

SURPLUS SUPPLIES AND EQUIPMENT

A. Surplus property is used to generically describe any City property that is no longer needed or useable by the holding department. The Purchasing Agent or designee has the authority to declare item(s) with a market value of less than \$10,000 surplus. Items with a market value greater than \$10,000 will be formally declared surplus by the Council. Each department shall periodically review its equipment, material, and inventory, and shall promptly notify the Finance Department of any surplus property.

B. The Purchasing Agent or designee shall determine or approve one of the following methods of disposition that is most appropriate and in the best interest of the City:

1. Transfer to Another Department: Surplus property may be transferred between City departments.
2. Trade-In: Property declared as surplus may be offered as a trade-in credit toward the acquisition of new property. All trade-in offers will be submitted to the Purchasing Agent for review and approval.
3. Disposal: The Purchasing Agent may offer surplus property for sale. All surplus property is for sale “as is”, with no warranty, guarantee, or representation of any kind, expressed or implied, as to the condition, utility or usability of the property offered for sale. Appropriate methods of disposal are as follows:
 - (a) Public Auction: Surplus property may be sold at public auction. City staff may conduct Public Auctions, use internet auction sites, or the City may contract with a professional auctioneer.
 - (b) Sealed Bids: Sealed bids may be solicited for the sale of surplus property. Surplus property disposed of in this manner shall be sold to the highest responsible bidder.
 - (c) Selling for Scrap: Surplus property may be sold as scrap if the Purchasing Agent deems that the value of the raw material exceeds the value of the property as a whole.
 - (d) Negotiated Sale: Surplus property may be sold outright if the Purchasing Agent determines that only one known buyer is available or interested in acquiring the property.
 - (e) No Value Item: Where the Purchasing Agent determines that specific supplies or equipment are surplus and of minimal value to the City due to spoilage, obsolescence of other cause or where the Purchasing Agent determines that cost of disposal of such supplies or equipment would exceed the recovery value, the Purchasing Agent shall dispose of the same in such manner as he or she deems appropriate and in the best interest of the City.

4. Proceeds from the sale or trade-in of surplus property shall be returned to the appropriate fund.