BOROUGH OF DORMONT ALLEGHENY COUNTY, PENNSYLVANIA
RESOLUTION NO 3-2025
SURPLUS PROPERTY

A RESOLUTION OF THE BOROUGH OF DORMONT ADOPTING A PROCEDURE FOR THE SALE OF SURPLUS PERSONAL PROPERTY

WHEREAS, The Borough of Dormont uses taxpayer dollars to purchase municipal assets and equipment;

WHEREAS, ownership of all such property resides with the Borough, regardless of how the property was obtained;

WHEREAS, the Borough Code, 8 Pa.C.S.A. §1201.2(b), provides for adoption of a procedure for the sale of surplus personal property below a defined estimated fair market value threshold (below $2,000 as of January 1, 2025) by resolution;

WHEREAS, to maximize the use of tax dollars, the Borough seeks to liquidate any asset or equipment within the estimated fair market value threshold contemplated by 8 Pa.C.S.A. §1201.2(b), which has outlived its useful life with the Borough, whereupon the proceeds from the sale of these assets will be contributed back to the respective departments for use therein;

NOW, THEREFORE, BE IT RESOLVED by the Council of the Borough of Dormont, Allegheny County Pennsylvania, in meeting assembled, and it is hereby resolved by the authority of the same, that the within Procedure is hereby adopted, effective immediately:

1. The **Borough Surplus Program** liquidates excess or outdated property from departments and sells the property to eligible recipients through approved vendors and outlets. The public can bid on surplus items including vehicles via online and live auctions as well as through individual sale. Property not disposed through these avenues can be either sold to the public or disposed of through proper channels.

2. **Definitions**

   Assets- Anything owned by an organization/entity, tangible or intangible, which has value. Examples include supplies, equipment, vehicles, and property.

   Bid Sheet - A document that outlines the details of the goods and services being procured. The buyer compiles information they receive from vendors into the spreadsheet. This could include information about the items sold, a breakdown of the labor and materials used, or pricing information.

   Capital Assets - Assets that have a useful life longer than one year and a historical/cost value greater than $10,000.

   Drop-by sale - This sale method allows buyers to inspect and bid on the same day and time. Bidders must be present to participate. They inspect the property, fill out the bid card, and drop it in the secured bid box. After the sale date/time, Borough staff will unseal the bids, evaluate each bid card, and makes the award to the highest bidder. Staff will then notify successful

bidders either by mail or phone.

Equipment - A physical asset with a useful life longer than one-year that either can be capitalized/depreciated (if historical value is greater than $10,000) or non-capitalized (value less than $10,000).

Fixed-price sale (retail) - At fixed-price (retail) sales, Borough staff will post the sale prices on the property and sells the items on a first-come, first-served basis.

Live auctions – The Borough conducts an auction when there are many items for sale in one location. In these cases, staff will use traditional auction methods. Prospective bidders receive descriptions, bidding instructions, and an opportunity to inspect the merchandise before the sale or on the day of sale.

Negotiated sale - Citizens can negotiate the purchase price of surplus property (usually specialized equipment or unique items of limited interest) through a negotiation process with the Borough Manager. Bidders can raise their bids to negotiate price during the purchasing process.

Sealed bid sale – Citizens find items online or by mail, then mail in a bid. Bids cannot be submitted electronically. The *Invitation for Bid*, or IFB, contains the item descriptions, sale terms and conditions, item locations, inspection times, and bid form**.**

Surplus Property – property owned by the Borough within the definition of 8 Pa.C.S.A. §1201.2(b) that is no longer needed to support the operations of a department or the municipality.

Spot bid sale (silent auction) - A spot bid sale is a silent auction, with bids written down rather than voiced. The Borough offers property item by item and awards it to the highest bidders on the same day. Bidders may bid only once per item, unless the item is re-offered.

3. **Eligibility.** The following organizations are eligible to purchase surplus property:

   a. tax-supported agencies, municipal corporations, or other political subdivisions, private fire companies, or private, nonprofit emergency medical service organizations;

   b. public/nonpublic elementary and secondary schools;

   c. eligible nonprofit organizations;

   d. private citizens, and

   e. private and publicly traded companies/corporations.

4. **Process.**

a. Department heads determine that equipment/property is surplus or has outlived its useful life in the Borough, as well as fair market value (if possible) for the property.

b. Department heads complete the *Property Surplus Declaration* Form, naming all assets for sale.

c. A surplus declaration resolution will be drafted and added to monthly voting meeting.

d. Once Borough Council approves resolution through a formal vote, department heads will elect method of sale/auction and take appropriate actions to liquidate the property.

e. Following payment, the department head will provide payment to management for deposit into general fund.

f. Sale proceeds will be directed to the corresponding Borough department for reuse by department head.

5. **<u>Standard Operating Procedures</u>**

a. Management and department heads will determine the appropriate method of sale which can include online marketplaces, government liquidation services, auction, private sale, or combination of anything herein.

b. It should be the responsibility of the department head to utilize vendors who do not have a previous business relationship with the Borough of Dormont, nor constitutes a conflict of interest.

c. If a previous relationship or conflict of interest exists, the Borough Solicitor will be consulted to determine whether the sale can proceed.

ADOPTED this 3rd day of February, 2025.

ATTEST:

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Borough Manager
John P. Stinner

BOROUGH OF DORMONT COUNCIL:

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Council President
Jennifer Mazzocco