

**CITY OF QUINCY**  
**DISPOSAL OF**  
**SURPLUS CITY ASSETS POLICY**

**PURPOSE**

The City has the statutory authority to dispose of property under RCW 35.22.280 (3). This policy establishes procedures for disposition of property, other than real estate, which is surplus to the needs of the City. It is the intention of this Policy that the procedures set forth here are preferred over others; therefore, special procedures called for under other legislation are to be deemed exceptions to this chapter, and their use is to be limited accordingly.

**SCOPE**

All employees of the City of Quincy.

**DEFINITIONS**

*Surplus* - Surplus is defined as any tangible personal property owned by the City, which is not needed at present, or for the foreseeable future, or that is no longer of value or use to the City . Items included are those purchased, received as gifts, or found items.

*Determination of Value* - A department wishing to dispose of a single item of surplus property, or a group of items, shall make an estimate of the reasonable market value in "as is, where is" condition. This can be determined through an estimate, an official appraisal, an offer from another agency, Kelly blue book value or other sources available to the responsible department. If the department cannot make the estimate, the purchasing manager shall determine the reasonable market value.

*Eligible Purchaser* - Any public entity, non-profit organization, private organization or the general public is eligible to purchase surplus products unless otherwise noted in this policy.

*Procurement Department (Procurement)* – The Finance Department will be the City's Procurement Department and is responsible for tracking all surplus items within the City of Quincy.

**POLICY**

City employees shall not directly or indirectly use, take, or dispose of City property other than in their official duties. This includes, but is not limited to, articles of clothing, supplies, tools, and vehicles. Items (including clothing) owned by the City found to be unfit for further service on the job ***shall be turned in*** to a designated point within the department. As the numbers of items turned in justifies, they will be declared surplus and sold, if applicable, pursuant to the procedures contained herein. No City owned item shall be turned over to an individual (employee or other person) for his/her personal use other than items purchased by employee clothing allotments.

Employees or employee and retired employee associated organizations shall not request and will not receive any preferential treatment in the disposal or sale of City surplus material.

Certain City employees are excluded from purchasing City surplus items by Washington State law. These include those directly involved in declaring items surplus (i.e., elected officials, department heads, and those administering the sale), WAC 200-360-060.

Items found by City employees in the course of their duties and not falling into one of the following areas shall be turned in to the department head as a "lost and found" item and disposed of as surplus property. Items found and fitting into one of the following may be disposed of as is reasonable, under the circumstances:

- Perishable items;
- Items that would create a health, sanitary, or safety problem if stored;
- Items that would reasonably be considered garbage.

***RCW 63-21-070 specifically disallows employees from personally keeping any property found in the course of employment.***

#### STATUTORY EXCEPTIONS

Items found in the course of their official duties by the Police Department are to be disposed of in accordance with Washington State Law regarding found or abandoned items by Police Departments.

#### PROCEDURE

- A. **Surplus Item Identified:** The City department responsible for property it wishes to declare surplus shall provide the City Procurement Department with a detailed written description of the subject property, its location, condition, and estimated value.
- B. **Reassignment of Assets:** When a City department makes a determination that an asset is surplus to its needs, notification shall be made to the City Procurement Department. Prior to bringing the item to the City Council for a declaration of surplus, the first option will be reassign the asset within the City where it can be of use or value.
- C. **Minimum Requirements:** If it is not possible to be reassigned, the City Procurement Department shall prepare the asset for a determination by the City Council. Each asset requiring a declaration of surplus must have a value assigned and a recommended method of disposal.
- D. **Council Determines Surplus:** Assets of the City that are no longer useable, are no longer of value to the City, or are surplus to the City's needs may not be removed from City ownership, sold, or in any other way disposed without a declaration by the City Council. The City Procurement Department shall prepare a Resolution for Council approval identifying those City assets to be surplus.
- E. **Methods of Disposal:** Primary methods of disposal to the general public are recognized as sealed bid, trade in or auction. Other methods of disposal to the general public must be clearly detailed in writing and must have the consent of the City Council.

1. If the estimated value of the surplus property is \$1,000 or less, the City Administrator may dispose of the property in any manner deemed to be in the City's best interests without reporting the matter to City Council.
2. If the surplus property has an estimated value greater than \$1,000., the surplus property's disposition must be approved by City Council in a Surplus Resolution.
  - Public auction;
  - Solicitation of written bids;
  - Negotiated sale to one or more designated buyers;
  - Transfer to another agency of government at or below reasonable market value; or
  - Such other method as authorized by City Council.

