

**CITY OF MARYSVILLE AGENDA BILL**

**EXECUTIVE SUMMARY FOR ACTION**

**CITY COUNCIL MEETING DATE: 8/13/2018**

<b>AGENDA ITEM:</b>	
Ordinance Establishing Standards for Disposal of Surplus Personal Property	
<b>PREPARED BY:</b>	<b>DIRECTOR APPROVAL:</b>
Jon Walker	
<b>DEPARTMENT:</b>	
Legal	
<b>ATTACHMENTS:</b>	
<b>BUDGET CODE:</b>	<b>AMOUNT:</b>
<b>SUMMARY:</b>	

The City Council is authorized by RCW 35A.11.010 to dispose of city-owned property for the common benefit. The Council may delegate the power to dispose of personal property (this proposed ordinance does not delegate the authority to surplus and dispose of real property) except in certain situations: property originally acquired for utility purposes (RCW 35.94.040) and intergovernmental transfers over \$50,000 (RCW 39.33.020).

This ordinance creates a process whereby a department director would identify personal property that was no longer needed for city purposes and recommend a disposal process (e.g. auction). This would be reviewed by the finance director and city attorney, then by the chief administrative officer. The mayor would make the final decision on whether to declare the property surplus and the method of disposal or sale. Council would no longer be a part of the process except where the property was originally acquired for utility purposes, is being disposed of through an intergovernmental transfer (regardless of value), or is real property. Council would continue to decide whether property in those situations is surplus and how it should be disposed of.

City staff are best situated to determine when property is no longer of any public use or utility. And surplus resolutions brought to Council typically are a series of numbers identifying computer equipment or vehicles. Making this an administrative process to surplus personal property would make the process more efficient and conserve Council resources.

<p><b>RECOMMENDED ACTION:</b> Council should consider adopting an ordinance establishing standards for disposal of surplus personal property.</p> <p><b>RECOMMENDED MOTION:</b> I move that the Council adopt Ordinance No. _____</p>
---

CITY OF MARYSVILLE  
Marysville, Washington

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MARYSVILLE,  
WASHINGTON, ESTABLISHING STANDARDS FOR DISPOSITION OF  
SURPLUS PERSONAL PROPERTY.**

WHEREAS, when personal property is no longer needed for city purposes that property should be declared surplus and disposed of in the manner most advantageous to the city; and

WHEREAS, city departments possess the expertise to determine when property is no longer useful or beneficial to the city's mission; and

WHEREAS, from time to time the city comes into possession of property or material that has only salvage value and is of no use to the city and determining its value would likely exceed the actual value of the material; and

WHEREAS, encouraging the reuse or recycling of salvage material or personal property confers public benefits through cost savings and reducing solid waste entering landfills; and

WHEREAS, the value received by auctioning or trading in vehicles or equipment that is no longer needed for municipal purposes can be used to reduce the cost of obtaining vehicles or equipment that do benefit the public; and

WHEREAS, when property is surplus to the city's needs, the reasons for determining the property is surplus and the manner of disposition should be documented; and

WHEREAS, the public welfare and common benefit is served by efficiently disposing of surplus property in a manner that facilitates the city's delivery of public services.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MARYSVILLE,  
WASHINGTON, DO ORDAIN AS FOLLOWS:

SECTION 1. A new chapter, 3.53, is added to the municipal code as set forth in Exhibit A.

SECTION 2. Severability. If any section, subsection, sentence, clause, phrase or word of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality thereof shall not affect the validity or constitutionality of any other section, subsection, sentence, clause, phrase or word of this ordinance.

SECTION 3. Upon approval by the city attorney, the city clerk or the code reviser are authorized to make necessary corrections to this ordinance, including correcting scrivener's error or clerical mistakes; references to other local, state, or federal laws, rules, or regulations; or numbering or referencing of ordinances or their sections and subsections.

SECTION 4. Effective Date. This ordinance shall become effective five days after the date of its publication by summary.

PASSED by the City Council and APPROVED by the Mayor this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

CITY OF MARYSVILLE

By \_\_\_\_\_  
JON NEHRING, MAYOR

Attest:

By \_\_\_\_\_  
TINA BROCK, DEPUTY CITY CLERK

Approved as to form:

By \_\_\_\_\_  
JON WALKER, CITY ATTORNEY

Date of publication: \_\_\_\_\_  
Effective Date (5 days after publication): \_\_\_\_\_

## EXHIBIT A

### **3.53.010 Purpose**

This chapter applies to personal property originally acquired for city purposes. It does not apply to property that comes into city possession by abandonment, such as unclaimed property in the hands of the city police, junk vehicles, and other property that was not acquired for city purposes. This chapter is intended to provide for disposition of surplus property in a manner that is beneficial to the city and its citizens.

### **3.53.020 Mayor authorized to sell or dispose of surplus property**

The mayor is authorized to declare personal property that is no longer of public use or utility as surplus to the city's needs and to sell or otherwise dispose of such surplus property in the best interests of the city.

### **3.53.030 Approval to sell or dispose of surplus property**

(1) A department director who determines that his or her department is in possession of property that is of no current or future use to the city will specifically identify the property and state the reasons for that determination in writing and recommend the best process for disposing of the property. The determination and recommendation will be submitted to the finance director and city attorney for review. If those officials concur in the determination and recommendation it will be forwarded to the chief administrative officer who will recommend to the mayor whether to approve or deny the request. If the mayor approves, the appropriate city staff will take all necessary action to sell or otherwise dispose of the property. The mayor may delegate his or her authority under this chapter.

(2) If any surplus property was originally acquired with grant funds, the department director will ensure that sale or disposal of the property is consistent with any grant requirements or restrictions by consulting with the city attorney and, if necessary, the granting agency. The written determination of surplus will include verification that this step has been followed for property originally acquired with grant funds.

### **3.53.040 Sale or disposal of surplus property**

(1) All commercially reasonable methods of selling surplus property are authorized. In determining the appropriate method of sale, consideration will be given to the present value of the surplus property, the cost of the method of sale to the city including staff time, likelihood of finding a buyer, which method is most likely to result in the greatest monetary benefit to the city, and the general welfare of the citizens of the city. Vehicles or equipment may be traded-in when trade-in is determined to be the best option.

(2) Where the expected cost of a sale or auction of surplus property is reasonably expected to exceed the proceeds of the sale or auction, city staff are authorized to dispose of the property in

the most economical fashion possible, including making it available to non-profit organizations or the public on a first-come basis.

(3) All sales and donations of surplus property will comply with the city ethics code.

### **3.53.050 Documentation**

The written surplus determination, recommended disposition method, and mayor's approval will be forwarded to the finance department along with records documenting the sale or other disposition of the property. The finance director will ensure that any proceeds are credited to the proper fund of the city.

### **3.53.060 Exceptions**

(1) Property originally acquired for public utility purposes that is surplus to the city's needs and is not required for providing continued public utility service may only be sold or otherwise disposed of in accordance with RCW 35.94.040.

(2) Intergovernmental transfers of surplus property must be approved by the city council and will comply with RCW 39.33.010 and 39.33.020.

(3) Real property may be declared surplus only by action of the city council.