

Disposition of Personal Property

Summary of Policy

This policy allows the CEO to sell or dispose of personal property when, in its judgment, it is for the best interest of the organization and when it has been certified that the property concerned has an estimated market value of up to \$200,000. Under this authorization, staff will ensure that the disposal of these properties is consistent with agency and FTA requirements. This authority applies to personal property only and not to real property.

Personal property includes, but is not limited to inactive stock and excess, obsolete, worn-out, discarded, scrap, recyclables, construction remnants or otherwise unusable materials, supplies, and equipment.

Through the revision of the Procurement Policies and Procedures manual in September 2001, the CEO authority for disposal of surplus personal property was increased to his current procurement threshold of \$200,000.

Historical Perspective

Under Public Utilities Code Section 30600 allows the Board to lease, sell, jointly develop, or dispose of real or personal property when it is in the best interest of the organization (originally the Southern California Rapid Transit District, now referred to as LACMTA per Public Utilities Code § 13605.13). While the Board has delegated authority to the CEO to spend funds, it had not given the CEO authority to dispose of surplus personal property.

As new technology and equipment changed over time, items become obsolete and were no longer useful. We have implemented an ongoing program to dispose of these surplus, obsolete and worn out personal property.

In February 1999, the Board authorized the CEO to dispose of personal property that has a market value of up to \$100,000 and to develop surplus personal property guidelines for incorporation into the Procurement Policy Manual. This was partially due to the conversion change over in the agency's bus fleet to compressed natural gas and the implementation of new technology.

Last Board Action

September 26, 2001 – Disposition of Personal Property

The Board approved on consent calendar:

- A. revisions to the Procurement Policies and Procedures Manual and the incorporation of this policy.
- B. development and issuance of corresponding Desk Instructions to support the revised Procurement Policies and Procedures Manual.

See Related

[Disposition of Real Property](#)

Procurement Policy Manual

Public Utilities Code § 130051.14

Public Utilities Code § 30600