

## Request for Professional Auction Services March 14th, 2025



## **Indus School** South Koochiching-Rainy River School District

Prepared By: **Dave McLaughlin** McLaughlin Auctioneers LLC. **PO Box 185** Dilworth, MN 56529 218-236-9295 or 701-729-7781 dave@mclaughlinauctions.com



**Dave McLaughlin** 

Vice President, Principal Auctioneer, Broker









Jeremy Tammi, Superintendent ISD 363, South Koochiching School District State Hwy 1, Northome, MN 56661 jeremy.tammi@isd363.org

Dear Mr. Tammi,

Thank you for your consideration of McLaughlin Auctioneers LLC for the liquidation of equipment and fixtures and real estate of former Indus located at 8560 Hwy 11 SE, Baudette MN.

This proposal will provide an Executive Summary of the auction process, a general timeline of the auction schedule and deadlines, the cost assoiciated with the auction, and a detailed marketing plan for the auction.

By offering these assets at auction, Mclaughlin Auctioneers LLC, will conduct the sale in a fast, effictient, transparent manner, that will fairly establish a true market value through competitive bidding, allowing all potential buyers the opportunity to purchase the items for sale.

With over 39 years of professional auction experience, McLaughlin Auctioneers LLC, is dedicated to providing exceptional auction services to our clients, and we are looking forward to working with the South Koochiching School District for a successful auction event.

Ţ'nä'nk⁰you, Dave McCaughlin Dave McLaughlin Vice President McLaughlin Auctioneer

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## **Executive Summary**

#### Purpose of Auction:

The sale of equipment, fixtures, and real estate of the former Indus School located in Indus MN. An exact timeline for completion of this project has not been establish, however the South Koochiching School District would like to have it completed as soon as possible.

#### Assets to be sold:

Real Estate consisting of a 73,000 sq. ft. school building and additional storage buildings, situated on approximately 49 acres. Equipment and fixtures consisting of commercial kitchen equipment, cafeteria tables, automotive shop equipment, woodshop equipment, metal shop equipment, school desks, tables, audio/visual equipment, science lab equipment, computers and tablets, gym and exercise equipment, athletic training equipment, theater lighting and sound equipment, cabinets and appliances, office equipment, lockers, and interior and exterior items from the building that can be safely removed without damaging the structure. Pre-auction estimates of 8,000-10,000 items, consisting of 1500-2500 auction lots.

#### Auction type and format for equipment and fixtures:

Absolute (no reserves) "Online Only" auction conducted on McLaughlin Auctioneers LLC Online Auction website <a href="https://www.mc-bid.com">www.mc-bid.com</a>.

#### Auction type and format for real estate:

"Online Only" auction conducted on McLaughlin Auctioneers LLC Online Auction website <a href="www.mc-bid.com">www.mc-bid.com</a> There are several options including "Absolute" without reserve, "Reserve" or "Subject to Seller Approval", that may be considered. This can be discussed in further detail with McLaughlin Auctioneers LLC and the school district.

#### Auction starting and closing date:

The exact auction starting date and closing date can be determined at a later date based on the time needed for auction preparation and cataloging. The equipment and fixtures and would feature a staggered closing of up to 4 lots per minute (240 lots per hour). Depending on the final number of cataloged lots, it may be required to run two auction rings simultaneously, or have a multi-day event.

The real estate auction would be conducted as a separate event with-in 30 days of the conclusion the equipment and fixtures auction.

#### Auction preview:

A scheduled auction preview would take place 3-4 days prior to the close of the equipment and fixture auction.

#### **Executive Summary Continued**

The real estate showings and preview would be done through scheduled showings or a scheduled preview.

#### • Item pick-up and removal:

Buyers will pick up purchased items by scheduling a pickup time with McLaughlin Auctioneers LLC. This process could take 3-5 days depending on the number of items sold.

#### Marketing and marketing cost:

A comprehensive marketing campaign consisting of social media ads, in house email blast, signage, and public preview conducted by auction staff, will be implemented for each auction. Estimated marketing costs for equipment and fixtures \$2500-\$3000, and real estate \$2500-3000. Total marketing cost for both events \$5000-\$6000.

