

MERIDIAN TOWNSHIP POLICE DEPARTMENT

GENERAL ORDER

Subject: AUCTIONS – ABANDONED MOTOR VEHICLES AND OTHER PROPERTY	General Order: 672
Effective Date: August 16, 2000 Revision Date: January 31, 2007	Distribution: Specific Personnel

I. PURPOSE

This directive establishes procedures for conducting abandoned motor vehicle auctions and for the auction of other property possessed by the Department.

II. POLICY

The Meridian Township Police Department is vested by statute with the responsibility for conducting the public sale of abandoned motor vehicles. The Department also has the need, and is legally authorized, to dispose of other property items received as evidence, lost property, or through forfeiture proceedings. While it is our preference to return property (which can be identified and legally possessed) to its legal owner(s), the remaining items will be auctioned in a manner governed by law and this directive. It is our policy to comply with all legal requirements regarding the posting of public notices of sale and for the conduct of the auction. All employees assigned to oversee or conduct auctions are vested with the responsibility of ensuring that legal and policy requirements are followed.

Contraband and confiscated weapons will not be sold at auction. Destruction of those items will comply with State Statute and Departmental Directives addressing that process.

III. PROCEDURES

A. Abandoned Motor Vehicle Auctions

Only those vehicles that have been properly processed with legal notice to the registered owner (TR-52 form) and properly advertised may be offered for sale at an auction.

1. The Property Technician is responsible for determining when a vehicle auction needs to be conducted and will notify their immediate supervisor.
2. The auctioning of abandoned vehicles is governed by MCL 257.252g. All vehicle auctions involving abandoned vehicles shall adhere to the procedures set forth by law. State law allows the auction to be conducted live or through sealed bids.
3. Legal notice of the public sale shall be processed by the Township Clerk's office after the appropriate auction list (and a request for posting of the advertisement) has been presented to the Clerk's office.

- a. The list shall be submitted to the Clerk in a timely manner to ensure compliance with the statute and this directive.
 - b. A duplicate listing, describing all the abandoned vehicles being offered for sale, will also be delivered to the Township Manager at the same time for inclusion in the Township Board packets.
 - c. The public notice shall include a description of each vehicle by year, make, and VIN.
4. Minimum bids should be established for all vehicles, with the cooperation of the wrecker company involved, to ensure that costs for the tow, storage, etc. are covered.
5. The Chief of Police, or his staff designee, will designate an employee to handle the financial transactions on the date of the sale.
6. All vehicles will be sold “as is” with no commitment as to the suitability, operability or condition being claimed or promised by Township employees.
7. Information regarding the conditions of the sale will be either prominently displayed or distributed to each registered bidder on the date of the sale.
8. Only registered bidders will be permitted to offer bids on the vehicles being offered for sale.
9. The public will be allowed an opportunity to inspect those vehicles advertised for sale, prior to beginning the auction (preferably on the day of the sale). The inspection period will be advertised in the auction notice.
10. All proceeds will be handled by the Treasurer’s office and disbursed/deposited according to law. The police employee responsible for coordinating the auction will assist the Treasurer by providing the information (liens, etc.) for each item sold.
11. Persons or entities purchasing a vehicle will be provided the appropriate paperwork upon payment for the purchased vehicle(s).
12. A listing of all persons who register as bidders for the auction will be maintained (to include name, address, telephone) with the auction file.
13. A complete listing, including the sale price and identity of the purchaser will be maintained for each item offered in the auction. Any previously established minimum bid will also be reported on that form.

14. Sealed Bid Auctions:

- a. Auctions that are conducted using a sealed bid process will adhere to the guidelines established above, but shall exclude (8) and (12). The specific process for sealed bids is outlined in Appendix A.

15. The Services Division Commander shall be responsible for ensuring that all statutory and departmental procedural requirements are followed.

B. Auction of Other Property

All other items of property will be designated for auction based on the procedures and requirements of F-1103 III E, Disposing of Evidence and Property. Police equipment owned by the Township may also be disposed of with the approval of the Township Finance Director.

1. Live Auctions

- a. Live auctions may be conducted by:
 - i. Department Personnel
 - ii. Private auctioneer
Any contract for an auctioneer service (if one is utilized) will be processed through the Township Manager's office.
- b. Items of exceptional value will be so noted and an appropriate minimum bid established (by appraisal if necessary).
- c. All jewelry items, rare coins, and apparent collectibles of significant value will be inspected by a qualified person and appraised for sale value, prior to being listed in the auction request.

2. Sealed Bid Auctions

- a. For vehicle auctions the Department may elect to utilize a sealed bid process. This process must follow the procedures set forth in MCLA 257.252 g.

3. Online Auctions

- a. The police department may contract with a company for the purposes of disposing of property through online or internet auctions. All applicable

laws, policies and procedures relating to the disposition of property must still be followed.

- b. Any contract involving the use of an online auction service (if one is utilized) will be approved through the Township Manager's office.

C. Advertising Auctions

Live and Sealed Bid auctions will be advertised at least once in a newspaper having general circulation in Ingham County. Items of exceptional value or that would create additional interest in the auction should be listed in the ad. Internet auctions, due to their ongoing nature, will not be advertised in the paper, but instead will be continuously advertised on the Township's web page with a link to the auction site.

