

RESOLUTION NO. 2022-03-02

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SALTON COMMUNITY SERVICES DISTRICT REGARDING AUTHORITY TO DISPOSE OF SURPLUS PROPERTY

1. PURPOSE

The purpose of this policy is to establish an effective District surplus property disposal program. This program is established in the interest of efficiency, to assure the best possible sales price and to assure members of the public that where appropriate members of the public have notice and an opportunity to bid on surplus property.

2. AUTHORITY

The General Manager, or designee, is authorized to dispose of surplus property when the estimated value is less than \$500.00 and lacks minimal public interest.

Disposal of surplus property with an estimated value of \$500 or greater, requires the General Manager's approval and must comply with the other requirements of this policy.

3. DEFINITION OF SURPLUS PROPERTY

- A. Personal property not needed for District service or not fit for its intended purpose.
- B. Usable material, equipment, vehicles, or parts, including capitalized equipment, that exceed the normal maintenance, repair, and operating requirements of the District.
- C. Obsolete material and equipment that cannot be used in the service for which it was purchased and cannot be utilized safely or economically for any other purpose.
- D. Scrap metal and waste material such as metal, paper, rags, rubber, and wood.

Surplus property may only be disposed in the following manner:

A. Trade-in.

Surplus, property may be exchanged as trade-in value on the acquisition of new property upon approval of the Board of Directors.

B. Return to the Manufacturer.

Surplus items may be returned to the manufacturer for buy-back or credit upon approval of the Board of Directors.

C. Auctions.

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District surplus property may be sold at auction approved in advance by action of the Board of Directors. Prior to any auction a notice announcing the auction and the items to be auctioned including serial numbers condition and miles or hours of service shall be posted at three places within the District at least thirty (30) days prior to the date of the auction. The notice shall specify the time, place, manner and other requirements of bidding and that bidders must present cash or cashier's checks in sufficient amounts no later than 24 hours after the time of the bidding or the sale will be void.

D. Competitive Sealed Bids/Proposals.

Bids must be in a marked, sealed envelope, and must be received in the District office before the time and date specified. Items will be sold to the highest responsible bidder to be announced publically at the auction.

E. Sell for Scrap.

Subject to the approval of the Board of Directors, scrap sales shall be made by the most efficient and economic means available provided that the General Manager or his designee obtains at least three quotes from licensed scrap dealers to be preserved in writing and the scrap is then sold to the scrap dealer offering the highest price subject to a single sale document to be maintained by the District.

F. Dispose as Junk.

When District surplus property is damaged or unsafe, and/or when the cost of locating a buyer is estimated to exceed the projected revenue of the item, the property may be destroyed or disposed of as junk subject to the approval of the Board of Directors.

G. Gift.

District surplus property may be given away to any organization not organized for profit and qualified as a charity under Internal Revenue Code Section 501(c)(3) for a purpose within the legally established and exercisable powers of the District or to any other public agency upon the approval of the Board of Directors.

H. Negotiated Sale.

Surplus property may be negotiated and sold outright if no more than one buyer is available, if negotiated sale is in the best interest of the District and upon approval of the Board of Directors.

5. "AS IS".

Surplus property shall be sold "as is" and "where is." The District does not make any warranty, guarantee, or representation of any kind, expressed or implied, as to the condition, utility, or usability of the property offered for sale.

6. Revenues from The Sale Of Surplus Property.

Revenue from the sale of surplus property will be returned to the appropriate revenue fund.

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7. Procedures for Disposing Of Surplus Property.

Once a determination is made by the General Manager and approved by the Board of Directors to purge surplus property, a written directive to that effect shall be delivered to a staff member designated by the General Manager who will coordinate the disposal of the property in accordance with this policy and the General Manager's directive.

8. Employees and Others Prohibited From Participating in the Purchase of Surplus Property.

The General Manager, District Employees, District General Counsel, and members of the District Board of Directors shall not participate in the purchase of District surplus property.

PASSED AND ADOPTED BY the Board of Directors of the Salton Community Services District, Salton District, California, held on the 16th day of March, 2022, by the following vote:

	YES	NO
Rogelio Flores, President	<u>✓</u>	_____
Lidia A. Sierra, Vice President	<u>✓</u>	_____
Manuel H. Ramos, Director	<u>✓</u>	_____
Dale Johnson,, Director	<u>✓</u>	_____

Rogelio Flores
Rogelio Flores, President of the Board of Directors

ATTEST:

Christopher Murillo
Christopher Murillo, Interim Secretary of the Board of Directors

