

Sec. 11-17. - Sale of unclaimed and surplus property.

(a) *Authority to sell; deposit of cash.*

- (1) The following property may be sold by the city in the manner provided in this article:
 - a. Abandoned, stolen or recovered property, except motor vehicles, that remains unclaimed with the city for sixty (60) days, whether or not the owner is known;
 - b. Abandoned, stolen, or recovered motor vehicles that remain unclaimed with the city for thirty (30) days, whether or not the owner is known; and
 - c. Personal property owned by the city that has been declared surplus, obsolete, worn out, or useless by the head of a division, and that is no longer needed for public use.
- (2) Items of personal property, the sale of which is restricted by criminal law, are not subject to the provisions of this section.
- (3) Cash money that is abandoned, stolen, or recovered, that remains unclaimed with the police department for sixty (60) days, and that is not being held for evidence, whether or not the owner is known, shall be deposited in the general fund of the city unless the money is of collector quality. Money of collector quality may be sold as other personal property.

(b) *Delivery of unclaimed property to director of finance; use for city purposes.*

- (1) The chief of police or the division head holding property shall give the director of finance of the city a list of all unclaimed property subject to sale under this article and shall deliver the listed property, except motor vehicles, to the director of finance before the date of sale. The director of finance shall give the chief of police or other division head a receipt which indicates in detail all property delivered. The chief of police shall retain custody of motor vehicles until a sale is made.
- (2) If in reviewing the list of unclaimed property subject to sale, the director of finance determines that certain items of property could be used by the city, he may recommend to the city manager that the items be used for city purposes rather than sold. If the city manager believes that it is in the best interests of the city, he may authorize the director of finance to remove specific items from the list of property subject to sale and to convert the items to use for city purposes.

(c) *Method of sale.*

- (1) The director of finance or his/her designee shall sell unclaimed property and surplus, obsolete, worn out, or useless property using his best ability to get the highest possible price, in a manner which includes, but is not limited to:
 - a. by public or online auction, or by accepting sealed bids, to the highest bidder;
 - b. offering the property as a trade-in for new property of the same general type;
 - c. contracting with a third party to sell the property to consumers, if the fair market value of the property is readily determinable, using market research or previous sales prices;

- d. direct sales to consumers, if the fair market value of the property is readily determinable, using market research or previous sales prices;
- e. in the case of obsolete, worn out, or useless property, selling the property for its scrap or recycling value, if the director of finance or designee determines that this is the manner in which to obtain the highest price for the property; or
- f. In any other manner that the director of finance or designee determines to be an effective way to obtain the highest price for the property.

(2) The property may be auctioned, each piece individually or in assembled lots, whichever the director of finance determines will bring the best price obtainable, except for motor vehicles which must be sold individually. If in the opinion of the director of finance the highest bid on a particular item is not sufficient, he or she may refuse the bid and hold the item for sale at another time.

(32) The director of finance at his/her discretion may accept sealed bids for goods or services instead of or in addition to sealed bids for cash in exchange for certain surplus, obsolete, worn out, or useless property. Only goods or services which are needed for normal city operations which the city would otherwise have to procure may be accepted. The equivalent cash value as determined by the director of finance of goods or services offered in a sealed bid will be used in evaluating bids to determine the highest one.

(34) If the director of finance receives a group of ten (10) or more identical items for sale, he or she may, at his/her discretion, sell a minimum of three (3) of the items at public auction. He or she may then advertise in the official newspaper of the city and sell the remaining items in any manner listed in Section 1, at a price not less than the average price obtained for the auctioned items.

(4) When sale is to be by acceptance of sealed bids, the bids must remain in the office of the city secretary for public inspection at least forty-eight (48) hours after the bids are opened.

(5) If the highest bid for property is ~~fifteen~~Fifty thousand (\$~~15,000.00~~\$50,000) or less, the property may be sold to the highest bidder by the director of finance subject to the approval of the city manager. If the highest bid for property is more than ~~fifteen~~fifty thousand dollars (\$~~150,000.00~~), the sale to the highest bidder must be confirmed by the city council.

(d) *Time and place of sale; notice.*

(1) After determining the time and place for a public auction, acceptance of sealed bids, or sale of identical items, the director of finance shall give notice of the auction, acceptance, or sale, by:

- a. Advertising in the official newspaper of the city for two (2) consecutive days, the last publication date to be not less than seven (7) days before the date of the auction, acceptance, or beginning of sale; and
- b. Sending by registered mail to the last known address of the owner of unclaimed property, if the name of the owner is known, fourteen (14) days before the date of auction, acceptance, or beginning of sale.

- (2) The notice must contain the time and place of auction, acceptance, or sale and a list of the property to be sold.
- (e) *Exception, library books.* Surplus, obsolete, worn out or useless library books may be disposed of as provided in this section or by any other method authorized by the city council; provided however, records shall be kept by the librarian in the form required by the director of finance and turned over to the director of finance after disposal.
- (f) *Records.*
- (1) The director of finance shall keep accurate records of all sales containing:
- A descriptive list of items sold;
 - The time, place, and method of sale; and
 - The price paid for the items.
- (2) The director of finance shall keep sales tickets covering each transaction for thirty (30) months, at which time they may be destroyed.

~~(g) *Purchase by officers and employees prohibited.* An officer or employee of the city shall not, directly or indirectly, submit a bid for, purchase, or acquire ownership of personal property sold pursuant to the provisions of this section except as authorized in (i) below.~~

(g) *Sale of surplus property to governmental entities.* Upon the determination by the City Manager that surplus personal property is no longer needed by the City, said personal property may be conveyed through sale to any other governmental entity for further public use. Any sale of personal property under this section shall never be for less than the fair value of the city's interest in such property.

- (h) *Disposal of surplus city property having no or negative monetary or other value to the city.*
- (1) If, in reviewing the list of surplus city property subject to sale, the director of finance or designee determines that the property in question is not considered in good working order and/or has a value of less than \$50, and/or the cost to sell the property will exceed that amount that will be received from the sale, then the director of finance may:
- dispose of the property at the landfill; ~~or~~
 - donate it to another governmental entity, a charitable corporation, an educational institution or religious institution; or
 - dispose of the property in any way the director or finance or designee deems appropriate and/or in the best interest of the City.
- (2) If property is to be donated, then the cost of selling the property, including temporary storage, transportation, or repairs, and the estimated sales value of the property must be documented by authoritative, independent sources.
- (3) An entity accepting donated property must take it as is and provide transportation.

~~(i) *Purchase as part of citywide replacement program.* An officer or employee of the city may purchase, or acquire ownership of personal property sold pursuant to the provisions of a~~

~~comprehensive city wide program replacing a class or category of personal property if such program, including employee purchasing, has been specifically approved by the city council.~~

- (j*i*) *Disposal trained police canines.* Upon the determination by a veterinarian that a police canine should be retired because of age, disabilities, or illnesses the canine may be retired by the chief of police. The chief is authorized to sell the canine to the prior handler for one dollar (\$1.00). A canine that can no longer function for the City of Grand Prairie, but can do limited police work, may be retired at the discretion of the chief and may be donated to another law enforcement agency at no cost to the city.