




SUBJECT	SURPLUS PROPERTY POLICY
POLICY #	08-005
Issued Date	September 2, 2020
City Manager Approval	

PURPOSE: To establish procedures for property disposing of surplus property.

POLICY & PROCEDURE: Personal property is a property that is movable and is not affixed to or associated with the land and includes equipment, materials, supplies, furniture, cars/struck, and other vehicles owned by the City.

Surplus Personal Property: Surplus personal property is a property that is owned by the City which has become obsolete, which has outlived its usefulness, or which has become inadequate for the public purposes for which it was intended, or which is no longer needed for public purposes, may be disposed of in accordance with procedures established by the City Manager (including through a public auction by internet or other means, sale, trade-in, transfer to other governmental agency or to a charitable organization, or if no value, discarded), so long as the personal property has been declared surplus by a resolution of the City Commission. Personal property acquired by the City pursuant to government grant programs shall only be disposed of in accordance with procedures and criteria which are in conformity with any applicable grant restrictions.

Real Property: Real Property means lands and buildings or structures affixed to lands, owned by the City.

Surplus Real Property: Any surplus real property owned by the City that is no longer needed for City purposes may be disposed of in accordance with property disposal criteria (which shall include solicitation of sealed bids, and/or a request for proposals and/or other competitive or negotiated disposition processes) which is established by resolution of the City Commission, once such real property is declared to be surplus property by resolution of the City Commission. Real property acquired by the City pursuant to government grant programs shall only be disposed of in accordance with procedures and criteria which are in conformity with any applicable grant restrictions.

Policy: Cooper City Code of Ordinances Section 2.02, Sale of Property in City's Possession Generally, requires that the City dispose of its surplus personal property in accordance with procedures established by the City Manager (including through a public auction by internet or other means, trade-in, transfer to other governmental agency or to a charitable organization, or if no value, discarded), so long as the personal property has been declared surplus by a resolution of the City Commission.

METHODS OF DISPOSAL AND PROCEDURES:

1. Public Auction

When items are determined to no longer be useful to the City, and are declared surplus by resolution of the City Commission, but may still be of value to others, disposition by way of a public auction is the preferred method of disposal. Procedures for disposing of items by public auction are:

- a. The Purchasing Division distributes a request to each department for a detailed list of surplus items that include quantity, description, asset tag number, serial number, VIN, condition, etc. of all items it wishes to dispose of by means of a public auction.
- b. The Purchasing Division add all items to a Master Surplus Auction List and verifies they are present and accounted for.
- c. The Purchasing Division reviews each list submitted to determine if enough surplus items exist to warrant conducting an auction.
- d. If an auction will be conducted, the Purchasing Division solicits proposals from qualified auctioneers, unless a multiyear contract for auction services is in place.
- e. After receipt of proposals from qualified auctioneers, a selection committee evaluates and ranks the proposals at a publicly noticed meeting and selects an auction firm.
- f. The Purchasing Division, with the approval of the City Manager, submits the Master Surplus Auction List to the City Commission to formally declare the items surplus by resolution.
- g. The using department maintains the items in a secure storage area designated only for surplus items.
- h. The Purchasing Division organizes a schedule and informs the departments when the designated auctioneer will visit to tag the items for sale and subsequently transfer the items to the auction location, if not handled on-site by the auctioneer.
- i. The Purchasing Division ensures proper advertisement and notice of the surplus auction.
- j. When a live auction is held, a representative of the Purchasing Division will be present. Online auctions will be monitored by the Purchasing Division remotely.
- k. The auctioneer submits copies of the sales receipts to the Purchasing Division at the conclusion of the auction.
- l. The auctioneer issues payment to the City within fifteen (15) working days from the date the auction is held and provides the City with a composite list that includes the inventory item, tag number, sales price, and winning bidder.

2. Open Competitive Bidding

Open competitive bidding may be used when the City Manager determines it is not in the best interest of the City to dispose of an item by public auction. To dispose of some or all of its surplus/obsolete goods by open competitive bidding, the department must submit a complete description of the item(s) for sale and a statement of the condition of the goods (i.e., excellent, good, fair, poor) to the Purchasing Division. A memo requesting the Purchasing Division to proceed with the advertising and subsequent sale of surplus/obsolete goods must accompany the list. If open competitive bidding is approved by the City Manager, the Purchasing Division will solicit

sealed bids for the sale of these items. A bid opening report will be prepared by the Purchasing Division and presented to the appropriate department for disposition to the awarded bidder.

3. Direct Sale

Disposal by direct sale may be used for specialized pieces of equipment and must be recommended to the City Manager by the using department. The department must provide a detailed explanation that includes reasons for why the direct sale method is a better financial option for the City than sale at public auction or by open competitive bidding.

If a direct sale is approved by the City Manager, the department will contact the Purchasing Division to facilitate the sale of the asset. The Finance Department will create an invoice for the sale, and a copy of the paid receipt will be sent to the Purchasing Division and department for retention purposes.

4. Trade

The trade method of disposal may be used when an existing item will be directly replaced by a like item. Trade shall be used when sale by public auction or competitive bidding is not determined to be in the best financial interest of the City.

5. Gift

The City may gift or donate items (typically to another governmental entity or not-for-profit agency). If this method is used, the department shall provide a written justification for the donation to the City Manager that includes a full description of the item, its current value, and the agency to be donated to.

If approved by the City Manager, the department shall write a donation letter to the benefice for record retention purposes. A copy of the donation letter shall be sent to the Finance Director and Purchasing Division.

6. Scrap/Direct Disposal or Damaged/Obsolete Items

Items may be scrapped or directly disposed of when they are damaged, no longer usable (obsolete), and no longer have resale potential. These items often include broken furniture, office equipment, technology, etc.

If approved by the City Manager, and the

- a. Depreciated value of the item is \$1,000 or less, disposal is authorized by the department director unless the item is technical in nature. All technology items shall include a memo pre-authorizing disposal of the items by the IT Manager and the item MUST have already been declared surplus by resolution of the City Commission, or;
- b. Depreciated value of the item is \$1,000 or more, the department director must send a written request to the City Manager requesting authorization to dispose of the item in this manner. The item MUST have already been declared surplus by resolution of the City Commission.