ORDINANCE NO. 2013- 01

AN ORDINANCE OF THE CITY OF UVALDE, TEXAS, ESTABLISHING A PROCEDURE FOR DISPOSING OF SURPLUS, SALVAGE, AND JUNK PROPERTY; AUTHORIZING DISPOSAL OF SURPLUS AND SALVAGE PROPERTY; PROVIDING PROCEDURES FOR DISPOSITION OF SUCH PROPERTY; PROVIDING AN EFFECTIVE DATE, SEVERABILITY, AND OPEN MEETINGS CLAUSE.

Whereas, the City of Uvalde, Texas (the "City") owns personal property that was formerly used by the City, but is no longer of any use to the City, due to obsolescence, damage, replacement by newer property, and the like;

Whereas, the City operations require replacement of personal property from time to time to maintain operations with adequate equipment for which the City budgets and plans for through the budget process and capital plans;

Whereas, some personal property becomes unusable or degrades to the point that the property is no longer suitable for its intended use; and

Whereas, the City of Uvalde Police Department property room has a limited amount of space to store lost or abandoned property;

Whereas, the City Council wishes to establish a procedure for disposing of such surplus and salvage property;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF UVALDE, TEXAS, THAT:

- **Section 1.** Findings of Fact. The findings and recitations set out in the preamble of this Ordinance are found to be true and correct and that they are hereby adopted by the City Council and made a part hereof for all purposes.
- **Section 2. Definitions.** The following words, terms and phrases, when used in this section, shall have the meanings ascribed to them in this subsection, except where the context clearly indicates a different meaning:

"Salvage property" or "Junk property" means personal property, other than items routinely discarded as waste, that because of use, time, accident, or any other cause is so worn, damaged, or obsolete that it has no value for the purpose for which it was originally intended and the cost of seeking competitive bid exceeds the value of the property or the property has been competitively bid without successful receipt of a response.

"Surplus property" means personal property that:

- (A) is not salvage property or items routinely discarded as waste; and,
- (B) is not currently needed by the City; and,
- (C) is not required for the City's foreseeable needs; and,
- (D) possesses some usefulness for the purpose for which it was intended.
- **Section 3.** <u>Applicability</u>. This ordinance shall apply to personal property owned by the City that is either (a) salvage property or junk property; or (b) surplus property. Both herein collectively referred to as "excess property".
- Section 4. <u>Duties of Department Heads.</u> Department heads shall periodically assess and determine the status of personal property within the possession and control of the department. Personal property requiring replacement shall be budgeted and scheduled for phasing out. Department heads shall account for all property in the possession and control of the department and, at least annually, provide the City Manager with a list of personal property which has become excess property. The department shall maintain all property until proper authorization has been received to dispose of the excess property. Salvage property with an original value of \$10.00 or less, such as pens, disposable office supplies, pool supplies, etc., which have become worn, damaged or fully utilized may be discarded without necessity of authorization from the City Manager.
- Section 5. <u>Authority of City Manager</u>. The City Manager shall review and evaluate the appropriateness of declaring personal property excess property at the recommendation of the department head. Excess property of one department which is needed in another department or branch of the City shall be transferred to such department without being deemed excess property. All other excess property shall be considered for disposal or conveyance pursuant to the procedures of this ordinance.
- **Section 6.** <u>Disposal of Property</u>. Authorization herein to dispose of excess property is authorization to use best efforts to dispose of excess property for the highest price without costing the City more to dispose of such property.
- a. During the budget process, the City Manager shall identify major equipment for which a title is held in the name of the City, such as cars, which will be replaced with new equipment or otherwise liquidated, and shall include such information in the budget. Items identified for replacement in the budget shall be authorized to be disposed of as surplus or, if qualifying, salvage property without further action of the City Council, in a manner set forth in this ordinance.
- b. Salvage or junk property may be utilized as a trade-in on new property of the same general type without further action by the City Council. Surplus property may be utilized as a trade-in on new property of the same general type upon approval of the City Council.
- c. Salvage or junk property constituting scrap, for which undertaking to sell the property under Section 7 would likely result in no bids or a bid price that is less than the City's expenses required for the bid process, may be destroyed or otherwise disposed of as worthless without

further action of the City Council, or may be offered to a qualifying non-profit or civic organization upon approval of the City Council.

- d. Surplus property shall be offered for competitive bid as set forth in Section 7 without further action of the City Council, or may be offered to a qualifying non-profit or civic organization upon approval by the City Council provided the organization services to the City are sufficient to authorize such transfer.
- e. A qualifying non-profit or civic organization receiving excess property from the City must provide the City with adequate compensation, such as relieving the City of transportation of disposal expenses related to the property.
- f. Excess property receiving no bids in an auction or competitive bids may be deemed salvage property and may be disposed of in a manner provided in this ordinance.
- g. Property in the possession of the City Police Department subject to disposal standards of the Code of Criminal Procedure or other property in any department's possession for which another statute requires specific procedures for disposal shall follow the procedures set forth therein.
- Section 7. <u>Competitive Bidding</u>. Surplus property required to be bid shall be sold either through an approved auction facility or through competitive bid. Notice of a bid shall include a description of the surplus property to be sold, and the date and time sealed bids will no longer be accepted. The highest, qualifying, bidders shall be sold the surplus property. Notice shall be included in the official newspaper at least twice with the first notice being at least fourteen days before the sale and the second being one week later. Notice shall also be posted on the City's official website.
- **Section 8.** <u>Proceeds of Sale or Non-Sale Disposition.</u> Any and all proceeds of the sale shall be deposited in the treasury of the City and accounted for in the financial records of the City. Any excess property exchanged or traded for value shall be added to the appropriate inventory of property of the City.
- **Section 9.** Prohibited Employee Transfers or Conversions. Employees shall be strictly prohibited from purchasing surplus or salvage property from the City or benefiting from the sale or transfer of such property. Persons related in the first degree of affinity or consanguinity to an employee may not purchase or have property transferred to them, except for property sold at a competitive bid.
- Section 10. Severability. It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses and phrases of this Ordinance are severable and, if any phrase, sentence, paragraph or section of this Ordinance should be declared invalid by the final judgment or decree of any court of competent jurisdiction, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Ordinance, since the same would have been enacted by the City Council without the incorporation of this ordinance of any such invalid phrase, clause, sentence, paragraph or section. If any provision of this Ordinance shall be adjudged by a court of competent jurisdiction to be invalid, the invalidity shall not affect other

provisions or applications of this Ordinance which can be given effect without the invalid provision, and to this end the provisions of this Ordinance are declared to be severable.

Section 11. Open Meetings. It is hereby officially found and determined that the meeting at which this ordinance is passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act, *Chapt.* 551, Tex. Gov't. Code.

PASSED AND APPROVED on first reading this 22nd day of January, 2013.

ATTEST:

CITY OF UVALDE, TEXAS

Allen Carnes, Mayor

Larissa Rodriguez, City Secretary