

BILL NO. 2022-040

ORDINANCE NO. 8502

A SPECIAL ORDINANCE OF THE CITY OF NEVADA, MISSOURI AUTHORIZING THE EXECUTION OF AN AGREEMENT WITH CURTIS AND SONS AUCTIONS FOR THE SALE BY AUCTION OF CERTAIN SURPLUS REAL PROPERTY.

WHEREAS, Real property owned by the city which, as determined by the city council by Ordinance 8481 on March 15, 2022, has outlived its usefulness, has become inadequate for the public purpose to which it has formerly been dedicated, or has been purchased or otherwise obtained and never dedicated or used for a public service, has been declared surplus, or is held by the municipality in its private or proprietary capacity, and;

WHEREAS, the City Council has determined to sale surplus properties by Auction, and;

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NEVADA, MISSOURI, THAT:

Section 1. The agreement between the City of Nevada, Missouri and Curtis and Sons Auctions, Nevada, Missouri attached hereto and incorporated herein by reference is hereby approved.

Section 2. The City Manager is authorized and directed to execute the same in behalf of the City of Nevada, Missouri, and is authorized to take all reasonable steps necessary to comply with the terms of the agreement.

Section 3. This ordinance shall be in full force and effect from and after its passage and adoption.

PASSED, APPROVED and ADOPTED by the City Council of the City of Nevada, Missouri, this 17th day of May, 2022.



CITY OF NEVADA, MISSOURI

By: _____

George Knox, Mayor

Stephanie Martin
Stephanie Martin, City Clerk

AGENDA ITEM
May 3, 2022

Subject: Auction of Surplus Property

Department: Administration

Proposals were requested by licensed Auction companies with only Curtis & Sons Auction submitting a proposal.

Curtis and Sons Auction proposal includes the City of Nevada is responsible for:

- Advertising and staff cost of \$1,700.00
- 50% of closing fee
- Title searches and insurance policy

Recommendation: Disposal of 16 properties by Auction. Remove the parcel adjoining the White Grill property from sale and offer to owners for fair market value.

AUCTION CONTRACT

AGREEMENT FOR THE SALE OF REAL ESTATE PROPERTY BY AUCTION

Agreement made **May 19, 2022** between **The City of Nevada, Missouri** hereinafter called Seller, and Curtis and Sons, Inc., hereinafter called Auctioneers.

The Auctioneer hereby agrees to use his professional skill, knowledge, and experience to the best advantage of both parties in preparing for and conducting the sale. Property inventory to be mutually acceptable inventory, determined by the auctioneer.

The auction is to be held on **June 25, 2022 at 12pm** in the **City Council Chambers located at 120 S. Ash St Nevada, Missouri 64772** and in case of postponement because of inclement weather, said auction will take place on a later date agreeable to both parties. It is mutually agreed that the property will be sold to the highest bidder, with the exception of items specified by the seller in writing to be protected.

The Seller covenants and agrees that he has good title and right to sell, and said goods are free from all encumbrances. Seller agrees to provide merchantable title to all items sold and deliver title to purchasers. Seller agrees to hold harmless, the auctioneers against any claims of the nature referred to in this contract.

It is agreed that the properties (see Exhibit A) are to be sold, absolute, to the highest bidder.

Seller agrees to pay all sale expenses and Auctioneer's Fees including but not limited to:

Real Property Commission: No charge to the Seller with a 10% Buyer Premium on each parcel sold.	Digital & Print Advertising: \$1,500.00
Cashier: \$200.00	Other Expenses: None


Auction Manager 417.667.7868
Office Number
Amanda Bruce | amanda@curtisandsonsrealty.com | cell 417.684.3399


City Manager 417.448.5101
Office Number
Mark Mitchell | mmitchell@nevadamo.gov | cell 417.448.4467

