

1000.10 SUBJECT: PUBLIC AUCTION PROCEDURES

:1 OBJECTIVE:
To provide detailed instructions for Property control personnel involved in the conduct of Public Auctions.

:2 AUTHORITY:
This procedure approved by City Council September 15, 2003.

:3 DIRECTION:
The Director of Purchasing and Materials Management, as an appointed official, serves at the pleasure of, and receives direction from the Mayor through the General Administration Department Director

:4 METHOD OF OPERATION:

A. Introduction

This procedure establishes a uniform system for auctions including city auction functions and the procedures to be followed while conducting auctions. Additional directives, as required, may be issued to supplement any portion of this procedure.

The Materials Management Supervisor, acting through the Property control Supervisor, will maintain this procedure by the timely issuance of changes or supplements as necessary. The Materials Management Supervisor will also ensure appropriate coordination of this procedure and any subsequent changes or additions with all city Bureaus/Offices.

B. Policy

Public Auctions will be held at least quarterly or more often if justified by the amount of surplus inventory awaiting sale. A professional auctioneer with staff will be employed to conduct the auctions and assist with cash collections. Purchasing and Materials Management personnel will staff the registration desks and cashier's office, and provide key control, runner, and vehicle preparation services.

C. Scope

The scope of auction activities covered within this procedure include:

Appraisals	Minimum bids
Collection Reports	Registration
Mileage Statements	Key Control
Vehicle Titles	Bidding
Advertising	Receipts
Bank Deposits	Records

This procedure will apply to all City personnel that participate in the auction.

D. Responsibilities

Responsibility for conducting auctions in accordance with this procedure is delegated by the Chief Purchasing Agent to the Materials Management Supervisor.

The Property Control Supervisor will ensure auctions are conducted in compliance with this procedure.

E. Functions

Property Control Section is responsible for the following auction functions:

1. Obtaining appraisals from a minimum of two vehicle appraisers for automotive equipment.
2. Obtaining appraisals from Fleet Management Bureau Chief or designated representative for all heavy equipment and other specialized items.
3. Advertising auction in a local newspaper.
4. Notifying City Bureaus/Offices/Divisions of pending auctions.
5. Establishing responsibilities for auction personnel.
6. Hiring auctioneer.
7. Release of vehicles and equipment to buyers.
8. Deposit of auction receipts.
9. Accepting vehicles and equipment from Orlando Police Department and Fleet Management.
10. Supervising auction activities.
11. Completion of Mileage Statements.
12. Ensuring titles, mileage statements, and keys are available for all vehicles being auctioned.

F. Documentation

Various forms and records to be used in the preparation for and conduct of City auctions will be described in this procedure. Many of these are accountable documents which will be so identified, and they must, therefore, be prepared and distributed with due care. Any form which is serially numbered is automatically considered an accountable form/document.

G. Appraisals

The Property Control Supervisor must obtain a minimum of one appraisal for each vehicle scheduled to be auctioned. City of Orlando Form titled "Auction Listing," column titled, "Appraisals," will be used by appraiser to note the appraised value of each item. The last page of the vehicle listings will be signed and dated by the appraiser. Heavy equipment and other items such as lawn mowers, pumps, and generators will be appraised by the Fleet/Facilities Management Bureau Chief or a designated representative. The same form will be used to note the appraised values of each item.

Appraisals must be obtained a minimum of ten (10) days before the auction date.

H. Establishment of Minimum Bids

At least five (5) days before the auction date, the Fleet Management Bureau Chief and the Materials Management Supervisor will meet and establish minimum bids for each item on the auction list. Minimum bids will be noted in the column titled, "Sale Price," on the Auction Listing form. Normally, minimum bids will be the lower of the two appraisals for vehicles and the appraised value of other items as recommended by Fleet Management Bureau.

The City reserves the right to reject any and all bids; however, any bids that exceed the minimum bid will normally be accepted. The Materials Management Supervisor will be responsible for final approval of all offers.

I. Terms and Conditions

The terms and conditions for each auction will be the same as those included as Exhibit I of this procedure.

Attached to the Terms and Conditions will be a detailed listing of all items to be sold at the auction. The Terms and Conditions and the attachment will be given to each person who registers at an auction and will be mailed to all citizens on the Auction Mail List.

