



## Legislation Text

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**File #: 220308, Version: 2**

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### COMMITTEE SUBSTITUTE FOR ORDINANCE NO. 220308

Amending Chapter 2 of the Code of Ordinances of the Kansas City, Missouri, Article XI, Division 9, Surplus Personal Property, by repealing Sections 2-1841 through Section 2-1846 and enacting in lieu thereof a new Division 9, Sections 2-1841 through 2-1846 to require Council Approval to surplus personal property, fixtures and other improvements from City Owned-Buildings that have been Vacated or designated Surplus.

WHEREAS, the City is currently disposing of property located in facilities not currently occupied by City staff or tenants, including, but not limited to Swope Ridge Geriatric Center located at 5900 Swope Parkway in Kansas City, Missouri; and

WHEREAS, the removal of personal property and fixtures from real property that has not yet been deemed by the Council to no longer be needed for public use may frustrate the value of the property or otherwise cause deleterious effects; and

WHEREAS, the current City code provisions authorizing the disposal of surplus personal property does not address this concern; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That Chapter 2, of the Code of Ordinances of Kansas City, Missouri, "Administration" is amended by repealing Division 9, Surplus Personal Property in Article XI and enacting in lieu thereof a new Division 9, Sections 2-1841 through 2-1846 of like number and subject matter, to read as follows:

### **DIVISION 9.**

#### **SURPLUS PERSONAL PROPERTY, FIXTURES AND OTHER IMPROVEMENTS**

##### **Sec. 2-1841. Definitions.**

The following words, terms and phrases, when used in this division, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

*Personal property* means all serviceable and unserviceable goods, supplies, equipment, materials, unclaimed lost and found property, impounded vehicles eligible for sale and other tangible property, to include scrap, salvage, junk, exclusive of real property such as land, buildings including fixtures and other improvements, rights-of-way and installed utilities

*Surplus personal property* means personal property not required for use by a department, agency or board.

*Surplus property* means (1) property that includes any fixtures or other improvements to real property leased by the City; or (2) property owned by the City and any fixtures or other improvements declared to be surplus real property in accordance with all City laws and procedures; and (3) the fixtures or improvements are declared to be surplus property in an ordinance passed by City Council.

*Surplus property manager* means a person in the general services department designated to carry out the responsibilities in sections 2-1842 through 2-1846.

## **Sec. 2-1842. Administration.**

(a) The manager of procurement services shall administer the property disposal activities of the city. Subject to the approval of the director of general services, the manager of procurement services shall appoint a surplus property manager, and such other personnel as required, who shall receive and process requests for surplus personal property disposition and surplus property disposition; conduct sales, transfers and storage activities; maintain surplus personal property records and surplus property records; account for sales proceeds and deposits; and acquire for city use state and federal surplus property.

(b) Departments shall report surplus personal property and surplus property to the general services department for disposal.

(c) Special Rules Governing Disposition of Surplus Property and Surplus Personal Property from City Owned-Buildings that have been Vacated or designated Surplus.

### **(1) Rules:**

(a) Departments are not authorized and are prohibited from disposing of surplus personal property, fixtures or improvements (surplus property) from any City owned Building that has been vacated or designated Surplus.

(b) Departments are not authorized and are prohibited from demolishing, re-leasing or repurposing any-City owned Building that has been vacated or designated Surplus.

### **(2) Exceptions:**

(a) If a Department requests disposition of any personal property, surplus personal property, fixtures or improvements (surplus property) from any City owned Building that has been vacated or designated Surplus, the manager of procurement services shall report all surplus personal property and surplus property (including any fixtures or other improvements) to the City Council and obtain City Council authorization before disposal.

(b) Notwithstanding Section 2-1842(c) (1) (a), Departments may introduce an ordinance to the City Council to authorize the disposition of surplus personal property from any City owned Building that has been vacated or designated Surplus.