All sales shall be public, except for scrap or sales to other government entities, which may be by private sale. Scrap may be sold by private sale at prices established by current market conditions. Scrap is any equipment or material that cannot serve its original purpose. Trade-ins of old equipment to upgrade equipment of the same or reasonably related kind are permitted when it is in the best interests of the City (per RCW 39.33.010).

The City Council may transfer a surplus asset to another public agency upon written request and a determination that it is in the public interest to do so. Such request shall specify the asset and the inability of the agency to otherwise afford to buy it. The City Council may elect to trade assets, authorize the Mayor to negotiate payment or transfer it without compensation.

#### *Public Notice*

- *Public Sale:* The notice of intent to sell surplus or scrap at a public sale shall be published once a week for two (2) consecutive weeks in the City official newspaper immediately prior to the sale. The notice shall state the time and place of the sale.
- *Sealed Bid:* The notice of intent to sell surplus or scrap by sealed bid shall be published once a week for two (2) consecutive weeks in the City official newspaper immediately prior to the sale. The notice shall state the items available, minimum bid (if any), specifics of required documents and bid closing date and time.

#### *Inventoried Items*

Any inventoried item that is going to be scrapped, surplus, or traded in will be signed off by the employee responsible and approved by his/her supervisor.

Once an item has been declared surplus and the means by which it will be disposed of have been determined, the Department and/or Procurement must complete a *Notice of Receipt or Transfer of Non Expendable Property* Form. The individual responsible for discarding, scrapping or transferring the item shall sign and attest under penalty of perjury to the manner of disposition and forward the form to the Procurement Department for City Administrator's signature.

If the item is sold or transferred, the receiving individual or party must sign an "As-Is/Where-Is" Statement and/or Liability Waiver. If the Department is responsible for the pick up or transfer of the item, it must obtain the signature of the individual or party receiving the item on the form and forward the form to Procurement for its files.

If the item is sold, the proceeds will be deposited into the fund that accounts for the asset within 24 hours of the transaction. Checks for surplus items are to be made payable to the City of Quincy.

#### Vehicles

For vehicles being surplus, the requesting department shall attach to the surplus request form a printout from Kelly Blue Book with the estimated value of the vehicle. If the item is being surplus on eBay, state surplus, publicsurplus.com or propertyroom.com, Procurement services will set the starting bid price at half of Kelly Blue Book value unless the department indicates otherwise. City logos and other markings identifying vehicles as city property shall be removed prior to sale.

#### Scrap Metal

The weight of the scrap metal worksheet shall be submitted to Procurement when the scrap load is picked up by the recycling company. Procurement will match the worksheet to the weight slips provided by the recycling company after pick up.

#### Seizure Items (RCW 69.50.505)

The Police department will manage and maintain a list of seizure items sent to be surplus via propertyroom.com. The list shall be submitted to Procurement quarterly. Before sending the form to Procurement, the Police Chief (or designee) shall sign the form. For seized vehicles, the Police Department shall submit a surplus request form with a complete description of the vehicle. Procurement will maintain the form and provide the police department with the signed title to be sent to propertyroom.com.

- F. **Additional Requirements: Assets Over \$50,000; Utility Assets** - If the asset proposed as surplus is evidence released by the Court, seized assets or unclaimed property, the City Administrator shall review the appropriate statutes prior to asking the City Council to declare it surplus. If the value of the asset is estimated to be more than \$50,000, and if the sale or conveyance is to another governmental entity, the provisions of RCW 39.33.020 shall apply. This includes several requirements, including a public hearing and certain notice provisions. If the asset was originally purchased for utility purposes, the provisions of RCW 35.94.040 shall apply. This includes several requirements, including a resolution and public hearing.
- G. **Final Determination of Value:** When disposal is made to the general public through sealed bid or auction, final determination of value shall be the highest responsible bid or offer.
- H. **Prohibited Benefit: Delegation of Authority:** It is recognized that Quincy City Councilmembers are prohibited by state law from benefitting from the disposal of public

assets of the City of Quincy. The City Council may elect to delegate the task of declaring items surplus to the Mayor or City Administrator by amending or adding to this policy and identifying the conditions thereof within this policy. If such a delegation is made, the prohibition of benefitting from the disposal of public assets is extended to the Mayor, if the Mayor is delegated, or the Mayor and City Administrator if the City Administrator is delegated.