#### Pre-sale organization and cataloging:

Estimated 300-400 hours of labor. Pre-sale labor and cataloging is bill at a rate of \$\frac{40.00}{}\$ per hour.

#### • Compensation:

Equipment and fixtures. A <u>30.00</u> % commission based on the gross auction hammer price will be charged to the seller, and a <u>10</u> % "Buyers Premium" will be charged to the Buyer. All commission and "Buyers Premium" collected will be retain by McLaughlin Auctioneers LLC as compensation. Real Estate: a <u>6.00</u> % based on the final bid, and a <u>5%</u> "Buyer's Premium" paid by the buyer. All commission and "Buyers Premium" collected will be retain by McLaughlin Auctioneers LLC as compensation. A Minimum fee of \$7500 would be received by McLaughlin Auctioneers LLC and Kvamme Real Estate Inc.

#### • Terms and Conditions for equipment and fixtures:

McLaughlin Auctioneers LLC. accepts cash, personal or business checks, and all major credit cards for buyer payments. An Additional 4% fee is added for all credit card transactions. All items are sold As-Is. All items must be paid for by the end of the scheduled pick-up times, or they will be billed to the buyer's credit card.

#### • Terms and Conditions for real estate:

The real estate sale will be brokered by Kvamme Real Estate Inc. Dave McLaughlin Is a licensed broker with Kvamme Real Estate Inc. of Moorhead MN. Exact terms and conditions real estate sale can be determined, based on the goals and expectations of the school district and recommendations for the auction company.

#### **Auction Overview and Items to Be Sold**

The complete liquidation of the real estate, equipment, furniture, and building fixtures located in the former Indus School facility. The facility is no longer in use. The entire auction event needs to be completed as soon as feasibly possible. A general inventory of auction items includes the following types of assets. Commercial kitchen equipment and fixtures, cafeteria tables, automotive shop equipment, woodshop equipment, metal shop equipment, school desks, tables, audio/visual equipment, science lab equipment, gym and exercise equipment, athletic training equipment, theater lighting and sound equipment, cabinets and appliances, office equipment, lockers, and interior and exterior items from the building that can be safely removed. Pre-auction estimates of 8,000-10,000 items, consisting of 1500-2500 auction lots.

#### **Photos**









#### **Photos**













#### **Photos**













#### **Auction Marketing Plan and Budget**

#### **Advance Auction Notice on Website:**

"Coming Soon" Advance notice posted on the website 10 days prior to the start of the auction on the www.mc-bid.com website. No Charge

#### Social Media/Facebook

Three Facebook ad campaigns beginning when the auction starts on the website, and concluding the day before the close of the auction. Each ad with be customed tailored to target specific buyer groups. Cost per ad campaign \$300.00-\$350.00 each. Total cost \$900.00-\$1050.00

#### In House Email Blast and Portal Website Ads:

Three in house email and text blast to approximately 10,000 established customers of <a href="https://www.mc-bid.com">www.mc-bid.com</a>. Auction ads placed on portal auction website. Total cost \$400.00

#### **High Visibility Advertising Sign:**

High visibility advertising sign placed in front of school. For 14 days prior to the conclusion of the auction. Total cost \$400.00 (Optional, may be excluded, or budgeted amount added to social media/Facebook budget)

#### **Preview Auction Staff Labor:**

Four auction staff members to be place throughout the building during the auction preview to assist attendees to locate items, and provide security. \$\( \frac{40.00}{} \) per hour for each auction staff member. Total cost \$\( 480.00 \)

#### **Other Miscellaneous Marketing Expenses:**

Signage and directional signs inside building, building maps, and other promotional items. Total cost \$200.00- \$250.00.

**Real Estate Marketing Cost:** A custom marketing plan would be designed specifically for the real estate that would include a similar marketing strategy at an additional cost of \$2500-\$3000.

Total Marketing Cost: Estimated \$5000.00-\$6000.00 Any additional cost over \$6000.00 would require approval from School District.

### **Cataloging and Pre-sale Expenses**

Pre-sale organization and cataloging is estimate to involve 1500-20000 auction lots consisting of 8000-10,000 items. Estimated 300- 400 labor hours at a rate of \$40.00 per hour.

