



OLIVEHURST PUBLIC UTILITY DISTRICT (OPUD)
Disposal of Surplus Equipment/Property Policy

Effective: 07-16-09
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Purpose

Olivehurst Public Utility District (“the District”) must from time to time surplus equipment/property which has become outdated, worn-out, or unnecessary, in order to remove these items from the Districts inventory and insurance policy.

Sale of Surplus Vehicles and Equipment

Board of Directors takes action to declare vehicles and/or equipment surplus, and the manner by which each item is to be sold (sealed-bid or internet). Board of Directors then authorize General Manager to review bids and authorize sale of item to highest bidder.

1) Sealed-bid Basis:

- a) Item is advertised for sale in a newspaper of local general circulation with information about the location/hours/days it can be seen and the deadline date for submission of sealed bids.
- b) Sealed bids are opened after the submission deadline by the District Clerk or Deputy District Clerk of the Board. The General Manager then determines if the bid is adequate for acceptance.

2) Internet Basis:

- a) Item is posted on ~~Ebay or similar~~ user-friendly internet system (i.e., GovDeals, EBay, etc.) that allows a user of the system to place ongoing bids on an item they are interested in purchasing. The system should allow bidders to see the last highest bid made and post a higher bid, if they choose, until the sale deadline.
- b) A link to the Internet-posted items will be added to the District’s website.
- c) Photos of the surplus item (subject to the General Manager’s discretion), as well as contact and site-inspection information, will be provided at both the ~~Ebay~~ user friendly internet system (i.e., GovDeals, Ebay, etc.) and the District’s website.
- d) The minimum bidding period will be seven days after the advertisement is published or posted.
- e) If the item is large, sale specifications may include the requirement that the buyer retrieve it at District facility.
- f) Once bidding is complete, the General Manager will review bids received and authorize sale of the item to the highest bidder.
- g) Buyers will be allowed to pay by cash or cashier’s check.

h) Minimum bid recommendations by Department Managers will be subject to approval by the General Manager.

i) Buyers will typically be given one week from the date of sale to retrieve the purchased item, unless the General Manager determines that circumstances warrant an extended period.

j) Results of the sale will be reported to the Board of Directors at its next regular monthly meeting after the sale is complete.

Sale of Real Estate

Board of Directors takes action to declare property surplus and authorizes General Manager to obtain appraisal.

- 1) 1) Property is offered to public agencies at the appraised price. (State law requires that public agencies have the opportunity to purchase property prior to advertisement to the general public.)
- 2) 2) If property is not purchased by a public agency, it is advertised in the newspaper with a request that sealed bids be submitted to the District.
- 3) 3) Board of Directors takes action at the next Regular Board Meeting to accept or reject highest bid.
- 4) 4) Bidders are notified of the Board's action.

Disposal of Scrap Material

In the normal course of business the District will require disposal of items which do not have value as assets but have value as recycled material, such as glass, paper, scrap metal, and copper wire and pipe. For items with a combined total value estimated to be less than \$500, verbal quotes from two or more local vendors (if more than one is available) will be secured. For items with a combined total value greater than \$500, the process for the "Sale of Surplus Vehicles and Equipment", above, will be followed.

Prohibited Participation

In order to avoid conflict of interest issues, as well as the appearance of any conflict of interest issues, no sale or other disposition of equipment/property will be made to any employee, officer, consultant of the District or any member of immediate family of any such person.