

**BEFORE THE CITY COUNCIL
FOR THE CITY OF ALBION, IDAHO**

RESOLUTION NO. 2012-10-01

**A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF
THE CITY OF ALBION, IDAHO ADOPTING A MUNICIPAL
SURPLUS PROPERTY DISPOSAL POLICY; AND SETTING
EFFECTIVE DATE.**

WHEREAS, the City of Albion, Idaho has, from time to time, property that it owns that is underutilized or which is no longer needed for public purposes; and

WHEREAS, Idaho law is not as straight forward and clear in providing guidance in the proper disposal of such underutilized or no longer used property as the City would like to have it be; and

WHEREAS, the City has researched law applicable to the disposal of surplus property by City, County, and State agencies in Idaho to provide direction to the City in this function; and

WHEREAS, the City has developed, from that study and research, a policy for disposal of municipal surplus property to guide City conduct and operations until and if Idaho statutes replace said policy with legislated mandate. The premise of the policy that has been developed is to provide fairness in the actions of the City in disposing of unutilized or underutilized property of the City.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Albion, Idaho that:

1. The City hereby adopts the “City of Albion Policy: Municipal Surplus Property Disposal” attached to this Resolution as Exhibit “A”, containing three (3) pages, and incorporated by reference as though fully set out herein.
2. The elected officials and the administrative staff of the City are authorized to take all necessary steps to carry out the Municipal Surplus Property Disposal Policy provided by, and in, this Resolution.
3. In the event of any conflict of this policy with state law, state law will take precedence and be the controlling authority in the matter.

This resolution shall take effect and be in full force from and after its passage and approval.

Passed by the Albion City Council this 10th day of October, 2012.

Approved by the Mayor on the 10th day of October, 2012.

CITY OF ALBION, IDAHO

By: 
Don H. Bowden, Mayor

ATTEST:

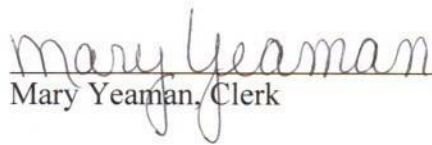

Mary Yeaman, Clerk

EXHIBIT "A"

City of Albion Policy: Municipal Surplus Property Disposal

- I. Authority.
 - A. Real Property. Idaho law sets forth a process for conveying city-owned real property. That process is legislated in Idaho Code Title 50, Chapter 14, and provides at its essence that: "The City Council shall have the power to sell, exchange or convey, by good and sufficient deed or other appropriate instrument in writing, any real property owned by the city which is underutilized or which is not used for public purposes." It is the policy of the City of Albion, with respect to the conveyance of city-owned real property to follow the mandates and directions of Idaho Code Title 50, Chapter 15 and/or Idaho Code Title 67, Chapter 23, or any successor statutes.
 - B. Personal Property. Idaho law does not mandate a specific process for disposing of city-owned personal property. In developing this policy, the City of Albion has reviewed state agency rules, Idaho statutes that apply to county disposition of personal property, Idaho statutes that apply to municipalities' disposition of real property, and Idaho statutes that apply to transfer of property by local governments, and other applicable Idaho statutes. After review, and application of provisions that are not contrary to mandates that the City must follow, the City has created this policy for the disposition of city-owned surplus property that is no longer needed by and for city uses. This policy then, as adopted by resolution of the Albion City Council, is to establish a fair and uniform policy to dispose of city-owned personal property that is no longer used or is no longer needed for public purposes. This adopted policy shall govern the City of Albion, its officers, agents and employees in actions to dispose of surplus personal property. "City" as herein referred to as taking action, means action taken by the City Council.
- II. Policy. The City of Albion recognizes that the storage, maintenance, transportation and other costs associated with maintaining city-owned surplus personal property may exceed nominal or fair market value of such property. It is also recognized that personal property has a limited economic or useful life. Accordingly, sound fiscal responsibility and good management require that the City have and maintain a sound policy for the fair and uniform disposition of its personal property that is underutilized or no longer needed for City operations.

When the City determines that any personal property under its jurisdiction or control is of no further use to the City, the City shall manage the property according to the following principles.

- A. Declaration as surplus.

