

Policy/Procedure on the Disposition of Surplus Items

I. Purpose

From time to time, the Town of Lanesborough finds it necessary to dispose of materials, equipment, etc. that are no longer needed or useful. The following policy/procedure outlines the process to be followed in the disposition of surplus items. It is the intent of this procedure to require the establishment of reasonable control over usage, surplus and obsolete material generation, handling, sale and disposal. This policy/procedure applies to all items having resale or salvage value regardless of dollar amount. This policy/procedure does not apply to the disposal of real property.

II. Statutory Authority

Massachusetts General Laws c. 30B, §15 provides for a governmental body to dispose of a tangible supply, no longer useful to the governmental body but having resale or salvage value. These rules apply to all tangible surplus supplies including, but not limited to, motor vehicles, machinery, computer equipment, furniture, and other materials and items.

III. Administration

This policy/procedure shall be implemented through the Select Board or their designee.

IV. Procedure

- A. Designation and Approval of Surplus Items having resale or salvage value regardless of dollar amount
 1. No tangible surplus items owned by the Town of Lanesborough having resale or salvage value shall be sold or otherwise disposed of except upon the written recommendation of the respective Department Head to the Select Board. The written recommendation shall include a specific description (as possible) of the item to be disposed of including relevant make, model number, serial number, vehicle identification number, etc. The written recommendation is also to include justification/reason for the request.
 2. The Select Board shall review the written recommendation and make a final determination of its merits. A list of items approved for disposition shall be returned to the Department Head.

3. Upon receipt of the Select Board's determination, Department Head or his/her designee shall work with the Town Manager to coordinate the sale or disposal.

B. Disposal of Surplus Items having resale or salvage value estimated at \$10,000 or more

1. The governmental body shall offer such supply through competitive sealed bids, public auction, or established markets in accordance with G.L. c 30B.
2. Notice of sale by bid or auction shall conform to the procedures set forth in G.L. c. 30B. The notice shall indicate the supply offered for sale, designate the location and method for inspection of such supply, state the terms and conditions of sale including the place, date and time for the bid opening or auction, and state that the governmental body retains the right to reject any and all bids.
3. If the governmental body rejects the bid of the highest responsive bidder, the governmental body may:
 - a. negotiate a sale of such supply so long as the negotiated sale price is higher than the bid price; or
 - b. re-solicit bids.
4. The acceptance or rejection of any bid will be reviewed by the Chief Procurement Officer or his/her designee.
5. The Chief Procurement Officer, or his/her designee, may trade-in a supply if it is clearly listed for trade-in in an invitation for bids or request for proposals in accordance with G.L. c. 30B.

C. Disposal of Surplus Items having resale or salvage value estimated at less than \$10,000

1. Sealed bids, public auction, or online auctions are strongly encouraged for items with an estimated value over \$1000
2. Items should be first made available to other School and/or Town Departments (via an e-mail with items and pictures attached if appropriate).
3. If there is no interest items should then be offered to other municipalities, school districts or non-profit organizations via a 'list-serve' (or via an e-mail, blog, or District website, with items and pictures attached if appropriate) if the Department Head deems it is appropriate.
4. If no interest is shown, the item(s) may be junked, scrapped, or disposed of.

5. Items shall be disposed of using ‘sound business practices’ trying to get the highest value for the Town but also taking into consideration the cost and time associated with the disposition.

D. Disposal of Surplus Items having no resale or salvage value

1. If the surplus goods or equipment has no resale or salvage value, the Select Board shall instruct the Department Head to dispose of such property at the least cost to the Town.
2. The item(s) may be junked, scrapped, or disposed of, at the Department Heads discretion.
3. As a Green Community reuse and recycling is strongly encouraged.

DI. Charitable Donations

1. Surplus items may be disposed of at less than fair market value to another governmental agency or any organization that has an IRS tax exempt status by reason of its charitable nature with approval of the Select Board.

DII. Additional information

1. Surplus items may now be disposed of using an online auction service in accordance with G.L. c. 30B requirements.
2. The surplus item will be awarded to the responsive bidder offering the highest price in conformity with all the terms and conditions outlined in the notice of sale.
3. All payments shall be by cash, money order, or certified bank check payable to the Town of Lanesborough. Personal and/or company (business) checks will not be accepted. All payments are to be turned over to the Town Treasurer for posting to the General Fund.
4. Under no circumstances shall an employee take an item or offer it for sale without following these procedures. Removal of surplus materials without approval may be considered theft and result in disciplinary action.