J. Auction Announcement - City Staff

At least ten (10) days before the auction date, all City officials will be provided with a listing of all items to be auctioned and details concerning the date, time, and place of the auction. Exhibit 2 of this procedure is a sample of the memorandum that will be distributed.

K. Mileage Statements

Odometer (mileage) Statement forms must be completed for each vehicle before the auction. The State of Florida Form 710.57 will be filled out by the Fleet Management Bureau for all City owned vehicles and signed by the Materials Management Supervisor. City owned vehicles acquired through abandonment or confiscation procedures or purchased used will be sold without certification that the mileage is correct. The Materials Management Supervisor will compile mileage statements for these vehicles; block 3 of the top portion of the form and block 1 of the bottom portion of the form will be checked (x). All advertisements and auctioneer announcements pertaining to vehicles that have uncertifiable mileage statements will refer to the mileage statement as being unknown.

L. Registration

The registration of all persons wishing to participate in the auction bidding process will commence at 7 a.m. on the day of the auction. Registration Clerks will ensure that the name, address, and driver's license number of each registrant are recorded on the Registration Form. Driver's licenses will be checked to verify addresses. Whenever a driver's license is not available, the registrants Social Security Number will be recorded. Registrants will be given a 3" x 5" card with their registration number noted thereon. Five hundred of these cards will be prepared in advance of the auction by the Property Control Supervisor. The registration desks will close at 10 a.m. on the day of the auction. All registration documents will be given to the Materials Management Supervisor for filing in the official auction file.

M. Transfer of Vehicles and Equipment

The Property Control Supervisor will ensure that all vehicles and equipment transferred from the Fleet/Facilities Management Bureau to the Auction Lot at 800 W. Gore Street are accompanied by the required paperwork and keys. To avoid any misunderstanding concerning property that has or has not been transferred, a property transfer receipt will be signed by the Property Control Supervisor to certify receipt of vehicles and equipment from the Fleet

Management Bureau. This procedure also applies to abandoned and confiscated vehicles transferred from the Orlando Police Department to Purchasing and Materials Management. All City license tags will be removed from all City owned vehicles and equipment.

N. Receipts

Five days before the day of the auction, the Materials Management Supervisor will ensure receipts are available for all items scheduled to be sold at the auction. All receipts will be assigned an item number that corresponds with the item numbers on the City of Orlando Auction Listing Form. Receipts will be arranged in item number sequence and given to the cashier on the day of the auction. Receipts are pre-numbered accountable documents and must be retained for a period of three years in the Materials Management Section files. Whenever an item is sold and the buyer pays for the item with cash or cashier's check, the original receipt copy will be stamped "Paid" and given to the buyer. The yellow copy will be retained for filing. Whenever an item is sold but the buyer only makes the required 10% down payment or pays for the item with a personal or company check, the yellow copy of the receipt will be given to the customer; and the original receipt copy will be retained by the cashier. After checks clear the banks or the remainder of the purchase price is paid, the buyer will be given the original copy of the receipt marked "paid" in exchange for the yellow copy; and property will be released by the Property Control Supervisor to the buyer.

O. Advertising

The Materials Management Supervisor will prepare a memorandum to the City Clerk requesting ads be placed in the Legal and Auction Sections of a local newspaper in the format presented in Exhibit 3 of this procedure. The request for advertising must be sent to City Clerk at least three (3) weeks before the auction date.

Exhibit 4 is a sample of a memorandum that will be sent to the Assistant to the Mayor requesting assistance in arranging publicity for the auction by local radio and television stations. This request must be sent three (3) weeks before the auction.

The auctioneer will also send contacts in the automotive and heavy equipment businesses a copy of the auction announcement. All persons on the office's Auction Mail List will be sent a copy of the auction announcement also.

P. Work Schedule

The Materials Management Supervisor will prepare a work schedule for approval by the Director of Purchasing and Materials Management at least two (2) weeks before the auction date. Personnel from all sections of the Purchasing Office will be selected to staff the auction. The following personnel will normally be required.

Registration Clerk	3
Key Controller	1
Cashier	1
Vehicle Preparation	2
Drivers	6
Runner	3

Receipts Processor 2

The Fleet Management Bureau will provide mechanics and the tools/equipment required to start all vehicles.

Q. CONCESSIONAIRE

A City of Orlando concessionaire will provide food and beverage services during the auction. Alcoholic beverages will not be sold. A percentage, as specified in the Concessionaire's Contract, of the sales will be given to the City of Orlando.

