



# *City of Victor, Colorado*

## **Sale of Surplus Property Policy & Procedures**

**Adopted: October 6, 2016**

**Revised:**

**Objective:**

To provide policies and procedures for the transfer, sale, and other methods of disposal for City surplus property in a fair and equitable manner.

**Policy:** Surplus property means any property such as moveable equipment or supplies (opposed to real property such as land or buildings) the City determines to be obsolete, or unusable or property for which future needs do not justify the cost of maintenance and/or storage. The department head is responsible for the preparation of surplus property nomination forms for submittal to the City Administrator. No city property shall be declared surplus except by resolution of the City Council.

**Responsibilities of the Department**

1. When feasible, a department should attempt to determine if their surplus property can be used by another City department. If financial consideration is involved, the two departments shall determine the amount and transfer the funds through a transfer voucher.
2. If the property can be traded-in to reduce the cost of replacement equipment, that option should be used.
3. If the property can't be transferred to another City department or traded-in, the department may request its sale as surplus property and follow the policies and procedures for the disposal of the property. Departments are not authorized to dispose of, sell, or permanently transfer surplus property to any individual or external organization (even if it is another governmental agency or non-profit).
4. The City Clerk is responsible for retaining a copy of all surplus property documents, including signed forms transferring the surplus property from their possession. The City Clerk is also responsible for verifying that the surplus property has been removed from the inventory records and insurance coverage. This should be done annually.
5. Each department is responsible for using City forms for declaring property as surplus. The information must be provided to the City Administrator and at a minimum contain the following:
  - a. Name and location of the department declaring the property as surplus.
  - b. Location of the subject property (i.e. specific building, lot or room).
  - c. Departmental contact information including e-mail and telephone.
  - d. Itemized description of each piece of equipment. Some items do not have to be itemized, if impractical (i.e., 100 classroom chairs).
  - e. The form must require the signature of the department head that is declaring the property surplus. Electronic or digital signatures are acceptable.
  - f. The forms must require the identification of all computers or other devices that may potentially store confidential information.
  - g. The form must require the identification of any chemicals or equipment that may be considered radioactive, hazardous, toxic, or require special handling to comply with applicable environmental regulations.
  - h. The form must allow for routing to the City Clerk's Office for removal or transfer of surplus property.
6. The departments are responsible for developing procedures to ensure that all computers, hard drives or other equipment that may store City data have been sanitized and the data is unreadable before the equipment is disposed of or sold.
7. The departments are responsible for contacting their safety officer(s) or other appropriate personnel whenever property is being declared surplus from a lab or whenever any equipment may contain hazardous material that

may pose a safety concern. Departments are responsible for developing procedures with their safety officer(s) to ensure that all potentially hazardous chemicals and equipment are disposed of in a manner that complies with applicable federal, state and City regulations. It is the city's policy to avoid the sale of dangerous or hazardous surplus property.

8. Departments are responsible for ensuring that an adequate audit and inventory trail exists for all items of surplus property. This would include from the time that property is transferred to their possession until the sale or disposal of the item.
9. The City Administrator is responsible for determining, which of the following disposal methods is the most advantageous. One of these methods must be used:
  - a. Transfer to another City department.
  - b. Publically advertised auction (preferred).
  - c. Publically advertised sale under sealed bids.
  - d. Internet auction.
  - e. Transfer to other governmental entities.
  - f. Sale to other governmental entities.
  - g. Transfer to non-profit entities approved by City Council.
  - h. The property may be destroyed by an appropriate method, if it is determined that it has no salvage or economic value.
  - i. Surplus property may be disposed of by a method other than those listed in this policy upon approval of City Council.
10. When conducting a sale, it must be publicly advertised and publicly held. A notice must describe the property, date, time, place, manner, and conditions of the sale must be posted in at least 3 public places in the City. The sale must not be held sooner than 20 days after the day of the public notice.
11. Sales of surplus property shall be awarded to the highest bidder.
12. Employees and elected officials of the City are prohibited from bidding on items unless a public auction is held. *Regardless of the City's effort to assure a fair and legal bidding process, the public may view surplus property sales using sealed bids to city officers and employees as suspicious.*
13. Any employee of the City of Victor found to have sold, or offered for sale, any city-owned property in violation of this policy shall be subject to disciplinary action up to and including termination and, if applicable, criminal prosecution.
14. Prior to the sale, all city logos or other symbols are to be removed or destroyed from the items to be sold.

**SURPLUS PROPERTY NOMINATION FORM**

DEPARTMENT: \_\_\_\_\_

SURPLUS PROPERTY PERSONNEL: \_\_\_\_\_ PHONE: \_\_\_\_\_

EMAIL: \_\_\_\_\_

The following items are hereby nominated for designation as surplus city property pursuant to City Policy.

ITEM/LOCATION	DESCRIPTION (AGE, MILEAGE, SIZE, ETC)	ESTIMATED VALUE/ MINIMUM BID AMT	SERIAL NUMBER/VIN	REASON FOR DISPOSAL

\_\_\_\_\_  
Department Head

\_\_\_\_\_  
City Administrator

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

\*\*\*Submit this form to the City Clerk.