



Board Policy No. 231
Disposal of Surplus Property or Equipment

SUBJECT CATEGORY: SECTION 230,
INVENTORY & PROPERTY MANAGEMENT

231: Disposal of Surplus Property or Equipment

231.1 Purpose: To establish a policy and procedure for disposing of East Contra Costa Fire Protection District surplus property.

231.2 Policy: It is the policy of the District to dispose of all property that is of no further use to the District in a manner that maximizes income to the District. Property that has no further use shall be considered surplus property and the following procedures shall be used for its disposal.

231.3 Equipment And Other Personal Property:

- a) Staff identifies the property that is of no further use to the District.
- b) Staff establishes a fair market value, if any, for the surplus property and recommends the most appropriate disposal method will be determined.
- c) Staff determines if the item(s) is/are capital assets. Capital assets are defined as property with an original purchase price of \$10,000 or more. If the item(s) is/are capital assets, standard accounting procedures will be followed for recording the disposal.
- d) Disposal of all capital assets must be authorized by the District Board. Non-capital assets may be disposed of by authority of the Fire Chief
- e) Options for disposal are as follows:
 1. Sales: Surplus property may be offered for sale. District property cannot be sold to District Directors, employees or immediate family of District Directors or 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 of the property offered for sale. Appropriate methods of sale are as follows:

Negotiated Sale to Another Fire Agency - Surplus property may be sold outright to another fire agency if the agency has notified the District of their interest in the item(s).

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.

On-line Auction - Surplus property may be listed on the District's website or an on-line auction company's web site for sale to the highest responsible bidder.

Sealed Bids - Sealed bids may be solicited for the sale of surplus property. Surplus property disposed of in this manner shall be sold to the highest bidder.

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.

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.

Proceeds - Revenue from the sale of surplus property shall be returned to the Capital Improvement Fund, Equipment Replacement Fund or Operating Fund as determined by the Board (for capital assets) or the Fire Chief (for all other assets).

2. 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.
3. 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.

Provide notification of surplus property to local public agencies (e.g. any Fire Agency within Contra Costa County, California Department of Forestry and Fire Protection, or East Bay Regional Parks).

Provide notification of surplus property to other local government agencies (e.g., Cities of Brentwood, Oakley, or any other government agency associated with the communities that the District serves.)

Provide notification of surplus property to local school agencies (e.g., local colleges providing fire service-related curriculum).

Contact California State Firefighter's Association, CSFA, Surplus Equipment Placement Program, and dispose of equipment as appropriate.

4. 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.

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.

231.4 Real Estate:

- a) Staff identifies the property that is of no further use to the District.
- b) Staff establishes a reasonable fair market value for the property, through consultation with experts in local real estate or through appraisal.
- c) The designation of real property as surplus and its offer for sale must be authorized by the District Board after a public hearing. Notice of the public hearing shall be published in one newspaper of general circulation serving the District at least ten (10) days before the hearing, and posted on the District's web site for at least ten (10) days before the hearing.
- d) If the Board concurs that the property is surplus to the District's need, it shall authorize offering the property to local public agencies as required by Government Code section 54222 for not less than sixty (60) days, and thereafter a public offering for at least thirty (30) days. No property may be sold to Directors, employees or immediate family of Directors or District employees, and 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 of the property offered for sale.
- e) Staff shall bring all bids on the property to the Board for approval, together with a recommendation for sale. Subject to the public agency preferences required by law, sales shall be to the highest bidder that complies with all other terms of the offer. The Board shall have the right to reject all offers.
- f) Sales shall be subject to purchase and sale agreements that include the following provisions: a) the buyer to pay all costs of sale, including but not limited to escrow fees and any requested title insurance; b) no sales commissions; c) cash sale only; d) no assignment permitted; e) statement that the property is being sold "AS IS" with no warranties or representations as to condition; and f) a release/liability waiver with the express understanding that District assumes no responsibility whatsoever for the condition, use or operation of the property.
- g) Revenue from sales of surplus real property shall be returned to the Capital Improvement Fund.

Adopted as: Policy 1-7 on May 6, 2013

Amended: December 12, 2018

Renumbered: December 12, 2018



Clerk of the Board



Board President