(c) Notwithstanding Section 2-1842(c) (1) (b), Departments may introduce an ordinance to the City Council to authorize the demolishing, re-leasing, repurposing or sale any City owned Building that has been vacated or designated Surplus. Departments may not

demolish, re-lease, re-purpose, or sell any City owned Building that has been vacated or designated Surplus without an ordinance that authorizes such action.

- (d) This shall not apply to leases entered pursuant to Section 3-201.

**Sec. 2-1843. Disposal methods.**

(a) Any of the following methods may be used to dispose of surplus personal property or surplus property based on the highest anticipated net yield of funds or net savings to the city. Property with no value will be disposed of as waste or junk.

- (1) Sale by public bid procedures, including multi-term contracts as appropriate.
  - (2) Sale by public auction.
  - (3) Open sale to the general public at posted prices.
  - (4) Sale by negotiation through public bid procedures.
  - (5) Sale by special agent for surplus personal property or surplus property requiring special sales effort and market knowledge.
  - (6) Sale to nonprofit organizations serving the general public good, subject to approval of the director of general services.
  - (7) Trade-in as part of new equipment purchase if in the best interests of the city.
  - (8) Transfer to other department. Transfers within departments funded by the general operating fund shall be at no charge. Transfers to and from enterprise funds shall be at fair market prices as determined by the surplus property manager.
  - (9) Storage for redistribution and rental.
- (b) Notwithstanding anything in subsection (a), the surplus property manager is authorized to:
- (1) use commercially reasonable efforts to dispose of surplus computer equipment, electronics, and parts to entities and persons that have obtained certification from the Basel Action Network as an e-Stewards recycler that provides responsible environmental and social practices in electronic equipment disposal and recycling; or
  - (2) give preference to or limit the disposal of surplus city computer equipment, electronics, and parts to entities and persons that have obtained certification from the Basel Action Network as an e-Stewards recycler; or
  - (3) dispose of surplus city computer equipment, electronics, and parts in accordance with a cooperative agreement with a nonprofit organization that has been authorized by the city council by ordinance.

(c) Unless authorized by ordinance, the surplus property manager is not authorized to dispose of:

- (1) surplus personal or surplus property (including fixtures or other improvements) from a City owned Building that has been vacated or designated Surplus.

(d) City real property which has been declared surplus by ordinance shall be disposed of through an open and public competition in accordance with City regulations and with such conditions determined appropriate by the Director of General Services.

#### **Sec. 2-1844. Public notice of sales.**

Notice of sales made by methods outlined in section 2-1843(a)(1) through (5) will be posted on the internet. The surplus property manager may further advertise the sale of surplus personal property if necessary or advisable. Public advertisement for sale of impounded vehicles will be in accordance with applicable law.

#### **Sec. 2-1845. Disposition of revenues generated by sales; payment of costs of sale or rehabilitation.**

(a) Revenues generated by sales of surplus personal property or surplus property originally purchased by the general operating fund will be returned to that fund as general revenue. Revenues from sales of surplus personal property or surplus property originally purchased by an enterprise fund will be returned to the enterprise fund. Revenue from sales of property from other funds will be returned to general operating fund unless determined otherwise by the director of finance.

(b) Cost of sales of surplus personal property and surplus property will be a funded activity of the general services department. Subject to the approval of the director of general services, unfunded costs may be reimbursed from revenues or charged to benefiting departments. Cost of rehabilitation of surplus personal property and surplus property will be charged to the benefiting department.

#### **Sec. 2-1846. Sales to city employees, agents and officials.**

(a) City employees, contract employees, agents and appointed and elected officials of the city may not purchase surplus personal property except at open sales to the general public at posted prices, or at a properly advertised public auction.

(b) Surplus Property. City employees, contract employees, agents and appointed and elected officials of the city may not purchase surplus property except when the property is sold through an open and public competition in accordance with City regulations and with such conditions determined appropriate by the Director of General Services.

Section 2. That the City Manager is directed to immediately cease any activities at any property that are in conflict with revision to the Code in section 1.

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Approved as to form and legality:

James Brady  
Assistant City Attorney