R. CASHIER

The cashier functions will consist of collecting money from successful bidders and giving receipts for all monies collected. Cashiers will also notarize titles. After the auctioneer closes the bidding on a particular item and the successful bidder is identified by his registration number, one of the runners will note the amount of the bid and the bidder's registration number in the "Sale Price" column of the City of Orlando Auction Listing. The runner will then pull the applicable receipt from the file and note the purchase price in the amount column of the receipt form. The bidder's registration number will also be noted on the receipt. The runner will then take the receipt to one of the cashiers for processing.

The person assigned to control removal of items from the secured area will ensure that vehicles and equipment are not released unless the buyer has an original receipt copy stamped "Paid" with the person or company name noted in the "Received from" portion of the receipt and a signature of one of the cashier's in the "By _____" portion of the receipt.

A properly executed receipt document must be presented to authorize release of an item from the auction compound.

Cashiers will release titles to vehicles when payment is made in full with cash or cashier's check. All other titles will be retained by the Materials Management Supervisor until the balance of the amount due is received or a check clears the bank. See Exhibit 6 for information on endorsement of titles.

S. Key Control

The Property Control Supervisor will establish a key control system to ensure vehicle keys are available for release to the successful bidders. A panel with item numbers and hooks will be used as a key control board. Keys will be assigned item numbers that correspond with the vehicle auction item numbers and these numbers will also be noted on the key control board. One of the runners will be given the responsibility for controlling the keys and will ensure that keys are only released to those buyers that have made payment in full with cash or cashier's check.

T. Bank Deposits/Collection Reports

All checks and monies collected on the day of the auction will be deposited in the City of Orlando designated bank immediately following the reconciliation of receipts by the cashiers. The Property Control Supervisor will be responsible for preparation of a deposit receipt and depositing the money in the bank. City of Orlando Collection Report will be prepared the next business day following the

auction to document the deposit and give credit to the proper program and account numbers. All proceeds from the sale of vehicles and equipment transferred from the Fleet/Facilities Management Bureau will be credited to Program #711 and Account #1699-200. All proceeds from sales of vehicles received from the Orlando Police Department will be credited to Program #970 and Account #1512200. All proceeds from the sale of confiscated and abandoned property, other than vehicles, will be credited to Program #99G and Account #1699-200. All checks and cash received on the days following the auction will be deposited and documented as noted above on a daily basis by the Materials Management Supervisor.

U. Auction Report

On the first business day following the auction, the Materials Management Supervisor will publish a report containing the auction highlights. Exhibit 5 is a sample of this report. Additionally, the Property Supervisor will publish a computer run of all vehicles sold to include bidder number and amount bid.

:5 FORMS:

As referenced herein.

:6 COMMITTEE RESPONSIBILITIES:

None.

:7 REFERENCE:

Policy and Procedures Manual, Section 191.1; City Code Chapter 7. Procedure adopted by City Council October 21, 1985, Item 16, A-11; amended September 12, 1988, Item 18, A-21; amended July 26, 1996; amended April 17, 2000, Item 3-D; policy section # changed from 191.10, April 2004.

:8 EFFECTIVE DATE:

This procedure effective September 15, 2003.

**EXHIBIT 1
AUCTION TERMS AND CONDITIONS**

CITY OF ORLANDO SALE

_____ Auction Date

_____ Sale No.

_____ Time

_____ Location

TERMS AND CONDITIONS

Bidder Information:

Vehicles listed may be seen at 800 West Gore Street, Thursday and Friday from 9:00 a.m. to 2:00 p.m., (Date) prior to sale date. The Public Auction will be held Saturday, (Date), beginning promptly at 9:00 a.m. For additional information and directions, please call the Property Control Office (407-246-2297) between the hours of 7:00 a.m. and 4:00 p.m., Monday through Friday.

