

**The Philadelphia Parking Authority
701 Market Street, Suite 5400
Philadelphia, PA 19106**

**RFP No. 26-07
Online Auctioneering Services
Addendum One**

To: See Email Distribution List

From: Shannon Stewart
Manager of Contract Administration

Date: April 30, 2026

No Pages: 5 plus Appendix A

This addendum is issued on April 30, 2026, prior to the proposal due date to add, delete, modify, clarify and/or to respond to questions submitted by eligible Offerors regarding the work included in the above referenced solicitation.

CHANGES TO THE RFP DOCUMENT

1. **Appendix B Proposal Form – Section 5 of the Proposal Form has been revised, please see Appendix A of this addendum.**

QUESTIONS TO BE ADDRESSED IN ADDENDUM #2

1. **Question:** Regarding the first paragraph of IV-1, will the Agency please clarify what is meant by the terms “combinations” and “loads” listed in the asset description?
2. **Question:** Our company’s current Crime policy provides \$500,000 for Theft of Client Property and \$500,000 for Computer Fraud. Please confirm whether the Authority will require the full \$1,000,000 limit specifically for Employee Theft of Client Property or whether a combined \$1,000,000 limit across Theft of Client Property and Computer Fraud would satisfy the requirement?

QUESTIONS

1. **Question:** It is listed in the RFP there will be two to three auctions per week. Approximately how many vehicles are in each auction?
Response: The Authority held auctions between April 2025 and March 2026 with an average of 109 vehicles per auction, with individual auctions ranging from 34 to 202 vehicles.
2. **Question:** Are condition reports required for vehicles, or are pictures enough of a description?
Response: Condition reports are not required; photographs will serve as the primary method of providing vehicle information for public viewing.
3. **Question:** Do any of the vehicles have keys?
Response: Some vehicles do have keys, primarily those confiscated by law enforcement and transferred to the Authority at the time of a vehicle stop. However, there are vehicles that do not come with keys.

4. **Question:** As a small business with a limited system footprint and a service model that does not involve hosting or processing PII data, would the Authority consider accepting alternative security documentation (such as independent vulnerability assessments, penetration-testing reports, or internal controls documentation) in lieu of a SOC 2 audit? We want to ensure that the requirement is applied proportionately and to confirm whether a SOC 2 audit is an absolute prerequisite for award eligibility.

Response: No alternative documentation will be accepted. A SOC 2 audit is a mandatory requirement for award eligibility.

5. **Question:** Will respondents that do not provide the backup service of in-person auctions be disqualified from award eligibility?

Response: Yes, the RFP specifically states that one back-up solution must be an in-person auction option.

6. **Question:** Regarding the integration with Duncan Solutions, what is the expected frequency of data synchronization?

Response: Data synchronization with Duncan Solutions is expected to occur in real time.

7. **Question:** Please provide the desired frequency of online auctions (e.g., weekly or monthly) and identify anticipated seasonal peaks.

Response: The Authority anticipates conducting a minimum of two online auctions per week. There are no significant seasonal peaks; however, participation may increase during tax season and the Christmas holiday period.

8. **Question:** Does PPA anticipate liquidating any agency-owned assets (vehicles, equipment, technology) under this contract, or is this contract exclusive to the court-ordered sale of impounded vehicles?

Response: Yes, there are instances in which the Authority would include out-of-service Authority vehicles in an auction.

9. **Question:** Does PPA prefer the vendor's commission fee to be charged as a Buyer's Premium or Seller's Premium?

Response: There is no Buyer's Premium or Seller's Premium. As the outlined in the RFP, the Offeror is to propose an Auctioneer Fee which is a fixed percentage of the net sale price per vehicle for the length of the contract for both Online Auction and In-Person Auction sales. The Auctioneer Fee percentage must be all-inclusive.

10. **Question:** Describe the commission structure paid to the vendor for PPA's most recent impound auctions. Identify any percentage fees or flat fees earned by the vendor for providing the auction services. Identify whether these fees are paid by winning bidders or by PPA.

