

MORAGA-ORINDA FIRE DISTRICT DISTRICT POLICY 08

DISPOSING OF DISTRICT SURPLUS PROPERTY

PURPOSE:

To establish a policy and procedure for disposing of Moraga-Orinda Fire Protection District surplus property.

POLICY:

It is the policy of the Moraga-Orinda Fire District to dispose of all property that is of no further use to the District. Property that has no further use shall be considered surplus property and the following procedures all be used for the disposal of surplus property.

PROCEDURE:

- 1) Identify property that is of no further use to the District.
- 2) Contact the Administrative Services Director to determine if the item(s) are capital assets. Capital assets are defined as property with an original purchase price of \$5,000 or more. If the item(s) are capital assets standard accounting procedures will be followed for recording the disposal.
- 3) All capital assets identified for disposal shall be listed and presented to the District Board for approval.
- 4) A fair market value, (if any) will be established for all surplus property and the most appropriate disposal method will be determined.
- 5) Options for disposal of surplus property are as follows:
 - a) **Sales:** Surplus property may be offered for sale. District property cannot be sold to District employees or immediate family of District employees. All surplus property is for sale "as is" and "where is," with no warranty, guarantee, or representation of any kind, expressed or implied, as to the condition, utility or usability or the property offered for sale. Appropriate methods of sale are as follows:
 - (1) Negotiated Sale to Another Fire Agency - Review equipment requests received by the District from other fire agencies. (Requests should be kept on file

- with the Chief of Operations.) Surplus property may be sold outright to another fire agency if the agency has notified the District of their interest in the item(s).
- (2) **Public Auction** - If appropriate for the dollar value of the item(s) being sold the District may contract with a professional auctioneer to sell surplus property at a public auction.
 - (3) **On-line Auction** - Surplus property may be listed on an on-line auction company's web site and sold to the highest responsible bidder.
 - (4) **Sealed Bids** - Sealed bids may be solicited for the sale of surplus property. Surplus property disposed of in this manner all be sold to the highest responsible bidder.
 - (5) **Negotiated Sale to an Individual** - Surplus property may be sold to an individual if it is determined that only one known buyer is available or interested in acquiring the property.
 - (6) **Selling for Scrap** - Surplus property may be sold as scrap if it is determined that the value of the raw material exceeds the value of the property as a whole.
 - (7) **Proceeds** - Revenue from the sale of surplus property shall be returned to the appropriate revenue fund balance (General Fund or Special Revenue Fund).
- b) **Trade-in:** Property declared as surplus may be offered as a trade-in or for buy- back or credit toward the purchase of new property. When budgeting for such an action, the new property must be budgeted for the full purchase price and must have asset replacement funding for the full cost of the new property. The dollar value of the trade-in or buy-back will be credited into the appropriate fund balance, not used to offset the purchase of the property.
- c) **Donations:** When donating surplus property, consideration shall be given to the potential needs of other agencies, using a priority methodology based on local agencies first, then outward to local jurisdictions and other agencies in adjacent and remote areas.
- (1) Provide notification of surplus property to local fire agencies (e.g. Contra Costa Fire Protection District (CCCFD), Alameda County Fire District (ALCO), East Contra Costa Fire District (ECCFD), California Department of Forestry and Fire Protection (CDF), East Bay Regional Parks and local volunteer fire departments.)
 - (2) Provide notification of surplus property together local government agencies (e.g. Town of Moraga, City of Orinda, Canyon, or any other government agency associated with the communities that Moraga-Orinda Fire District serves.)
 - (3) Provide notification of surplus property to local school agencies (e.g. local colleges providing fire service related curriculum.)
 - (4) Contact California State Firefighters Association, CSFA, Surplus Equipment Placement Program and dispose of equipment as appropriate. The CSFA Surplus Equipment Placement Program began in 1984 under the guidance administered by the CSFA Committee for Volunteers. The Committee recognized the need for used equipment when volunteer Departments throughout the state were requesting any equipment they could get. Extensive research began to implement the requests, which included the Legislative Counsel of California, the legal staff of CSFA, and the CSFA By-laws Committee. The result is a legal transfer process of equipment from one department to another. (Guidelines for the transfer process are outlined on the CSFA Surplus Equipment Placement Program website.)
- d) **Disposal as Junk:** When the cost of locating a buyer exceeds the estimated sale price of surplus property, the item(s) may be destroyed or disposed of as junk.
- 6) All agencies, local jurisdictions or individuals that purchase or receive surplus property via donation from the District will sign a release/liability waiver with the express understanding that District assumes no responsibility whatsoever for the condition, use, operation or

performance of the donated or sold equipment. (See Attachments A.1- Release/Waiver of Liability for Property Sold and A.2 - Release/Waiver of Liability for Property Donated.)