Total estimated pre-sale set-up and cataloging \$12000-\$16,000

#### **Compensation for Auction Services**

<u>30.00</u> % of gross sales (hammer price) will be charged to the Seller, South Koochiching School District 363, Also, a <u>10.00</u> % Buyer's Premium will be added to the gross selling price and retained by McLaughlin Auctioneers, as additional compensation for services.

Real Estate: A <u>6.00</u> % commission based on the final bid, and a 5% "Buyer's Premium" paid by the buyer. All commission and "Buyers Premium" collected will be retain by McLaughlin Auctioneers LLC as compensation. A Minimum fee of \$7500 would be received by McLaughlin Auctioneers LLC and Kvamme Real Estate Inc.

# Auction Event Schedule Dates are subject to change, if needed, and mutually agreed upon by all parties.

**March 15**th, **2025.** Request for Proposals submitted to the school district.

**March 19**<sup>th</sup>, **2025.** A Meeting with the School Board to review the proposal and answer questions.

**March 19**<sup>th</sup>, **2025.** Approval by the School District, if they want to proceed with the project.

- **30 days prior to projected start date of the auction event.** Auction staff organize and catalog auction items. This process may not require this much time, depending on how many auction staff are used, and can be adjusted as needed.
- **10 days prior to the projected start date of the auction event.** Auction is posted as "Coming Soon" on the Mc-Bid.com website.
- 14 days prior to the closing date of the auction event. Auction is posted to the <a href="www.mc-bid.com">www.mc-bid.com</a> website, and bidding is opened. Social media ad campaign is started. First in-house email blast is sent. Auction is posted to all portal web page locations.
- **14 days prior to the closing date of the auction event.** A "Press Release" to local media outlets including all local television and radio stations.
- **14 days prior to the closing date of the auction event.** Auction is open for bidding and item review on the <a href="www.mc-bid.com">www.mc-bid.com</a> website. Auction staff will continue adding any additional items to the catalog, and start preparing for the auction item removal and pickup process.
- **2-3 days prior to the closing date of the auction event.** A public preview of auction items at the High School facility. Preview will be held from 1-3 PM.

#### **Auction Event Schedule Continued**

Closing date of the auction event. Auction begins to close at 9:00 AM. Items will close at a rate of 4 lots per minute. Depending on the number of lots, the closing could last 6-8 hours. Following the completion on the auction, winning bidders will be sent emails with invoices, payment options, item pickup and loadout scheduling instructions.

1 day after the auction event closes. Auction item pickup and removal begins. Winning bidders will schedule a pickup time through the Shipping Saint pickup scheduling program. By having scheduled pickup times, the load out process is managed in a controlled fashion and allows for a smooth and orderly item removal. Item pickup and removal could take 3-4 days depending on the number of winning buyers and number of lots or items sold. Larger items requiring additional time for removal will be handle on an individual bases, and coordinated with the auction company and the school district. All items are to be removed within 30 days, unless otherwise approved by the school district.

#### ISD #363, South Koochiching School District Responsibilities

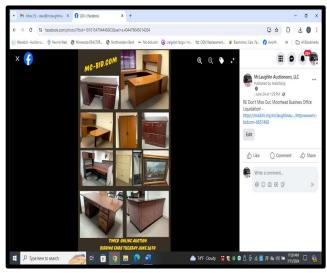
- 1. Identify and/or remove non-auction items from the facility prior to the start of the cataloging process.
- 2. Provide building access to auction staff for the purpose of auction organization and cataloging, and auction item pickup by customers.
- 3. Maintain building security to prevent thief or vandalism and to ensure a safe working environment for the district staff, auction staff. and customers.
- 4. Proper disconnection of the major commercial kitchen equipment, by a qualified contractor, from all electrical, gas, or plumbing sources.
- 5. Provide a forklift and operator during the item pick-up times to assist with the removal of larger items.
- 6. Provide two school district personal on-site, during item removal to assist with any problems or issues that might arise.

#### McLaughlin Auctioneers LLC Responsibilities

- 1. Provide auction staff to organize and catalog the auction in a timely manner.
- 2. Implement the Auction Marketing Plan to properly promote the auction, as outlined in this proposal.
- 3. Conduct and manage the "Online Auction" event on the mc-bid.com website.
- 4. Manage and staff the scheduled public preview.
- 5. Provide adequate staff to schedule, conduct and manage the auction item removal in a safe an organized manner. Collect payments from auction purchaser. Purchaser's payment can be made by credit card, cash, or check payable to McLaughlin Auctioneers LLC.
- 6. To provide a detailed summary of the auction at the conclusion of the auction event, and to provide a complete detailed auction report and settlement within 30 days of the completion of the auction.

