



Legislation Details (With Text)

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10/6/2016	3	City Commission	Approved as Recommended	
9/16/2016	1	Utility Advisory Board	Recommended for Approval	

Surplus Sales (NB)

Throughout the year, obsolete, scrap and surplus materials are identified as surplus property by GRU departments. Examples of surplus property sales include conveyer belts, electronics, generators and other unusable equipment or materials. Staff is seeking approval to sell surplus property with a value greater than \$25,000 in FY17 if such surplus items are identified. This will allow GRU to respond quickly and efficiently to opportunities in the utility market place. In FY 16, there was one sale of a generator for \$22,750.

The City Purchasing Policy states that the sale of surplus property shall be through the method appropriate to reaching prospective buyers. All GRU surplus property is reviewed and approved for disposition by GRU's Investment Recovery Committee which is comprised of staff from Administrative Services, Finance, Environmental, Utilities Stores and Purchasing. Disposition methods include transfer to other City departments, competitive bidding, public auction or donation to a nonprofit or government agency. The public auction used is specifically for public agencies, allowing items to be sold with no expense to GRU. All sales are handled by GRU Purchasing to adhere to purchasing policies and procedures and ensure a fair and competitive process that garners the greatest return.

This item was presented to the Utility Advisory Board at their September 14, 2016 meeting.

The sale of all surplus material will be applied to GRU's general fund in accordance with auditing requirements.

Staff recommends that the City Commission: 1) declare GRU's obsolete, scrap and surplus materials as surplus property; and 2) authorize staff to sell or dispose of such property for FY17 in a manner which generates the greatest benefit through established procedures.

The Utility Advisory Board approved staff's recommendation by a vote of 7-0.