Response: Under the Authority's most recent contract, the Contractor was compensated through a 5% commission on online auctions (capped at \$500 per vehicle), a 2.5% commission on in-person auctions, and a 3.5% Merchant of Record payment processing fee per transaction, all of which were paid by the Authority.

11. **Question:** What are the fees charged by the Agency's current auction services provider?

Response: See response to Question #11.

12. **Question:** What factors would lead the Authority to cancel a scheduled online auction and instead conduct a live auction?

Response: Several factors could result in the cancellation of an online auction and require a live auction. For example, a catastrophic failure of the auction website. If an auction is required to proceed on a specific date due to court orders, the Authority must ensure the sale occurs as scheduled. Additionally, an overabundance of vehicles in inventory, creating a need to free up space, may also necessitate holding a live auction instead of

an online auction. The ability to conduct a live auction serves as a fail-safe to ensure that scheduled sales can proceed as required.

13. Question: Regarding the VIN-decoding program, does it need to be part of the website that buyers can potentially access?

Response: No, the buyer should not be able to access it. It would be a part of the website to verify internally. The Authority does intake on impounded vehicles, and if at some point during that process there is a mistake in a VIN number or a potential issue with the VIN, the Contractor's VIN-decoding program would be able to decipher it. For example, determining whether a vehicle is truly a 2008 as opposed to a 2006 or 2007, based on the check digit.

14. Question: What is the purpose of the Authority accessing the portal? What would they do with that access, and is it mandatory?

Response: Yes, Authority access is mandatory. The Authority needs the ability to audit the system to confirm that information listed on the site is accurate and appropriate for each listing. The Authority would not be able to change or remove any information. Instead, the Authority would continue to rely on the Contractor to make any necessary updates, such as removing a vehicle or placing a vehicle on hold if there is an issue.

15. Question: Do you have an estimated number of vehicles sold per year over the course of the last three years and a gross dollar volume so we can know how to base our numbers?

Response: The Authority's Fiscal Year is April through March. The following are breakdowns of the number of vehicles sold per fiscal year and total gross from the last three fiscal years.

<u>Time Period</u>	<u>Vehicles Sold per Fiscal Year</u>	<u>Gross Total for Fiscal Year</u>
April 2023 to March 2024	8,481	\$11,976,500
April 2024 to March 2025	10,844	\$11,496,875
April 2025 to March 2026	11,482	\$13,108,422

16. Question: How many vehicles were sold per year over the past three years? Can you provide stats concerning units broken down by week or month, if available?

Response: See response to Question #15.

17. Question: Does the Authority need access to the site, specifically the credit card portal, or just access to records in general?

Response: The Authority needs access to your credit card portal so that Authority staff can pull the daily report once the batch closes. The Authority uses this information to audit and confirm sales are processed all correctly and reconcile to the bank deposit.

The Authority also handles chargebacks. The Authority then submits the information to the credit card company to verify the transactions and determine whether chargebacks are valid.

The Authority also completes refunds back to the customer's credit card, and the Authority will void transactions prior to the batch closing if the customer does not come in person to sign their paperwork.

18. Question: Does the Authority only accept credit cards?

Response: Yes, all transactions must be completed using a debit or credit card that do not require PIN entry.

