

Town of Pepperell Surplus Property Policy



When Town of Pepperell non-fixed assets are determined to be surplus, the disposal processes required under MGL 30B must be followed. This policy describes the steps staff must undertake to comply with MGL 30B disposal of surplus property.

These rules apply to all tangible surplus supplies with a resale or salvage value, including motor vehicles, machinery, computer equipment, furniture, and other materials and supplies. The term “supplies” as used in the previous sentence does not include real property. Items without a resale or salvage value should be disposed of in the most environmentally appropriate way possible. The cost to dispose of the item should be considered in determining its value (advertising for a sale or landfilling costs, for example, versus what could be expected to be received in a sale)

The department which has determined the property is surplus must also determine if there is another Town of Pepperell department which would use the property. If so, the property is to be conferred to that other department. Otherwise, the department possessing the property must:

1. **Determine the surplus value** using sound business practices. For example, to determine the value of a surplus vehicle, the Kelley Blue Book or similar resource could be used.

2. **Method of Sale**

Assets valued at \$10,000.00 or more:

Surplus items with an estimated value, per item, of \$10,000.00 or more, must be disposed of by trade-in or by soliciting bids or holding a public auction. Follow the guidelines of M.G.L. c. 30B, § 15. Police departments must auction unclaimed property pursuant to M.G.L. c. 135, § 8.

Assets valued at less than \$10,000.00:

Follow the guidance below and refer to M.G.L. Chapter 30B and The Chapter 30B Manual for details and examples. See references to M.G.L. 30B at end of this document.

By trade-in

If purchasing a comparable replacement, the item may be traded-in with its value deducted from the purchase price of the new item. Trade-in allowance value may be compared to a common commercial value from Kelley Blue Book or similar valuing standard. Document the trade-in, in writing.

By charitable donation:

MGL 30B, Section 15(g) allows local jurisdictions to dispose of tangible supplies that are no longer useful to the Town, to 501(c)(3) organizations. The Town must first determine if the donation violates the Anti-Aid Amendment to the Massachusetts Constitution or other applicable laws. The nature of the organization must also be verified. Any donation valued

at \$10,000.00 or more must be in in writing in accordance with Internal Revenue regulations (98 Art.18, §§ 46 and 103. Document the donation, in writing.

By sealed bid:

Bids received at that location by the deadline will be opened in public and awarded to the highest responsive bidder or based on any rule for award listed in the advertisement.

By public auction:

The auction will award the surplus property to the highest bidder based on the rules of the auction.

For **sealed bids** and **public auctions**, prepare a notice of sale which includes:

- a description of the surplus supplies offered
- when, where and how the surplus supplies can be inspected by the public prior to the bid opening or auction
- all terms and conditions of the sale and rules for bidding – payment method, rule for award, and other relevant details
- the place and deadline for submitting bids and the place, date and time for the bid opening or auction
- a statement that your local jurisdiction retains the right to reject any and all bids.
- A statement that all bidders must submit a non-collusion form (sample at end of this document)
- **Establish a rule for award**, generally highest bid price
- **Advertise the sale** (any method of reasonable public notification is acceptable for items valued at less than \$10,000.00)
 - i. Posting in Town Hall
 - ii. On the Town Website
 - iii. In a newspaper of local circulation
 - iv. If the item is valued at \$10,000.00 or more, a newspaper advertisement is required and must appear at least two weeks prior to bid due date, and, be listed on COMMBUYS
 - v. If the property is valued at \$100,000.00 or more, it must also be listed in the Commonwealth of Massachusetts Goods and Services Bulletin.
- **Recording the sale** - The Town must provide a receipt of sale and retain an original, signed by the recipient of the property (trade-in, donation, or highest bidder). The receipt must include all conditions and terms of the sale.

By timeliness of removal to residents at will

From time to time the Town has excess material – fallen trees, deer, or other material of low value to the Town for which timely removal is important. For example, a deer killed by an automobile strike may be desirable to someone but within 24 hours becomes unusable. Fallen trees may create a safety hazards on roadsides or roadways.

For situations such as these, the Town will maintain a list of persons interested in such excess materials. The Town will notify the community annually to update the list and

persons may be added to a list at any time. When excess material is available, the department head responsible for the material will contact persons on the list and offer it to them. The person must remove the material at their own expense and effort within a timeframe acceptable to the Town. The Town may leave material at a residential address if the cost of bringing the material to the town storage area exceeds the cost of leaving it on the resident's property.

References:

- MGL Chapter 30B
- The Chapter 30B Manual. November 2016 edition was used to develop this policy. It is available at: <https://www.mass.gov/files/documents/2016/11/qw/30Bmanl.pdf>

SAMPLE NOTICE OF SALE

The Town of Pepperell wishes to dispose of property in accordance with its surplus property policy.

The Town will accept sealed bids for the items described herein until **Time AM or PM** on **MM/DD/YYYY** at **location to send sealed bids** at which time the sealed bids will be opened in public.

Or

The Town will hold a public auction for the items described herein on **Time AM or PM** on **MM/DD/YYYY** at **location of auction**.

The items may be viewed at **Viewing location** during **normal business hours/specific date time**

The property consists of the following:

Include a brief description of the item. Year, Make, model, and condition of a vehicle, for example. A photograph would be appropriate for web based or printed flyers (not worth the added cost for newspaper advertisements.)

Winning bids shall be the highest offer received on any item or the aggregate high price if bidding on multiple items as a package when compared to individual bids on the same items from all other submittals. Awardees must pay by cash or bank check, in full, and take possession of the item on the date of award or by **Date determined by Town for pick up of item.**

All sales are final.

The Town of Pepperell retains the right to set a minimum bid and to reject any and all bids received it deems to be in the best interest of Pepperell.

All bidders must submit a non-collusion form (sample at end of this document) with sealed bids or in order to be eligible to participate in an auction.

SAMPLE CERTIFICATION OF NON-COLLUSION

The undersigned certifies under penalties of perjury that this proposal or bid has been made and submitted in good faith and without collusion or fraud with any other person. As used in this certification, the word “person” shall mean any natural person, business, partnership, corporation, union, committee, club or other organization, entity or group of individuals.

(Signature of individual submitting bid or proposal)

(Name of business)