if any. The auction contractor shall also provide a final reconciliation showing buyer’s premium charges collected, gross sales receipts collected sales commission and special services charges. The auction contractor shall include a certified or bank check payable to: ‘New York State Department of Transportation’ for the full amount covering all gross sales receipts collected minus sales commission and special services charges.

17. Sales tax must be charged and collected on all purchases unless the auction contractor is furnished with acceptable proof of exemption at the time of sale. Auction contractor shall be responsible to collect and distribute sales tax collected in accordance with New York State and New York City law. Auction contractor shall provide NYSDOT with proof all taxes have been paid to the property taxing authority.

Comment Submission Time Frame:
A total of 3 weeks will be provided for submission of comments, however; due to the Department’s time constraints, the comments supplied by January 24, 2014 will be given the most consideration.

Contact Person:
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