

## City of Vancouver

**Department: Purchasing**

**Authorized by: Lloyd Tyler, CFO**

**Effective date: April 6, 2009**

**Supersedes: Surplus Policy dated  
August 11, 2004**

### **Policy: Surplus Personal Property Disposal - Policy and Procedures**

#### **Purpose**

The purpose of this policy is to establish an efficient and effective method for disposal of its surplus personal property. The City has statutory authority to dispose of property under RCW 35.22.280(3) and VMC 2.10.040. This policy directs the timely, efficient, cost-effective and safe disposition of surplus personal property in a manner consistent with the best interest of the City.

#### **References**

Article VIII, Section 7 of the Washington State Constitution – prohibiting gifts of public property.

RCW 35.22.280(3) – powers of first class cities

RCW 39.33.010 – Intergovernmental property transfers

RCW 39.33-020 – Disposal of Surplus Property – Hearing Notice

RCW 43.09.210 – Local government accounting – Separate accounts for each fund or activity – Exemption for agency surplus property.

AGO 1997, No. 5 – receiving full value for surplus property

RCW 43.23.020 – restricts Mayor, Councilmembers and city staff who oversee surplus of property from purchasing surplus property.

City Charter Section 11.07 – Personal interest.

VMC 2.10.040(4) Transfer of surplus, obsolete or unused supplies, material or equipment

#### **Policy**

Surplus personal property with commercial value will be disposed of in a cost effective and efficient manner that achieves the highest net resale proceeds for the City of Vancouver. This policy does not address the surplus of real property.

Surplus property with little or no commercial value or for the disposal and sales efforts are judged more costly than estimated net proceeds, may be transferred, donated, or eventually

disposed of through salvage contracts or other cost effective and efficient means. Items that are broken, unusable or have no commercial, salvage or donation value may be declared as “trash” and efficiently and safely disposed of as such.

City officials (per RCW 42.23.020), the Procurement Services Manager, the requesting employee in the department, the Requesting departments manager and/or supervisor signing the request form and the Procurement Specialist processing the request and their immediate family are restricted from purchasing the surplus items due to conflict of interest concerns. (See: City Charter Section 11.07). Generally, city employees may bid on and/or purchase surplus City property under the same rules as the general public, unless they are a party listed above. Violations by parties listed above that are restricted from purchasing surplus City property can result in disciplinary action up to and including termination.

### **Definitions**

Surplus – Any City personal property and/or asset that is no longer needed now or in the foreseeable future or that is no longer of value or use to the City. This includes items purchased by the City and found items.

Estimated Surplus Value – The estimated amount of money an interested party will be willing to pay the City for the property. 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.

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.

### **Procedure**

The City department responsible for property it wishes to have declared surplus shall complete the surplus request form including a complete description of the item, location, condition and estimated fair market value. The employee requesting that the item be declared surplus and his/her supervisor/manger must sign the completed form before sending it to the Procurement Department.

Once the form is submitted to Procurement, the requesting department will coordinate the notification to other City departments via *The Vine* and/or the Administrative Communications Team (ACT) email distribution list. Internal City departments will be given the first priority in using the surplus items. If the item is no longer of value to the City the item may be disposed of in the following methods:

- Sell or transfer to another governmental agency, subject to the public notice and hearing requirements of RCW 39.33.020 for items with a value in excess of \$50,000
- Auction items on the City’s Surplus Auction web page (item valued under \$100, under \$250 for a group of like items).
- Auction the item on eBay, live auction or publics surplus.com. The originating department will be responsible for all costs associated with this option, and must provide budget

numbers for this purpose. Procurement Services will coordinate the auction if eBay or publicsurplus.com is used.

- Sell the item through a sealed-bid process.
- Trade the item in for new replacement equipment.
- Send the item to the State surplus program.
- Dispose as scrap metal - – see below.
- Donate the item to a non-profit that serves or benefits the low income persons or persons with disabilities. The organization must complete a donation form and must provide their mission statement, and proof of their non-profit status and confirmation that they do not discriminate in provision of services on the basis of any basis prohibited by Chapter 49.60 RCW, prior to receiving the donated items.
- Properly discard the item if the item is broken, unusable, and/or hazardous. Documentation and pictures must be provided for an item to be disposed of.

Discarding the item(s) being surplus is the last option to be used unless the item is broken, unusable or has no commercial, salvage or donation value and/or the department and Procurement have exhausted all other options for disposal.

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 Surplus Confirmation 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 Services Manager for 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 Vancouver.

### 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 or publicsurplus.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

Surplus metal items must be itemized on the scrap metal worksheet. The information provided shall include the weight of the items. The scrap metal worksheet shall be submitted to Procurement when the scrap load is picked up from the recycling company. Procurement will match the worksheet to the weight slips provided by the recycling company after pick up.

If a scale is not available for weighing scrap metal, a complete description of the items shall be written on the form and two employees are required to sign the form to verify disposal into the scrap metal bin.

## 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 seizure 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.