Bid Terms and Conditions:

1. This sale will be conducted by public auction.
2. Sales will be made to the highest bidder.
3. All sales are final. NO RETURNS OR REFUNDS. **(If you do not want it, please do not bid on it.)**
4. All items are to be on an "As Is" and "Where Is" basis without warranties.
5. Gates will open at 7:00 a.m. for final viewing and registering. All participants are asked to please register early to avoid a long standing line. Auctioneer will begin promptly at 9:00 a.m.
6. Payment must be made with cash, certified check, company check or money order made payable to *CITY OF ORLANDO*. *NO PERSONAL CHECKS*.
7. Payment in full must be received by the City prior to removal of item(s). All company checks must be guaranteed of payment before removal of item(s).
NOTE: No titles will be released until payments, made by check, have been cleared by the bank.
8. A minimum non-returnable deposit of ten percent (10%) will be required to hold any item not paid for at time of sale. Deposits are to be made in cash.
9. The successful bidder must pay for and remove his item(s) by 4:00 p.m. the first Wednesday following the sale. *NO EXCEPTIONS!*
10. The right is reserved by the City of Orlando to reject any or all bids and/or withdraw items deemed in the best interest of the City.
11. The auctioneer will make the final decisions in case of any dispute between bidders.

EXHIBIT 2
VEHICLE AUCTION ANNOUNCEMENT

MEMORANDUM

DATE:

TO: All Department Directors, Office Heads and Bureau Chiefs

FROM:

SUBJECT: Vehicle Auction

The Office of Purchasing and Materials Management will be holding an auction for the sale of surplus vehicles and equipment on Saturday, _____(DATE)_____, beginning at 9:00 a.m. Location for the auction will be 800 West Gore Street. A list of vehicles and equipment to be sold at the auction is attached for your review and information.

EXHIBIT 3

AD PLACEMENT - LOCAL NEWSPAPER

MEMORANDUM

DATE:

TO: City Clerk

FROM: Director of Purchasing and Materials Management

SUBJECT: Ad Placement - Orlando Sentinel

Attached please find copies of advertisements to be placed in the local newspaper on the dates specified.

Thanking you in advance for your cooperation in this matter.

Attachment

EXHIBIT 3 - CONTINUED

DATES FOR PUBLICATION:

LEGAL SECTION OF:

PUBLIC AUCTION
VEHICLES
CITY OF ORLANDO

The City of Orlando is selling by auction to the highest bidder, various types, sizes, and quantities of sedans, trucks, bicycles, mowers, and other miscellaneous vehicles and items on an "AS IS" and "WHERE IS" basis without warranties.

The auction will take place on Saturday, _____, commencing at 9:00 a.m., at the Sale Site located at 800 West Gore Street, Orlando, Florida.

Property may be inspected at the above sale site between the hours of 9:00 a.m. and 2:00 p.m. *ONLY*, on Wednesday, Thursday, and Friday, _____.

Payment must be made by cash, certified check, company check, or money order. No personal checks will be accepted. A minimum non-refundable deposit of ten percent (10%) is required to hold any item not paid for at the sale. Final payment and removal of item(s) is required no later than _____.

The Director of Purchasing and Materials Management reserves the right to reject any and all bids or withdraw items from sale deemed to be in the best interest of the City.

Interested bidders may contact the Property Control Supervisor at (407)246-2297, Monday through Friday, 7:00 a.m. to 4:00 p.m.

Director of Purchasing and Materials Management

EXHIBIT 3 - CONTINUED

TO BE PLACED IN AUCTION SECTION

DATES TO APPEAR FOR PUBLICATION:

The City of Orlando is selling by auction to the highest bidder, various types, sizes, and quantities of sedans, trucks, bicycles, mowers, and other miscellaneous vehicles and items on an "as is" and "where is" basis without warranties.

The auction will take place on Saturday, _____, commencing at 9:00 a.m., at the Sale Site located at 800 West Gore Street, Orlando, Florida.

Items for sale are as follows:

Items are available for inspection at the above sale site between the hours of 9:00 a.m. and 2:00 p.m. *ONLY*, on Wednesday, Thursday, and Friday, _____. For further information, contact the Property Control Supervisor at (407) 246-2297, Monday through Friday, 7:00 a.m. to 4:00 p.m.

Director of Purchasing and Materials Management

EXHIBIT 4

MEMORANDUM

DATE:

TO: Assistant to the Mayor

FROM: Director of Purchasing and Materials Management

SUBJECT: Vehicle and Equipment Auction

The Office of Purchasing and Material Management will be holding an auction for the sale of surplus vehicles and equipment on Saturday, _____, beginning at 9:00 a.m. Location for the auction will be 800 West Gore Street. A listing of vehicles and equipment to be sold at the auction is attached for your review and information.

We would appreciate your assistance in notifying radio and television stations in the Orlando area regarding this auction. The Materials Management Supervisor is the point of contact for all news media with respect to appointments for site visitation or answering auction related questions,, and may be reached at _____.