1. Auction notices will also be delivered to HOM-TV with a request to post the notice on the character generator that lists community events.
2. A copy of the auction notice will also be delivered to the Manager's office for posting in the Municipal Building and other Township Buildings.
3. The general stipulations listed in this section do not relieve responsibility for complying with specific requirements established by statutes or ordinances pertaining to the sale of found property, forfeited property or abandoned motor vehicles.
4. The Services Division Commander, or designee, will post a copy of the auction notice:
 - on the Administrative Bulletin Board
 - in the lobby of the Public Safety Building
 - at the Cadet desk for Cadet use and reference

D. Responsibility for Auctions

Unless otherwise assigned by the Chief of Police, the Services Division Commander will be responsible for coordinating all auctions, preparing internal notices, requesting public ads, and providing a written report on the outcome of the auction to the Chief of Police, within five business days after the auction was held.

E. Record Keeping Requirements

A file will be maintained for each auction that contains:

1. A listing of all items offered for sale at the auction (separate lists for abandoned

motor vehicles, Township owned property, disposed evidence, etc. should be maintained). The final list should include the sale price and identity of the purchaser.

2. A copy of the actual ad that was run in the newspaper and copies of any other notices that were published or distributed.
3. A listing of all persons who registered as bidders for the auction.
4. Copies of any requests received to auction other Township property.
5. A listing will be kept of all property turned over for online Auctions.

F. Excluded participants

Any on duty police employee is prohibited from participating in bidding for the purchase of items for sale at a live auction.

IV. CANCELLATIONS

None

Authorized by:



David Hall, Chief of Police

Index as:

CALEA:

Abandoned Motor Vehicle Auctions

Auctions

84.1.1

Evidence Auctions

84.1.8

Property Auctions

Township Property Auctions

Application: This directive constitutes department policy, and is not intended to enlarge the employer's or employee's civil or criminal liability in any way. It shall not be construed as the creation of a higher legal standard of safety or care in an evidentiary sense with respect to third party claims insofar as the employer's or employee's legal duty as imposed by law.

APPENDIX A

MERIDIAN TOWNSHIP POLICE DEPARTMENT

ABANDONED VEHICLE AUCTION PROCEDURE

Sealed Bidding

Publication of Auction:

- Obtain auction date from Property Technician.
- Prepare a typewritten list of vehicles to be offered at auction.
- Prepare advertisement that includes auction date and time, viewing date, time and location, bid deadline and location where bids can be dropped off or mailed.
 - Coordinate all dates and times with the Services Division Commander, towing companies and department authorized auction assignee.
- Upon approval, forward advertisement information to the Services Division Commander, to be forwarded to the Meridian Township Clerk's office.
- Obtain copy of the advertisement from Meridian Township Clerk's office and forward to Property Technician.

Accepting Bids:

- No registration is required to participate in bidding.
- Bid Forms will be provided at the auction viewing.
- Bid Forms shall be provided on carbon charged 2-copy paper to provide bidders with a bid receipt, so as to comply with MCL 257.252g(1)b.
- Provide bid forms, envelopes and drop box at viewing site for bidders to enter their bids.
- Bids will be accepted at the location of the viewing via drop box, or by mail/hand delivery to the Property Technician or Department Authorized Auction Designee.
- Bids received from previously banned participants (see below) will automatically be discarded.

Bid Opening:

- Hold public bid opening at time stated on auction bid form to determine high bidders.
- Bidders need not be present for public bid opening.
- Record all high bids in auction log with the following:
 - Auction ID Number
 - Who placed the bid
 - Amount of bid
- Contact all high bidders by telephone, followed up by a letter, to notify them of the following:
 - Amount of winning bid
 - Vehicle description

- All purchases must be made by cash, personal check or money order at the Meridian Township Treasurer's office
- Vehicle removal deadline (within four business days after the close of the auction)
- Additional storage fees if removal deadline is not met
- Arrange pick-up date/time with Property Technician or department authorized auction designee
- Treasurer's Office receipt and identification required for vehicle removal
- Complete a list of high bid cars and final bid selling price. Post this list in the lobby of Meridian Township Police Department.
- Retain copies of all letters sent to high bidders for Property Technician files.
- Forward copy of high bidder results and vehicle removal deadline to Treasurer's Office for reference when accepting payment.

Final Sale/Transfer of Vehicle Ownership:

- Once high bidder presents receipt from Meridian Township Treasurer's Office, fill out back of State of Michigan TR-52 form with following information:
 - Purchaser's full name and current address
 - Purchaser must sign the form with current date
 - Seller's name (Property Technician or authorized agency representative)
 - Vehicle information and odometer reading
- The TR-52 is the Bill of Sale required by the Secretary of State Office, and must also be signed by the Property Technician or authorized agency representative.
- Once Bill of Sale/TR-52 has been completed and the vehicle removed from the storage and/or impound lot, complete LEIN paperwork to have the vehicle removed from LEIN immediately.
- If high bidder backs out of sale or fails to appear to buy the vehicle, contact the next highest bidder on the bid list by telephone. If he/she is still interested in the vehicle, mail a notice letter with an extension of time to purchase and remove the vehicle from the lot.
- High bidders who withdraw their bids after the auction opens, or who fail to appear to purchase will be added to the "Bids not accepted" list for all future auctions.
- Complete final accounting/records as needed.