

TRUCKEE TAHOE AIRPORT DISTRICT POLICY INSTRUCTION

Effective: June 26, 2019

PI NUMBER: 319

SUBJECT: DISPOSAL OF SURPLUS PROPERTY

SECTION 1. SURPLUS REAL PROPERTY

(a) Overview of Policy

This Section 1 sets forth the procedures for the disposition of surplus real property.

(b) Real Property Subject to a General Plan

The Board, pursuant to Government Code Section 65402, will not dispose of any real property subject to a general plan until the location, purpose and extent of such disposition has been submitted to and reported upon by the planning agency having jurisdiction. Failure of the planning agency to report within forty (40) days after the matter has been submitted to it shall be conclusively deemed a finding that the proposed disposition conforms to the adopted general plan or part thereof. Should the planning agency disapprove the location, purpose or extent of the disposition, the disapproval may be overruled by the Board.

(c) Declare Real Property as Surplus

The Board will formally declare real property as "surplus" before any actions providing for the disposal of such real property may be taken. This must be accomplished by adoption of a resolution at a regular meeting of the Board. The Board will publicly post the time and place of the meeting at which consideration of the Board's declaration of the property as surplus.

(d) Receive Federal Aviation Administration Land Release

After the Board formally declare real property as "surplus" before any actions providing for the disposal of such real property may be taken, the District is required to petition and receive a formal FAA Land Release of the subject real property.

(e) Written Offer to Public Entities

After declaring real property as "surplus" and receive the appropriate FAA Land Release, if required by Government Code Section 54222, the Board will send a written offer to sell or lease the property to the entities required by Section 54222. The Board will provide agencies receiving notice with sixty (60) days from their receipt of the Board's offer to sell the land, to inform the Board of their intent to purchase the property for low-and moderate-income housing purposes, for park or recreation purposes, for open-space purposes, or for public school purposes.

(f) Good Faith Negotiations

The Board shall engage in “good faith negotiations to determine a mutually satisfactory sale price or lease terms” with any interested agency. The Board will give first priority to any offer from an entity that agrees to use the property for affordable housing for lower income elderly or disabled persons or households, and other lower income households if more than one entity gives notice of its intent to purchase the Board's property.

(g) Sale to the General Public

If none of the public agencies offer to buy the property or Government Code section 54222 does not apply, the Board will offer the surplus real property to the general public to the highest bidder. However, if the fair market value of the property is less than \$50,000, the Board may dispose of the property in any manner that complies with applicable law.

SECTION 2. SURPLUS PERSONAL PROPERTY

(a) Overview of Policy

This Section 2 sets forth the procedures for the disposition of surplus personal property.

(b) Scope of Authority

Any personal property that had an initial purchase price of \$10,000, or more, must be approved by the Board prior to disposition of the property. Personal property with an initial purchase price of under \$10,000, only requires written approval of the General Manager or his/her designee. The method of Disposition for items valued at \$10,000 or more shall be approved by the Board of Directors. The method of disposition for items under \$10,000 shall be approved by the General Manger as outlined in Section 2(c).

(c) Methods of Disposition

Once property has been declared surplus by the Board or General Manager, it may be disposed of in any of the following manners:

1. Trade-In/Return to Manufacturer

Surplus property may be offered as a trade-in for credit toward the acquisition of new property or returned to the manufacturer for buy-back. If surplus property is to be applied to a purchase order, the trade-in value shall be itemized on the purchase order.

2. Public Auction

Surplus property may be sold at public auction. Public auctions may be conducted by the District, or the District may contract with a professional auctioneer including professional auction services.

3. General Public Sale

Surplus property may be sold to the general public at market value. Personal property will be displayed for sale in a highly visible public location for a minimum of 2 weeks after which the District will accept sale of the property for the list price or best offer.

4. Internet Auction

The District may utilize an Internet auction service (i.e., e-Bay; Public Surplus, etc.) to sell surplus property. Notice of sale/auction of surplus property shall be posted on the District's website.

5. Sealed Bids

Sealed bids may be solicited for the sale of surplus property. Surplus property disposed of in this manner shall be sold to the highest bidder. Notice of the sale of surplus property shall be posted at the District offices and published in the official newspaper of the District at least once ten (10) days prior to the closing of bid notices.

6. Negotiated Sale

Surplus property may be sold outright if the District determines that only one known buyer is available or interested in acquiring the property. Reasonable assurances that the negotiated sale served a public purpose shall be documented.

7. Donated

Surplus property may be donated directly to charitable nonprofit organizations or to other public agencies including, but not limited to, cities, counties, school districts, sister-cities, special districts and joint powers agencies upon receiving reasonable assurances that the property (or the proceeds) will be used to serve a public purpose.

8. Sold for Scrap

Surplus property may be sold as scrap if the District deems that the value of the raw material exceeds the value of the property as a whole.

9. Minimal or No Value Item

Surplus property with a minimal value (i.e., less than \$500 fair market value) to the District due to spoilage, obsolescence, or other cause or where the District determines that the cost of disposal of such supplies or equipment would exceed the recovery value, the General Manager shall dispose of the equipment/item in such a manner as appropriate and in the best interest of the District. Property may be sold to District employees provided that such employees pay fair market value for the property and there is an open and transparent process for all employees to bid on purchasing a Minimal or No Value Item.

10. Computers, iPads, and Smart Devices

When employees, appointed officials, and elected Board members are provided a District computer, iPad or other electronic or smart device, such employee, appointed official or elected Board member shall have the option to purchase that device from the District at fair market value once the devices has reached the end of its amortized services life with the District. The Districts amortized services life for these devices is 3 years.

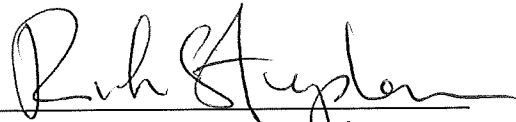
(d) Non-Warranty

All surplus property disposed will be "as is" and "where is", with no warranty, guarantee, or representation of any kind, expressed or implied, as to the condition, utility or usability of the property. All bills of sale, transfers of title or other documentation reflecting the transfer of

surplus property to any third party must include warranty disclaimers consistent with this section.

(e) Grant Funds

Notwithstanding anything to the contrary in this policy, no surplus property may be disposed of in violation of any federal or state laws or regulations. Prior to disposing of any surplus property, the District must determine whether any federal or state grant funds were used to acquire the property and whether those grants limit or otherwise affect the disposal of the property. As applicable, the District shall dispose of the property consistent with this policy but subject to any federal or state grant restrictions.

A handwritten signature in black ink, appearing to read "Rick Stephens", written over a horizontal line.

Rick Stephens, Board President