Thank you for your assistance.

cc: Property Control Supervisor
Materials Management Supervisor

EXHIBIT 5

MEMORANDUM

DATE:

TO: Purchasing Agent

FROM: Materials Management Supervisor

SUBJECT: Vehicle and Equipment Auction

The auction held _____ was attended by over _____ people. Sales totaled \$ _____.
_____ were sold including vehicles, heavy equipment, bicycles, lawn mowers, and
wheel covers. The money received by program is noted below:

Confiscated Vehicles	\$
Motor Transport	\$
Property Control	\$
bicycles and wheel covers	

cc: Chief Administrative Officer
Property Control Supervisor

EXHIBIT 6

TO: ALL TAX COLLECTOR, TAG AGENTS, DMV SUPERVISORS AND DMV INSPECTORS

FROM: CHARLES J. BRANTLEY, DIRECTOR, DIVISION OF MOTOR VEHICLES

SUBJECT: GENERAL INFORMATION

PROPER ENDORSEMENT OF A FLORIDA TITLE CERTIFICATE

Section 319.22 (3) (4) (5), Florida Statutes, stipulates that in the case of a private or casual sale of a motor vehicle or mobile home the title certificate should be properly endorsed by the seller to the purchaser. *It further provides that no notary public shall notarize a title transfer and no title shall be accepted for transfer by the county tax collector or other agent of the state unless*

- (a) the *name of the purchaser* is entered in the designated place;
- (b) the *seller* properly indicates the *sales price* if a labeled place is provided on the certificate of title;
- (c) the *seller* properly indicates the *odometer reading*, if a labeled place is provided on the certificate of title; and
- (d) the name of the person who is selling the vehicle is shown as the owner on the face of the title.

Therefore, a title certificate submitted for transfer without the proper endorsement in "Form No. 1- Transfer of Title by Seller", should be rejected by the county tax collector and by any other agent of the state. However, the applicant for title transfer should be advised of the following information:

1. When a title certificate is submitted for transfer and the only information shown in "Form 1- Transfer of Title by Seller" is the signature of the seller that has been attested by a notary public, the applicant for title transfer should be advised to secure an affidavit or notarized bill of sale from the seller stating the name of the purchaser, the selling price, the odometer reading at the time of sale and the date read. The affidavit or notarized bill of sale shall be attached to the title certificate being submitted for transfer.
2. When a title certificate is submitted for transfer, and the name of the purchaser entered in "Form No. 1- Transfer of Title by Seller", has been lined through, altered, or is not the name of the person applying for the title transfer, the applicant should be advised that if they purchased the vehicle from the person whose name was lined through, that the individual must first apply for a title certificate in their name and pay all applicable fees. When a title certificate is issued in that individual's name, they will have the proper document to assign to their purchaser.

Note: A double transfer transaction may be acceptable in this case. The person whose name was lined through would need to comply "Form No. 2 - Application for Title by Purchaser", (reverse side of title) and on the left hand side of form HSMV 82055 as Purchaser A before a notary and pay all applicable fees. The Purchaser B would complete the right hand side of Form HSMV 82055 as applicant before a notary and pay

EXHIBIT 6 - CONTINUED

all applicable fees. The title would be attached to the back of the Form HSMV 82055 and the transaction would be sent to DMV on a Miscellaneous Report.

3. When a title certificate is submitted for transfer and the name of the purchaser enter in "Form No. 1 - Transfer of Title by Seller", has been lined through, altered, or is not the same person applying for the title transfer (the person whose name has been lined through or altered can not be located and the applicant is actually buying the vehicle from the owner shown on the face of the title), the applicant shall be advised to secure an affidavit signed by the *seller*, stating that the person whose name is lined through or altered did not take possession of the vehicle. Attach the affidavit to the title certificate being submitted for transfer.

If the seller, registered owner shown on face of title certificate, can not be located to sign the affidavit, the applicant should submit a returned unclaimed, undelivered, certified letter with the receipt card attached, which was mailed to the seller at the address shown on the face of the title certificate as evidence the seller can not be located. The applicant should also submit proof of purchase from the registered owner as shown on the face of the title, such as a notarized bill of sale, a cancelled check or signed receipts, along with an affidavit signed by the applicant stating the vehicle was purchased from the registered owner as shown on the face of the title certificate.