




POLICY AND PROCEDURE

SUBJECT: Surplus and Disposal of City Assets	GROUP: Finance	NUMBER: 300-20
EFFECTIVE DATE:	SUPERCEDES: 300-20	
PREPARED BY: Aaron BeMiller	APPROVED BY: 	

1.0 PURPOSE:

The objective of this policy is to establish the guidelines, requirements, and procedures regarding the declaration and sale of City surplus property.

2.0 DEPARTMENTS AFFECTED:

All

3.0 REFERENCES:

This policy is supplemental to the state audit requirements as outlined by the following, as amended:

RCW 35.94 – Sale or lease of municipal utilities

RCW 39.33 – Intergovernmental disposition of property

RCW 42.30 – Open public meetings act

RCW 42.56 – Public records act

RCW 63.32 – Unclaimed property in hands of the City police

RCW 69.50 – Uniform controlled substance act

AGO 1997 No. 5 – Relationship of intergovernmental disposition of property act to RCW 49.09.210

4.0 POLICY:

Assets of the City that are no longer usable and/or are no longer of value to the City and are surplus to the City's needs may only be removed from City ownership through the City's surplus procedure. When a department makes a determination that an asset is surplus to its needs notification must be sent to the City Manager. The City Manager will make a determination as to whether the asset could be of use or value to another department or activity of the City and be reassigned or if the asset should be made

ready for surplus. All assets being declared surplus must include a value of the asset at the time of disposal. Prior to a declaration of surplus, the City's finance department shall be informed of the intent to surplus an asset. The finance department will update, as appropriate, City inventory and provide any necessary documents at the time of disposal.

- The City Manager has the authority to declare an asset surplus if the value of the asset at disposal is determined to be less than \$10,000.
- Assets with a value at disposal of \$10,000 or more require a Resolution of the City Council declaring the asset(s) as surplus.
- Real estate, assets over \$50,000, and utility assets shall be processed per requirements in RCW 39.33.020 and/or RCW 35.94 and approved by the City Council.

Unless expressly stated in the surplus Resolution or Ordinance, the City will utilize Washington State's Department of Enterprise Service for sale of the surplus asset(s). If the asset is to be disposed using a different process, the Resolution or Ordinance must include a recommended method of disposal and statement of reason for the recommended method. Other methods of disposal may include: sealed bid, trade-in, or auction.

The Mayor, City Councilmembers, City Manager, and department directors are prohibited from acquiring or purchasing assets of the City declared surplus and disposed of pursuant to this policy. City employees may purchase assets the City has declared surplus but only through the public process which is available to everyone except those excluded by this policy.