

## GREATER SALT LAKE MUNICIPAL SERVICES DISTRICT

### SURPLUS PROPERTY POLICY

#### A. Disposal of Surplus Property:

1. Surplus District property is to be disposed of in a manner that is in the best interest of the District. Excepting property having a de minimis value, all surplus property shall be reported to the Board including, after disposal of the surplus property, a report describing the property, whether the property has been or will be replaced, and the consideration received for the property by the District.
2. The designated Procurement Official is authorized to dispose of District surplus property the salvage value of which does not exceed \$1,000 that will not be required for future District use. Surplus property valued at less than \$1,000 may be sold to a District employee at fair market value, with the value to be determined by obtaining not fewer than two values from a reputable public forum or publication such as eBay, with the value to be established at the midpoint (if there are only two comparable values) between the values or as the average of three or more comparable values. Electronic items valued at less than \$500, such as laptops, may be sold, with a first right of refusal, to the District employee to whom the electronic item had most recently been assigned. The disposal of surplus property having a value in excess of the designated threshold requires prior Board authorization. Surplus property is to be disposed of in a commercially reasonable manner as the designated Procurement Official or the Board, should the Board so elect, sees fit, with all net proceeds of the disposal to be the property of the District.
3. Surplus property may be delivered, for disposal, to a reputable online, auction or other disposal service at the discretion of the designated Procurement Official or as directed by the Board.
4. Surplus property which is sold through a public auction may be purchased by a District employee.
5. The foregoing shall not apply when the surplus property, such as a vehicle or equipment, is being “traded in” on the purchase of substitute property, provided that the acquisition of the substitute property is in conformance with the requirements of this Policy.
6. Local units of government, such as a municipality, another special district or a school district located in Salt Lake County, or a municipality, special district, county or school district located in a different county may be (but are not required to be) given a preference in the acquisition of the District’s surplus property.

#### B. Salvage: Metal and other items of some residual value may be salvaged by employees of the District while working on District facilities and improvements. Such salvaged items continue

to be the property of the District and are to be disposed of accordingly. As a consequence, all receipts from salvaging such items shall be the property of the District and shall be safeguarded and accounted for as such.

- C. Donation, Disposal, or Destruction of Surplus Property: The designated Procurement Official may donate to a governmental or charitable organization, destroy, or dispose of as waste any surplus property that is estimated in good faith to be worth less than \$500 without involvement of the Board, and may dispose of property having an estimated value in excess of the designated threshold with Board approval if:
1. The surplus property fails to sell at auction;
  2. The cost of selling the surplus property is greater than or equal to the value of the surplus property;
  3. The surplus property is no longer usable;
  4. The surplus property is damaged and either cannot be repaired or the cost of repair is greater than or equal to the value of the surplus property in a repaired state; or
  5. The surplus property can be replaced for less than the cost of repairing the surplus property.
- D. Sale of Previously Purchased Procurement Item: Should surplus property be sold to a person from whom the District originally acquired the property (a “buyback purchaser”), Section 63G-6a-117 of the Utah Procurement Code will apply. If the District sells property to a buyback purchaser for an amount in excess of the amount the District paid for the property, the District shall:
1. Require the buyback purchaser to pay cash for the item;
  2. Not accept the excess repurchase amount in the form of a credit, discount or other incentive on a future purchase that the District may make from the buyback purchaser; and
  3. Not use the excess repurchase amount to acquire an additional procurement item from the buyback purchaser.
- E. Removal of Useful Components: Ancillary or component parts or equipment may be removed from vehicles, trailers or equipment that is intended to be sold as surplus, for further use by the District or by another local government located in the state of Utah pursuant to A.6. above.
- F. Surplus Electronic Data Devices: Before an electronic data device is transferred or otherwise disposed of:

1. Any software owned or licensed by the District shall be removed as required by the applicable software license agreement;
2. Information that is classified as protected, private or controlled under the Government Records Access and Management Act, Title 63G, Chapter 2 of the Utah Code, will also be removed, as will other district-owned records and data;
3. Steps will be taken to ensure that the service contract for the device is null and void or is transferrable to the new owner of the device; and
4. If the device is not transferred to a new owner, the foregoing steps will be completed or the device will be destroyed in such a manner as to guarantee that information and data cannot be retrieved.

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