

LOMBARD POLICE DEPARTMENT



DATE: November 22, 2010

TO: David A. Hulseberg, AICP, ICMA-CM

FROM: Ray Byrne

Chief of Police

SUBJECT: Agreements with PropertyRoom.com

The police department has been exploring means by which our crowded property control areas can be relieved more efficiently of disposing of seized and recovered property. Currently, we continue to store all items of property for which we cannot locate a proper owner. Generally, on an annual basis, this begins to lead to very crowded property storage areas until we can conduct a live auction. Our ability to properly store physical items like property and evidence is constrained by existing space. We would like to more efficiently dispose of property through an online auction service.

I have attached a memorandum from Sgt. Jeff Jordan that outlines the benefits of engaging the services of PropertyRoom.com. PropertyRoom.com works similar to E-bay. There are two agreements. Both allow for the online sale of items the police department needs to dispose of. The first agreement is for smaller items that propertyRoom.com picks up and lists for auction on their website. The second agreement is for larger items that PropertyRoom.com would list for online auction, however the property remains at the police department until picked up by the new owner.

I believe that entering into these agreements will improve our efficiency. Without being redundant to the items highlighted by Sgt. Jordan, these agreements provide some distinct benefits over our current practices. These would include:

- The elimination of the need to conduct an annual auction. This is a labor intensive effort that requires several personnel and man hours to conduct.
- Utilizing an online auction service allows us to free up storage space in a quicker and more efficient manner. We do not have to store property for upwards of a year waiting to dispose of it.
- There is no cost to the Village. We receive a percentage of the sale proceeds based upon the respective agreements. The annual auction does not produce significant revenues. With the exposure of an online auction, it certainly increases the potential for persons to bid on the property. This might allow for a modest or slight increase in revenue proceeds, not to mention the elimination of any costs associated with conducting an annual auction.

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• The agreements can be terminated at any time without cause or notice.

The police department staff believes that this is an opportunity to improve our efficiencies. We would respectfully request that the two agreements be forwarded to the Village Board for consideration. If you should have any questions, or I can provide additional information, please do not hesitate to contact me.

U: PropertyRoomcom Correspondence