

2520.2 SUBJECT: DISPOSAL OF SURPLUS PROPERTY

:1 OBJECTIVE:

To detail the process for disposing of City property, other than real estate, considered to be no longer useful for City purposes.

:2 AUTHORITY:

This procedure amended by City Council, November 1, 2010, Item A-2.

:3 DIRECTION:

The Chief Financial Officer, as an appointed official, serves at the pleasure of and receives direction from the Mayor.

:4 FUNCTIONS:

A. Introduction

City government, as an institution, has multiple partners including citizens, taxpayers, businesses, visitors, employees, and other governments. As a major institutional, economic, and service force in the region, it is important that the City strengthen relationships with its partners by adopting a clear and comprehensive set of policies and procedures.

Furthermore the integrity of the City of Orlando is of utmost importance, and adopting a set of policies is a key element to maintain this integrity. The purpose of this policy is to establish the process by which the City will dispose of property that is obsolete, has reached its useful life, and/or is no longer needed.

B. Definitions

1. Chief Procurement Officer – The “Chief Procurement Officer” shall mean the Director of Purchasing and Materials Management (“Purchasing Director”), also referred to in City Code and Policy & Procedures as the Purchasing and Materials Management Division Manager.
2. Property Disposal Agent – For operation of this policy the term “Property Disposal Agent” shall mean the Chief Procurement Officer, or any other City employee designated by the Chief Procurement Officer who shall have authority to dispose of Surplus Property.
2. Surplus Property – For the purpose of this procedure and as stated in Chapter 7 of the City Code, “Surplus Property” shall mean any supply, vehicle, equipment, or other personal property no longer having any use to the City. This shall include but is not limited to obsolete supplies, scrap metals, and non-expendable supplies that have met their useful life. “Surplus Property” does not include real estate.

C. Acceptance of Surplus City Property

The Chief Procurement Officer, or Property Disposal Agent, will designate the location where Surplus Property will be accepted for disposition.

D. Notification of Surplus Property

The department having accountability for item(s) which has been determined to be Surplus Property will advise the Chief Procurement Officer of the property's availability for disposal a minimum of ten days before delivery. That department will prepare a list of such property and furnish documents prescribed by the Policy and Procedures Manual, Section 1000.4.

E. Disposal Procedure

The Property Disposal Agent shall dispose of Surplus City Property in accordance with provisions of City Code, Chapter 7.

1. In disposing of an item having an estimated value of \$5,000 or more, the Property Disposal Agent will take the following actions:

- a. Prepare public notices offering surplus property for public sale either by sealed bid or by public auction at a scheduled time and place. If necessary, obtain appraisal from qualified appraiser(s).
- b. If no acceptable bid is received in public sale, the Property Disposal Agent will take action to dispose of the item in accordance with the provisions of City Code, Chapter 7.

2. Items having a value of less than \$5,000 shall be disposed of in accordance with the provisions of City Code Chapter 7.

F. Removal Assistance

Fleet Management, Facilities Management, and Solid Waste Management Divisions shall provide assistance for the removal of Surplus Property when requested by the Property Disposal Agent if a department does not have the capability for such removal.

G. Trade-ins

The trade-in of an asset, its component equipment and accessories for replacement, is not limited by this procedure.

H. Notification of City Users

Prior to a public sale, the Property Disposal Agent shall list and forward to all operating units a detailed listing of all Surplus Property to be sold, excluding motorized and accessory equipment carried on Fleet Management's inventory. City departments shall have first preference on all usable material. This property

will be transferred without charge to an operating department through notification to the Property Disposal Agent by the department requesting such Surplus Property. Should two or more departments desire the same item, the Chief Procurement Officer shall determine the priority based on relative need.

I. Decommissioning of City Buildings; Disposal of Major Assets

Notwithstanding any provision of this policy to the contrary, in the event the City decommissions a building or facility, or otherwise requires the disposal of unique or major City asset(s), the Chief Procurement Officer may provide for the disposal of such Surplus Property in the manner set forth in subsections E and H of this policy or, with the approval of the Chief Financial Officer and Chief Administrative Officer, in any manner permissible under Florida law which is determined to be in the best interest of the City considering the size, scope, number, and/or type of asset(s) to be disposed of by the City.

Disposal methods may include, but are not limited to,:

1. Sealed bids;
2. Auctions (under the terms of Policy and Procedure 1000.10 or other such terms as determined to be appropriate by the Chief Procurement Officer);
3. The use of third party contractors to dispose of assets;
4. Trade-in;
5. Transfer to another governmental agency;
6. The use of brokers or agents to effectuate sales;
7. The direct resale of equipment to a supplier or manufacturer; and/or
8. The destruction of Surplus Property to sell as scrap.

J. Bills of Sale and other documents transferring title to Surplus Property may be executed by the CPO or such other person or entity as designated by the CPO.

:5 FORMS:

None.

:6 COMMITTEE RESPONSIBILITIES:

None.

:7 REFERENCE:

Code of the City of Orlando, Chapter 7. Procedure amended by City Council October 21, 1985, Item 16, A-11; amended September 12, 1988, Item 18, A-21; amended July 26,

1993; amended March 22, 1999, Item 7-AA; amended April 17, 2000, Item 3-D; amended September 15, 2003; amended December 8, 2003, Item A20; policy section # changed from 191.2, April 2004; amended November 1, 2010, Item A-2.

:8 EFFECTIVE DATE:

This procedure effective November 1, 2010.