

**LAKE OSWEGO PUBLIC CONTRACT RULES 2016  
(with 2018 Amendments)**

**DIVISION 50 (LO)  
PROPERTY DISPOSITION**

<b>50-0005 (LO) Applicability</b> .....	1
<b>50-0010 (LO) Definitions</b> .....	1
<b>50-0100 (LO) Auction Sales of Personal Property.</b> .....	1
<b>50-0110 (LO) Sales of Personal Property.</b> .....	1
<b>50-0115 (LO) Liquidation Sales of Personal Property.</b> .....	1
<b>50-0120 (LO) Donations of Personal Property.</b> .....	3

**50-0005 (LO) Applicability**

[The Model Rules do not address disposition of personal property; this LOPCR does not revise a Model Rule.]

(1) These Division 50 rules implement ORS Chapter 279B, Public Procurements and apply to the Sale of Personal Property.

**50-0010 (LO) Definitions**

[The Model Rules do not address disposition of personal property; this LOPCR does not revise a Model Rule.]

(1) **“Personal Property”** means “tangible personal property” as defined in ORS 307.020.

**50-0100 (LO) Auction Sales of Personal Property.**

[The Model Rules do not address disposition of personal property; this LOPCR does not revise a Model Rule.]

Personal property may be sold at auction if the PCO determines that the auction contemplated will probably result in a higher net return than if the property were sold by competitive written bid.

**50-0110 (LO) Sales of Personal Property.**

[The Model Rules do not address disposition of personal property; this LOPCR does not revise a Model Rule.]

(1) The PCO may sell goods, including recyclable or reclaimed materials and forfeited property, without formal competitive bidding in accordance with these procedures.

(2) If there are multiple goods for sale, the PCO shall determine whether it would be most advantageous to the City to sell the goods singly or by lot(s). A “lot” consists of multiple goods for sale together for one sale price.

(3) \$1000 or less. When the PCO estimates the market value for the good or lot is \$1,000 or less, the PCO shall establish a sale price for the good or lot. The PCO shall sell the good or lot pursuant to subsection (a) or (b) below to the first buyer meeting

the sale terms. If there are multiple goods or lots, the goods or lots shall be sold to all buyers meeting the sale terms until all goods or lots are sold.

(a). Sale to Standing Offer for Established Price. If the PCO has previously received offer(s) or statement(s) of interest in purchasing the good or lot for an amount that is at least equal to the estimated market value for the good or lot, the PCO may notify the person(s) that submitted such offers or statements of interest that the good or lot is for sale and the terms of sale (such as provided in subsection (b)(ii) below). The PCO is not required to give public notice of sale pursuant to subsection (b) below.

(b). Sale by Public Notice For Established Price.

(i) The PCO shall advertise the goods or lot for sale at the sale price through:

1. Such electronic marketing website(s) that the PCO deems appropriate considering the nature of the goods, e.g., Craigslist, eBay; or
2. Posting notice of the sale in a public place, e.g., Library or City Hall bulletin board.

The PCO may also provide courtesy notice to any persons the PCO believes have an interest in purchasing the good or lot.

(ii). The advertisement shall include:

1. A brief description of the good or lot;
2. The established sale price;
3. Form(s) of payment accepted, e.g., cash, check, cashier's check, credit card;
4. The location where the goods can be inspected;
5. Where the buyer can take delivery, and any alternative delivery options that will be performed by the City, i.e., shipping to buyer for additional shipping cost; and
6. A statement that the sale is AS IS.

(4) More than \$1000. When the PCO estimates the market value for the good or lot to be more than \$1,000:

(a) Method of sale. The personal property must be offered for sale by one of the following methods:

(i). competitive written bid and be advertised in accordance with ORS 279B.055,

(ii). Internet Auction,

(iii). Public Outcry Auction, or

(iv). Sealed Bid Auction,

Sale by Internet Auction, Public Outcry Auction, or Sealed Bid Auction shall be conducted in a manner similar to OAR 125-050-0400.

(b) No Bids or Reserve Amount Exceeds Bids. If no bids are received following an attempt to sell the personal property pursuant to subsection (a), or if the estimated market value of the good or lot exceeds the offer of the highest bid,

all bids may be rejected and the PCO may negotiate a sale subject to the following conditions:

- (i). An appraisal of the market value of the property is obtained and documented and the negotiated sale price at least equals the market value; or
- (ii). The sale amount exceeds the highest bid received through the bidding or auction process.

Amended: Res. 18-03, 2018.

#### **50-0115 (LO) Liquidation Sales of Personal Property.**

[The Model Rules do not address disposition of personal property; this LOPCR does not revise a Model Rule.] The PCO may sell personal property through a commercially recognized third party liquidator or public agency if the PCO has determined that a liquidation sale will result in increased net revenue and the selection of the liquidator was conducted, at a minimum, by the competitive Request for Proposal process governed by OAR 137-47-0260.

#### **50-0120 (LO) Donations of Personal Property.**

[The Model Rules do not address disposition of personal property; this LOPCR does not revise a Model Rule.]

(1) The PCO may transfer personal property, including recyclable or reclaimed materials or forfeited property, without remuneration or only nominal remuneration without competitive bids to the following activities:

(a). Any sheltered workshop, work activity center or group care home which operates under contract or agreement with, or grant from, any state agency and which is certified to receive federal surplus property; or

(b). Any recognized non-profit activity which is certified to receive federal surplus property.

(2). The PCO may donate or sell, without competitive bids, surplus personal property to recognized private non-profit social or health service activates, subject to the following conditions:

(a). A determination has been made that the property is not needed for other public purposes;

(b). If the property has a current market value of \$250 or more, the donation or sale shall

(i) Be documented by the PCO to be clearly in the public interest and

(ii). The PCO determines this is the most efficient and cost-effective method for disposing of the property.

(3). The PCO may donate or sell personal property<sup>1</sup> without competitive bids to another public agency.

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<sup>1</sup> Fire apparatus: See ORS 279A.190, requiring public hearing and a \$50,000 limitation on the receiving fire department, for competitive bidding exception.

(4). The PCO shall maintain a record of all transfers, donations or sales authorized by this rule.