

City of Iowa Colony Policy for Sale and Disposal of Surplus Personal Property

Purpose: To establish a consistent and transparent process for the sale or disposal of surplus personal property owned by the City of Iowa Colony, Texas (“City”) in compliance with applicable laws and regulations.

Scope: This policy applies to all surplus personal property owned by the City that is no longer needed for municipal purposes.

Definitions:

1. **Surplus Personal Property:** Any tangible item owned by the City that is obsolete, no longer functional, or no longer required for city operations.
2. **Fair Market Value (FMV):** The estimated value of an item based on current market conditions.
3. **Obsolete:** Goods, materials, or equipment that are out of date and no longer useful.
4. **Damaged:** Goods, materials, or equipment that have sustained physical damage to the extent they are no longer functional.
5. **Deteriorated:** Goods, materials, or equipment that are worn out from use, weather exposure, or age.
6. **Scrap:** Material or parts that have no value except for their basic material content.

Policy:

1. **Declaration of Surplus Property:**
 - Department heads shall identify items no longer needed and submit a request to the City Manager or designee by email to declare the property as surplus, damaged, or obsolete property by email.
 - The City Manager or designee shall review the request and, if appropriate, declare the property as surplus.
 - Once property is declared as surplus, the department head shall maintain a current listing of all property designated as surplus. This listing shall be made available to all departments to ensure that City departments have first choice of surplus property and equipment prior to sale or disposal.
2. **Methods of Sale or Disposal:** Surplus personal property may be sold or disposed of using one or more of the following methods:
 - a. **Public Auction:**
 - Items may be sold through a public auction, either in-person or online, to ensure transparency and fairness.

b. Direct Sale:

- The City may sell items directly to an individual, organization, or business if it is determined to be in the best interest of the City.

c. Fair Market Value Assessment:

- For vehicles or items that are \$5,000.00 and above, the City may use services such as CarMax, Carvana, or similar platforms to obtain a cash offer as a guideline for FMV.
- Alternatively, the City may seek appraisals or use online marketplaces to determine FMV.

d. City Website:

- Surplus property may be listed for sale on the City's official website to provide an additional option for disposal.

e. Donation:

- If the property has minimal or no resale value, it may be donated to a nonprofit organization or another governmental entity. City Council approval is required for donations of property valued over \$50,000.

f. Recycling or Disposal:

- Items deemed unsellable or without value may be recycled or disposed of in an environmentally responsible manner.

3. Approval and Documentation:

- Sales or disposals of surplus property with an estimated value of \$50,000 must be approved by the City Council.
- All transactions must be documented, including the method of sale or disposal, the amount received, and the recipient.

4. Proceeds:

- Proceeds from the sale of surplus property shall be deposited into the City's general fund or other appropriate funds as determined.

5. Unsold Items:

- Items that fail to sell after two attempts from Section 2. **Methods of Sale**, may be scheduled for disposal at a landfill or scrap yard with prior approval from the City Manager.
- City employees and officials may purchase unsold surplus property through Section 2. **Methods of Sale**, outlined in this policy before disposal.

Implementation: The City Manager or designee is responsible for implementing this policy and ensuring compliance with all applicable laws and regulations.

Effective Date: This policy is effective as of [Date].