Seller Phone Number

EXHIBIT A - Surplus Parcel Listing

	Parcel	Description	Acres	Year Owned
1	18-2.0-04-002-001-003.000	Hester Park – N Cedar & Atlantic	0.367	1991
2	18-2.0-04-001-029-008.000	715 E Ashland	0.188	2012
3	18-2.0-04-404-000-041.000	Lot 1 under Austin Overpass	0.196	2011
4	18-2.0-09-001-001-003.000	Lot 2 under Austin Overpass	0.294	2011
5	18-2.0-03-003-007-008.000	N Subway Blvd	0.234	1945
6	18-2.0-03-003-009-001.000	1026 E Locust St	0.219	2007
7	18-2.0-09-004-001-002.000	Postlethwaite Park	35.7	1969
8	13-8.0-33-001-001-006.010	Open Lot N Elm – North Lot	0.9	2008
9	13-8.0-33-001-001-006.030	Open Lot N Elm – South Lot	0.5	2008
10	18-2.0-04-404-000-036.010	701 E Cherry	0.079	2021
11	18-2.0-09-001-015-006.000	604 E Sycamore	0.096	2021

COVID-19 TERMS & CONDITIONS:

The current world-wide coronavirus (COVID-19) pandemic and government mandated “shelter in place” orders in many communities underscore the risk associated for individuals viewing, purchasing, or inspecting real or personal property, and the risks for sellers and tenants by allowing prospective buyers to enter the premises.

The seller understands that exposure to disease causing organisms and objects such as COVID-19, and personal contact with others, including but not limited to real estate agents, inspectors, appraisers, contractors, owners, occupants, auctioneers, clerical staff, general laborers, and others associated with the sale of any and all real and/or personal property, involves a certain degree of risk that could result in illness, permanent disability or death. The undersigned also acknowledges that it is impossible to screen and/or monitor all such individuals.

After fully and carefully considering all the potential risks involved, the sellers hereby assume the same and agree to release and hold harmless Curtis and Sons, Inc. and its employees, officers, agents, contractors, vendors, and other affiliates from any and all claims and liability resulting from the exposure to disease-causing organisms and objects, such as COVID-19, associated with me either viewing, attending, or participating in events or allowing others to enter property which I own or occupy.

The current world-wide Coronavirus pandemic (“COVID-19”) has had unprecedented impacts on real estate and personal property transactions, including, but not limited to, travel restrictions, self-imposed and governmentally required isolations, and closures of both governmental and private offices required to fund, close and record real estate transactions.

The sale is to be held on the date and location forementioned, and in case of postponement because of government mandate, said sale will take place on later date agreeable to both parties. It is mutually agreed that the property will be sold to any in attendance, with the exception of items specified by the seller in writing to be protected at time booking agreement is entered into.

Owner acknowledges that it is impossible for Curtis and Sons, Inc. to screen and/or monitor all such individuals. Accordingly, Owner assumes the risk of, and hereby releases and agrees to hold Curtis and Sons, Inc, its employees, officers, agents, contractors and vendors, harmless from and against, all claims and liability resulting from exposure to disease-causing organisms and objects such as COVID-19.



Auction Proposal

Prepared by
J.J. Curtis
Auctioneer
Curtis and Sons Auction Service
Apr 26, 2022

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Curtis and Sons Multi-Track Auctions

In the last year, Curtis and Sons Auction service has gone above and beyond for the Multi-track properties we have sold at Auction.

The Estate of Karl Lehmann offered 4 different tracks to be auctioned. The properties appraised out to be \$3,000 per acre. Curtis and Sons were able to bring in over DOUBLE that!

The Estate of Elvy Burrus offered 2 different tracks to be auctioned.

The logistical challenges with these sales were much more complex than the sale of the 16 properties. The above examples also had a large personal property offering—the subject sale only has 16 lots, this will allow us to apply more focus to finding many buyers and create a competitive bidding environment.