#### **Promotional Samples**

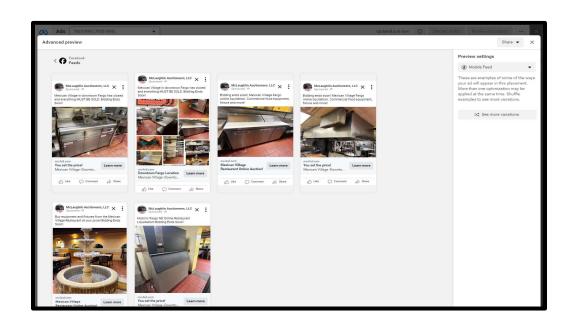


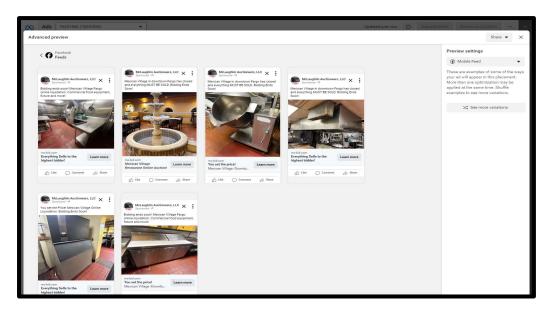


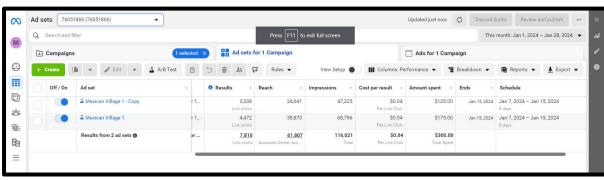
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James McLaughlin: President, CEO, AMM, CPPA

Minnesota Auctioneers License number 14-67

Graduate of the Mason City College of Auctioneering June of 1985.

Certified Personal Property Appraiser since January 2006.

33 years commercial and government truck equipment sales with extensive knowledge of municipal fleet equipment including snow and ice removal equipment.

Extensive knowledge and experience in "on-line internet auctions both live and online only auctions. Online auctions include selling commercial liquidations, collectables, firearms, vehicles, real estate and aircraft.

National Auctioneers Association member (NAA) Since 1998

Minnesota State Auctioneers Association member (MSAA) since 1988

North Dakota Auctioneers Association (NDAA) Since 1998

National Auctioneers Association AMM "Auction Marketing Management" Designation Since July of 2014

#### Dave McLaughlin: Vice President, Principal Auctioneer, Broker

Minnesota Auctioneers License 14-68

Graduate of the Mason City College of Auctioneering June of 1985

Licensed Real Estate Broker in Minnesota and North Dakota. 31 years of real estate sales and auction experience including residential and commercial properties. Minnesota Broker's License Number 40302320, North Dakota Broker's License 6000

21 Years wholesale auto auction experience working weekly wholesale auto auctions at Tri-State /ADESA Auto Auction in West Fargo ND, and12 years with Manheim Minneapolis Auto Auction in Maple Grove, MN.

12 years commercial turf and outdoor power equipment sales and service.

National Auctioneers Association (NAA) member since 1998.

Minnesota State Auctioneers Association (MSAA) member since 1988. Currently an active board member serving as President for 2025.

North Dakota Auctioneers Association (NDAA) member since 1998.

Member of FM Area Association of Realtors, MN Association of Realtors, and the National Association of Realtors, since 1996

#### **Company History:**

Over 39 years in the auction business, founded in June of 1985, by twin brothers Jim and Dave McLaughlin

One of the first local auctioneers to use a wireless computerized clerking system in 1994 which allowed for real time clerk to cashier communications, (including multiple ring auctions.) Computerization also allows for easily cataloging of inventory and multiple seller management tools.

Conduct 60 to 70 auctions annually including; Commercial and government liquidations, estate and antique auctions, business liquidations, real estate auctions, benefit and fundraising events.

