



TOWN OF CASTLETON
263 VT Route 30 N
Bomoseen, Vermont 05732

Adopted: 27 January 2020

Revised: 12 February 2024

Purpose:

The purpose of this policy is to provide a written plan for the simple, fair, advantageous, and practical disposal of **Town of Castleton's real and personal property**. The policy endeavors to give everyone an equal opportunity to acquire objects, to eliminate unfair advantage, to realize the greatest profit for the Town, and to not make the process so cumbersome as to discourage buyers or increase the Town's costs and efforts.

The Select Board may authorize the disposal of surplus public property, may sell, transfer, lease, or otherwise dispose of such property for a public benefit purpose, consistent with and subject to this section. Any such transfer, lease, or other disposal may be made to a public, private, or nongovernmental body on any mutually agreeable terms and conditions, including a no cost transfer, subject to and consistent with this section. Consideration must include appraisal costs, debt service, all closing costs, and any other liabilities to the municipality. However, the property may not be so sold, transferred, leased, or disposed of if such sale, transfer, lease, or disposal would violate any bond covenant or encumber or impair any contract.

Coverage:

This policy shall apply to all departments of the Town. Evidence and items "found" by the Police Department must follow Vermont laws first. The policy covers supplies, personal property, vehicles, and found items. Real property is covered by a separate policy.

- a. **Personal Property** "Personal property" generally refers to anything other than real property (land and buildings). Common examples of surplus personal property include vehicles, computer equipment, tools, and office furniture.
- b. However, there are certain exceptions for intergovernmental property transfers, personal property originally acquired for public utility purposes, library reading materials, firearms, or seized/forfeited property.
- c. Items with commercial value can generally be sold by any number of methods, such as online or in-person auctions, sealed bids, "for sale" ads, fleet management services, direct sale to an individual, trade-in, or other methods.
- d. Items with little or no monetary value – sometimes referred to *de minimis* items – can be disposed of as the Town sees fit. Examples include obsolete or broken equipment or other items with little to no resale value. Such items can be sold, donated, sold for scrap, destroyed, recycled, or tossed in the garbage as appropriate. The Town Manager, or his designee, has discretion on the disposal of *de minimis* items.
- e. Any item(s) that are part of an asset management system even if they have no remaining value, shall go through the surplus process.

Found Items:

This term includes unclaimed items left on Town property or along roads. For the purposes of this policy, it shall be considered Town property.

Trade-ins:

Any vehicle or piece of equipment may be traded in as part of the agreement for purchase or lease of a vehicle or equipment, provided the vehicle or equipment is purchased through bidding, State's contracts, or other means approved by the Select Board.

Donation/Sales:

If approved by the Select Board, personal property may be sold or donated directly to another municipality or not-for-profit agency without the advertising requirements presented below.

Scrap:

This term includes any materials that are sold to a dealer who in turn sells the material for processing to create new products. The sale of scrap shall be exempted from the provisions under Sale Procedures. Instead, the Town Manager or his designee may determine when to sell scrap. Two quotes (by telephone is adequate) from scrap dealers are required. The sale must be approved by the Town Manager.

Posting of the list:

No less than once a fiscal year, the Town Manager shall compile a list of unneeded municipal property, supplies, and found items. The list shall include the number of each item, quantity of supplies, and estimated sale value.

Any "found" items will be reported to the Police Department so they can be processed to see if they have been reported as stolen.

The list of items available for sale shall be posted at the Town Office and advertised at least once (a) on the Town's web site, (b) on the Town's Facebook page, and (c) on Front Porch Forum. If any single item on the list has a value exceeding \$1,000, the list shall be advertised twice. This policy does not restrict the Town Manager from utilizing additional means of advertising items for sale. The advertisements shall state the terms and conditions of the sale, including the deadline for bids and purchase offers. Sealed bidding is not required. Some items may be offered for sale while others can be sold through bidding. The legal notice must appear not less than 15 days nor more than 60 days prior to the date of the sale. If the sale is by sealed bid, the bids shall be opened in public at the time and place stated in the legal notice. The bids shall be kept available for public inspection for not less than 60 days.

Exceptions and limitations—Transferring ownership of department-owned vehicle, machinery, or vessel.

1. The Town shall sell or exchange personal property belonging to the Town for which the office, department, or institution having custody thereof has no further use, at public or private sale, and cause the moneys realized from the sale of any such property to be paid into the fund from which such property was purchased or, if such fund no longer exists, into the Town's general fund. This requirement is subject to the following exceptions and limitations:

(a) Sales of capital assets may be made by the Town and a credit established for future purchases of capital items. This applies primarily to vehicle, equipment, and building/facility reserve accounts.

(b) This section does not apply to personal property acquired by a state organization under federal grants and contracts if in conflict with special title provisions contained in such grants or contracts.

(c) A Town department having a surplus personal property asset with a fair market value of less than five hundred dollars may transfer the asset to another Town department without charging fair market value. A department conducting this action must maintain adequate records to comply with Town inventory procedures and state audit requirements.

2. Prior to transferring ownership of a department-owned vehicle/machinery, vessel, the Town Mechanic, or a contracted business, shall conduct a thorough review of the physical condition of the item, the item's operating capability, and any containers and other materials that are not fixed to the item.

3. If the Town determines that a vehicle/machinery, or vessel is in a state of advanced deterioration or poses a reasonably imminent threat to human health or personal or public safety, including a threat of environmental contamination, the Town may:

- (i) Not transfer the item until the conditions identified have been corrected; or
- (ii) (ii) permanently dispose of the vessel by landfill, deconstruction, salvage, or other related method.

Approval of sale items:

The Town Manager must obtain the Select Board's authorization to sell any item whose value exceeds \$1,000. Any item offered via bidding shall be sold to the highest bidder. Except for items whose value is \$1,000 or more, once the deadline for bids and purchase offers has expired, the Town Manager shall be authorized to sell the items. If there are no offers or bids for an item, the Town Manager is authorized to sell the item at any time for the best reasonable offer. **Personal property with an estimated value of \$500 or less may be sold without regard to any of the above provisions. Such sales may be made in the open market without advertisement and without the acceptance of bids. The municipality has the power to estimate the value of the property to be sold.**

Culverts, broken catch basins, grates, & used sign posts:

By approval of this policy, the Select Board pre-approves the sale of the following at the prices listed:

<u>Used culvert pipe</u>	<u>\$1.00/foot</u>
<u>Broken (cracked) catch basin grates</u>	<u>\$10.00 each</u>
<u>Used sign posts</u>	<u>\$0.50/foot</u>
<u>Used Tires: Grader and loader</u>	<u>\$10.00 each</u>
<u>Dump Truck Tires</u>	<u>\$4.00 each</u>
<u>Pickup and car Tires</u>	<u>\$2.00 each</u>

Approved by the Castleton Selectboard on February 12, 2024:

James Leamy

Richard Combs

Mary Lee Harris

Robert Spaulding

Joseph Mark