Background of Curtis and Son Auction Service

Since 1952, Curtis and Sons have been providing excellent Auction Service throughout Southwest Missouri. If you are planning a farm liquidation, an estate sale, business liquidation, or real estate auction, we do it all! Curtis and Sons offer a free consultation for anyone considering taking their property to Auction. After working with us you'll see why the Curtis name has become synonymous with pairing buyers and sellers in a competitive marketplace for half a century.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

04/26/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Renwick Insurance Agency, Inc. 101 N Main Nevada MO 64772		CONTACT NAME: Renwick Insurance Agency PHONE (A/C, No, Ext): (417) 667-7874 FAX (A/C, No): (417) 667-3662 E-MAIL ADDRESS: agency@renwickins.com	
INSURED Curtis & Sons Auction Services, LLC 121 S Main St Nevada MO 64772		INSURER(S) AFFORDING COVERAGE INSURER A: Missouri Employers Mutual INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:	
		NAIC # 10191	

COVERAGES

CERTIFICATE NUMBER: CL2242600789

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD	WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$
A	WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		Y/N	MEM3003658	10/23/2021	10/23/2022	PER STATUTE OTH-ER E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER**CANCELLATION**

City Of Nevada 110 S Ash St Nevada MO 64772	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>Jamie Ventellmar</i>
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Auction Proposed Date, Time, and Location

With the consideration of planning a 4-week marketing scheme, Curtis and Sons Auction Service believes that the best date to hold the Auction would be June 11, 2022, starting at 12:00 pm.

With the City of Nevada's Permission, we believe that the Auction should be held either on the steps of City Hall, or on the City lot located on the NW Side of Austin and Ash. These locations are near one of the highest traffic points in Nevada. It is also believed that these locations would be without cost.

Marketing

Print

This is both our local and somewhat statewide capture, which I believe cannot be taken for granted. In a survey conducted by my firm, we found that 68% of the local market consulted print media first before consulting an internet source. This is integral to conducting a successful auction. The following publications I believe are locations we should advertise in.

The Nevada News-- we will submit publication each week until the sale date. We would suggest a minimum of 4 weeks. For the sizes of ads, we will run ¼ pages for the first 2 weeks, and ½ pages for the next two weeks. This publication has a circulation rate of 17,000.

The Cedar County Buyers Guide--we should be in this publication for a period of 2 weeks prior to the sale with ¼ page ads. This will reach over 6,000 people for advertising.

Online Advertising

Curtisandsonsrealty.com--This is somewhat of our base of operations for print media referrals. All videos, photographs, etc. will be housed here for the public to view. We are averaging about 600 visitors here daily currently, and have seen spikes in traffic up to 1100 visitors.

Matterport.com-- This is our new 3D Virtual Tour system that allows us to take high-definition 2D and 360 photos and walkthroughs of applicable properties. With each property that we matterport, we allow for public access, and any time someone types in the address or key work the virtual tour will come into their search engine.

Drone Aerial Imaging-- We will pilot a drone over the applicable properties to easily mark which property is being sold and how large the lot is. These photos will be used in the marketing for signage and online sights as well. This is included in our bid free of cost.

Textedly-- We will send out a mass text the day before the proposed Auction date to our large Curtis and Sons Auction Service subscriber database. This will directly reach

roughly 530 people and will give them direct access to the company's website for all information regarding the property.

Auctionzip.com-- Auction zip will be running for the entire four weeks before the date of the sale. Auction zip is the highest-trafficked website for live auctions in the country and has a strong statewide and local following bringing in prospective buyers.

Land.com--When the land for sale is searched this is the third result that is returned. I've advertised property on this site previously and had great success. This projects to more of a national market--which value is seen here, especially with investors.

Facebook-- This will help reach a much larger audience locally. More and more people use Facebook for news and updates. A simple boosted post will direct prospective buyers to the Curtis and Sons website for further information.