With over twenty-five years' experience implementing new technologies such as simulcast "live" internet auctions as well as "on-line" only auctions, and targeted social media marketing. We have offered over 250,000 items in the last twenty-five years using these methods and are constantly exploring new opportunities and techniques to utilize these methods to promote and conduct varies types of auctions.

Multiple Advertising awards recipient from the MSAA.

Fully insured including general liability and workman's compensation policies.

Past auction clients, Moorhead Public Schools, The State of Minnesota, City of Fargo, ND, City of West Fargo ND, City of Moorhead, MN, City of Dilworth MN, City of Grand Rapids MN, Clay, Cass, Crow Wing, Itasca, Norman and Otter-tail counties of Minnesota, as well as numerous other government agencies in the region.

Experienced in all types of auctions including Commercial and Surplus liquidations, Estate, Antique, Real Estate, Benefit and Fundraiser auctions. Highly experienced auctioneers and staff. 20 years wholesale auto auction experience, 30 years government fleet truck and Commercial sales. Certified Personal Property Appraiser.

Professional marketing campaign including local print media, high traffic social media campaigns, direct buyer email blasts and high web exposure via several internet web sites, and local signage as needed.

Both "Online Only and live simulcast auction capabilities, hosted on www.mc-bid.com.

Direct invoicing, credit card service, wire transfer capability, in house shipping, and other flexible services that increase the buyer's motivation and help achieve higher selling prices.

Completely computerized accounting and cataloging system allows for efficient cataloging and management of auction. It also allows for multiple departments breakdowns and prorated settlements as needed.

New Updated bidding platform for easier buyer participation and mobile device friendly.

Professional experienced staff. Additional staffing may be added as needed to ensure that auctions are run smoothly and efficiently.

#### References:

#### **Moorhead Public Schools**

Steve Moore Operations Director 1313 30<sup>th</sup> Ave S Moorhead MN 56560 218-284-3300

**Auction Type:** "On-line Only" auction of an estimated 8000-9000 items, consisting of 1500+ auction lots. The sale was a complete liquidation of the Moorhead High School, prior to demolition. The sale was conducted in January of 2024. Because of the demolition and construction schedule, the entire sale process was completed in less than 30 days from start to finish. Mclaughlin Auctioneers has also conducted other smaller 'On-Line Only' auctions for the Moorhead School District prior to this event.

#### Itasca County Public Works & Itasca County Agencies

Charlie Castle 24660 County 76 Grand Rapids, MN 55744 218-327-4742

**Auction Type**: Impounded vehicles auction and other county assets from other agencies. (We have conducted both and online only auctions dating back to 1997)

#### **City of Moorhead**

LT. Deric Swenson 911 11<sup>th</sup> Street N Moorhead, MN 56560 218-299-5186

**Auction Type:** Impound vehicles and City vehicles and assets, including online only and live simulcast internet auction on proxibid.com since September of 2017

#### **MSUM** Foundation

203 Owens Hall Moorhead, MN 56563 Nonda Mack Director of Foundation Services 701-741-5050

**Auction Type:** Online Estate Auction consisting of a large toy collection. A total of seven online only auctions over a nine-day period. Over 3700 lots and 30,000 pieces. Auctions held June of 2019

#### Norman County Highway Dept.

Bob Ramstad 816 East Main Ada, MN 56510 218-474-0392

**Auction Type:** Online Only Government Fleet Auctions including county owned equipment and vehicles, law enforcement seizures and impounds. Annually auctions conducted since 2015

#### **Cass County (Minnesota)**

Kris Lyytinen, 8045 County Highway 12 NW Walker, MN 56484 218-547-1211 Ext 11

**Auction Type:** Online Only Government Fleet Auctions including county owned equipment and vehicles, law enforcement seizures and Impounded vehicles. Annually auctions conducted since 2015

Request for Proposal Prepared and submitted by:

McLaughlin Auctioneers LLC PO Box 185 Dilworth, MN 56529 Dave McLaughlin 218-236-9295, 701-729-7781 dave@mclaughlinauctions.com



\_\_ Date: March 14<sup>th</sup>, 2025

Dave McLaughlin, Vice President/ Principal Auctioneer/ Broker