- 19. Question:** For tax and title, is that handled by the state? For example, the title transfer and related processes?
- Response:** The Contractor's program must have the capability to handle tax and title payments in addition to the purchase price. Authority staff handles the application for title. The Authority does not issue physical titles. Instead, Authority staff use PennDOT's system to update the vehicle information so that the title to the vehicle can be issued by PennDOT and then submit the application of title to PennDOT.
- 20. Question:** The buyer who wants tags, who has to offer that?
- Response:** The provision of vehicle tags is not offered by either the Authority or the Contractor. Vehicles are sold as-is, and the buyer will receive the title by mail at a later date. At the time of sale, only the application for title is completed.
- 21. Question:** Who is responsible for distributing the paperwork with the Auction rules?
- Response:** The Authority would provide the auction rules which would need to be posted on the Contractor's site for those registering to see and for anyone who is visiting the site. When a buyer signs up to participate in the auction, all requirements are outlined, and they are required to acknowledge acceptance of the auction rules on the site.
- 22. Question:** Please clarify the process for distributing paperwork to successful bidders. Specifically, does the selected Offeror provide any documentation at the time of sale (whether online or in-person), or is all paperwork handled separately by the Authority? Additionally, how are receipts (e.g., MB-1) and other required documents issued, and at what point is the bidder required to come to the Authority's office to finalize and receive their paperwork?
- Response:** For online auctions, successful bidders are notified electronically by the Contractor and are provided instructions on where to report the same day to finalize all required paperwork. Bidders must report to the Authority's office to complete the process, at which time they receive their documentation, including the application for title and their portion of the receipt.
- For in-person auctions, bidders complete the process on-site immediately following the sale at a designated area and receive their documentation at that time. Any documentation provided by the Contractor may be further defined if in-person auctions are conducted.
- 23. Question:** There are only two spaces for percentages on the Cost Form, is that the percentage that we are charging you for our services?
- Response:** Yes, the two spaces on the Cost Form is where Offerors will indicate their Auctioneer's Fee, as described in section 5 of the Proposal Form.
- 24. Question:** Oftentimes, there is a buyer's premium in the auction industry, where a fee is charged to the buyer. Does the Authority allow this?
- Response:** No, a buyer's premium is not permitted. When the Authority sells a vehicle that has been impounded, those funds are applied to the owner's outstanding obligations, such as towing fees, storage fees, parking tickets, and moving violations. Therefore, the Authority tries to maximize the net amount available for the individual.
- 25. Question:** Offeror will charge the Authority one flat fee, in those two categories?
- Response:** Yes, the Auctioneer's Fee is what will be paid to the Contractor.
- 26. Question:** How much labor is required? For example, if you gather 50 cars in a lot, are we required to check receipts and ensure buyers are taking the cars in and out? Is the Contractor essentially just responsible for identifying the vehicles, taking pictures, and writing descriptions, without needing staff on the ground at all times? What level of labor is expected?

Response: For online auctions, responsibilities include preparing the site for listing vehicles for sale, taking on-site photographs of the vehicles, processing payment and monitoring activity to ensure the system is operating properly. Additionally, it is expected that proper registration and customer management will take place regarding users of the site. The Authority has staff who verify vehicle removal. Buyers are required to use private towing companies, due to no valid registration on the vehicles and the Authority is not handling license plates or tags. Also, title work is not fully completed at the time of sale, only an application of title is.

27. Question: Is the compliance matrix for the offeror to use as a checklist for the work statement or would you like this completed and submitted in addition to the work statement?

Response: Offerors must complete Appendix D – Compliance Matrix, as stated in II-6 of the RFP document.

28. Question: Does the Agency have an anticipated date for responding to vendor questions?

Response: The Authority can release an addendum no later than seven days prior to the Proposal Due Date.

29. Question: Regarding the work statement IV-2, website requirements, 4.d auction functionality, the website must have the ability to allow for bulk bidding by registered salvers. How would this part play into the rest of the auction process?

Response: Registered salvers have the ability to bid on vehicles prior to the start of the auction if they choose to do so.

END OF ADDENDUM ONE

RFP No. 26-07 Addendum #1 - Appendix A
Revised Proposal Form

5. **Cost Proposal:** Offeror agrees to provide auctioneer services in accordance with the Work Statement for the fees listed below:

A. **Auctioneer Fees:** The Auctioneer fee percentage must be **all-inclusive**. The Authority will not reimburse the Contractor for any additional costs, fees, or expenses .

~~The Offeror must collect all auction proceeds and remit payment to the Authority, along with a detailed vehicle sales report, as described in the Work Statement, **within thirty (30) days** following each auction.~~

Auction Type	Percentage of the net sale price per vehicle
Online Auction	_____ %
In-Person Auction	_____ %