Site Signage

We'll need site signage to identify the site location, provide our contact information, and refer the buying public back to our website. This will be located at the corner of Austin and Ash on the NW side with the City's permission. This location will allow for a much larger audience to see information about the sale. This sign will have a list of all 16 properties being sold with corresponding photos for each property. We suggest 4'x8' for maximum visibility. The product we use is printed on sign stock, is weather-resistant, and somewhat easy to hang.

We will also place an 18"x24" sign with the time and date of sale on each of the 16 lots. This will allow anyone passing by the properties to visibly be able to see which lot will be Auctioned.

Sale Bill Handouts

We will design and print 100 copies of a paper handout and will place them in 35 locations across Nevada and El Dorado Missouri. This allows for a larger platform of prospective buyers to be reached. We also keep copies at the Curtis and Sons office for anyone who wants their own sale bills.

Preparation for Auction

4 weeks Before Auction —

- Order and place a customized auction banner
- Installation of Lockbox to hold a key, We will schedule appointments but this allows us to access the property.
- Title work will be ordered on the property
- Virtual tour/drone work/imaging of all real property
- Begin running print and digital ads

Week of Sale--

- Final ads run in weekly papers
- The auction trailer is moved into place-- most likely on the street so that we can utilize all of the yard space.

Friday Prior to Sale--

- Curtis and Sons Text subscribers receive reminder text on upcoming sale

Morning of sale--

- Signs directing people off of major traffic ways are placed, our billboard features sale information, and signs directing parking are put in the position
- The cashier begins registering bidders at 9:00 a.m. at the trailer (we will periodically make announcements reminding the crowd, of the start time and that they must register as a buyer)

Sale Time-- 12:00 p.m.

- Auctioneers and ringmen take their places!
- Opening statements are made- terms and conditions of the sale are read to the crowd.
- At this point not only is it an auction but a performance, for the next hour our job is to make sure that we make as much money as possible while providing a top-quality experience.

Sale Conclusion--

At this point, our goal is to make sure that no one is able to tell that an auction was held at the location. While the carryout crew is making sure the location is clean, we are in our mobile office working on the sale settlement. Although JJ is an auction enthusiast and almost romanticizes the process-- you can think of it as an old-school circus act. We quickly come to the location, set up and as soon as our performance is over, you have your proceeds, and it is as if we were never there! At the completion of the sale, we produce an itemized settlement statement, a list of buyers from the sale, as well as a carbon copy of each ticket for each item sold during the auction. There is no better form of transparency than what we provide, we take a lot of pride in that. The real estate will have a closing set within 30 - 45 days of the auction.

Earnest Money will be deposited with Title Company following Monday morning.

Financial & Terms

Real property Terms & Conditions:

To register, a prospective bidder must provide a name, residence address, phone number, and a valid driver's license. By registering, a prospective bidder is acknowledging that he/she has read and agrees to be bound by the Terms and Conditions of Sale. The successful bidder must sign all documents and contracts upon the conclusion of the auction. A successful bid will be accompanied by a 10% buyer's premium paid by the buyer at the time of closing. A 10% non-refundable earnest money deposit will be required should successful bidding occur. Buyers must close within 30 days of the auction date. The entire purchase price must be paid at closing in the form of certified Funds. All announcements made the day of the sale take precedence over any prior written or verbal terms of sale. Taxes are to be pro-rated at closing. Seller shall provide a marketable title search from Bowman Vernon County Title Co, and if the buyer desires an owner's title insurance said policy shall be paid for by the buyer.

Financial:

Charges to the City of Nevada will be the charges for the paper and digital advertising and the cost of the Cashier for the day of the Auction. With all the advertising listed above, the total bid for all advertising will be \$1,500 and the cashier cost is \$200. The City will be also responsible for 50% of a closing fee to the title company, applicable tax proration, and any and all costs associated with obtaining marketable title searches. Curtis and Sons Auction Service will pay for all advertising until the day of sale. Curtis and Sons will collect the above-quoted advertising fee at close.