1. Requirements of declaration. All personal property that is no longer utilized or that is no longer needed for City operations or uses may be declared as surplus property.

Declaration of surplus shall be by motion of the City Council, during an open, public meeting of said council. The matter shall be listed as an agenda item on the Council's business. The motion should direct the method of disposition, as such methods are further set out hereafter. Property that is usable to others and has some residual value should be offered for sale, or donated to another local government.

2. Surplus property of nominal value is exempt. The City may exempt surplus personal property of nominal value from declaration. Nominal value is current value of zero or a current value of less than what it would cost to dispose of the surplus item at an auction or refuse site, as determined by the City Council.

B. Method of Disposal.

1. Transfer of property to another government body. Idaho Code Sections 67-2322 through 67-2325 provides a specific process for sale or transfer of property by a local unit of government to other government bodies. While not specifically applying these provisions of law to cities, the City of Albion determines these provisions to be instructive and prudent where no other direction is provided by statute. Therefore, in the event that the City contemplates conveyance of personal property to another unit of local government, the City Council will, prior to conveying such property, follow the dictates of these provisions of state law.

2. Sale at public auction. Using legislated directives for Counties as a pattern, the City may dispose of personal property by offering it for sale at public auction. In doing so, prior to the offering of the property for sale, the City will advertise notice of the auction in the City's official newspaper, not less than ten (10) calendar days prior to the auction. The City Council may set a minimum bid price and may reserve the right to reject any and all bids. The minimum bid price, if any, shall be set out in the notice of auction. The property shall be sold to the highest bidder.

3. Private sale for property valued less than \$250.00. Personal property belonging to the City, no longer necessary for its use, which does not exceed two hundred fifty dollars (\$250.00) in value as determined by the City Council, may be sold at private sale without notice or public auction.

4. Trade-in. Whenever city-owned personal property is no longer needed for city purposes, as determined by the City Council, or such personal property is determined to be obsolete, worn or damaged so as to require replacement and is of greater value on a trade-in or exchange for replacements than upon the sale as above permitted, then such property may be applied as trade-in or exchange incident to purchase of replacement, with consent of the City Council, and without notice or public auction.

5. Lease. The City Council may, by resolution, authorize the lease of any real or personal property not otherwise needed for city purposes, upon terms which the council determines are just and equitable.

6. Recycle. If surplus property is not transferred or sold, or cannot be reasonably be transferred and sold, as determined by the City Council, then the City shall recycle such surplus property whenever possible and feasible.

7. Discard. When all other allowable disposal options are not feasible, the City shall discard such surplus property at a local refuse/landfill site.

III. Procedures. To assist in achieving this policy, city officers and personnel are asked to perform the following procedures:

- A. Identify property. Identify surplus city-owned personal property and cite its description, quantity, condition, and estimated value by using the "Declare City Surplus Property" form attached hereto as Appendix A.
- B. Deliver declaration form. Submit the "Declare City Surplus Property" form to the City Clerk to be added to the next available City Council meeting agenda for consideration.
- C. City Council authorization to proceed. The City Council shall review the "Declare City Surplus Property" form during open meeting as scheduled on its agenda. After deliberation, the City Council shall take action upon the request. If it is the City Council's determination to proceed to declare surplus, it shall also determine method of disposal as indicated hereinabove. All such actions and determinations shall be noted of record in the minutes of the City Council meeting.
- D. Based upon the method of disposition, the City staff shall then take appropriate action to ensure that notice and hearing are accomplished to meet statutory and policy requirements.
- E. The City Council must approve any exceptions to these guidelines prior to actual disposal.

IV. Miscellaneous Provisions.

- A. Surplus property should not be purchased by city elected officials, appointed officials or staff. Idaho Code Section 59-202 provides that "... city officers must not be purchasers at any sale nor vendors at any purchase made by them in their official capacity."
- B. The City is not required to obtain appraisals of property values, either real or personal, before it is sold. However, the City Council may provide for an appraisal under terms and conditions deemed appropriate by the City Council.
- C. Proceeds from the sale, transfer or other disposition of property by City shall be utilized in a manner consistent with the provisions of law regarding other revenues received by the City. All proceeds received from sale, transfer or other disposition hereunder shall be turned in to the city treasurer.