

Guidelines for Acquisition of Real Property By the Agency

The Onondaga County Resource Recovery Agency (“Agency”) is authorized by Public Authorities Law Section 2045-e (3) to acquire real property, or any interest therein, without limitation for its corporate purposes. These guidelines apply to any such Agency real estate purchases.

I. BASIC AGENCY ACQUISITION PRINCIPLES

A. Purchase Alternatives

1. The Agency will generally make any real estate purchases by bargain and sale in accordance with the options set forth below.
2. The Agency does not have the power of eminent domain (PAL 2045-e (3)).
3. If the Agency proposes to site a “facility”, the acquisition of any real property designated as the site for any facility must first be approved by the Onondaga County Legislature. (PAL 2045-e (3)).
 - a. “Facility” as used above references any solid waste management resource recovery facility and includes any real property to be used, occupied or employed beyond the initial solid waste collection process for the receiving, transporting, storage, processing or disposal of solid waste or the recovery by any means of any material or energy product or resource therefrom including but not limited to recycling centers, transfer stations baling facilities, rail haul or maritime facilities, processing systems, resource recovery facilities, steam and electric generating and transmission facilities, including auxiliary facilities to supplement or temporarily replace such facilities, steam distribution facilities, sanitary landfills, plants and facilities for composting, composting or pyrolization of solid wastes, incinerators and other solid waste disposal, reduction or conversion facilities and resource recovery equipment and disposal equipment.

B. The Agency may rely on the County of Onondaga or the Onondaga County Industrial Development Authority or other public entity to acquire any property needed for a “facility” by eminent domain if the property cannot be purchased by bargain and sale on the open market. The property would then be conveyed to the Agency for its public use and purposes.

C. Agency Direct Acquisition Approach.

1. The Agency will make a determination of the size and other particulars of the real property needed.
2. The Agency will then review the availability of government owned real property in the County to determine if a suitable parcel can be located and acquired by an inter municipal transfer.
3. A suitable surplus parcel may be purchased without a competitive solicitation from the federal government, the State of New York or from any other political subdivision, district or public benefit corporation.

4. If a suitable government owned parcel cannot be located, a search process for parcel acquisition should be instituted which may include any of the following approaches, depending on the need for confidentiality:
 - a. Advertising the Agency's real property purchase requirements in the official Agency newspaper and other news media soliciting parcel proposals, or
 - b. Advising local commercial real estate brokers of the Agency's parcel acquisition need, or
 - c. Identifying potentially suitable parcels from the Onondaga County Geographical Information System on the Internet and from other sources, or
 - d. Soliciting available parcels through third parties or blind solicitation when the ultimate proposed parcel use might make an open or public solicitation impractical.
5. Once potentially acceptable parcels have been identified, a process of evaluating those parcels internally should be done under the direction of the Agency's Executive Director. This will ultimately result in a short list of potentially suitable parcels for more rigorous evaluation.
 - a. The Executive Director and staff, with the assistance of outside engineering consultants, if needed, should then conduct a more rigorous evaluation of those parcels on the short list, examining such issues as:
 1. Wetlands and their impact on parcel use.
 2. Flood plains.
 3. Proximity to schools, residences, churches, cemeteries, airports and other facilities.
 4. Surrounding zoning.
 5. Road access – including access to interstates.
 6. Parcel acreage/useable acreage.
 7. Parcel history.
 8. Easements and other encumbrances.
 9. Recent sales history.
 10. Proximity to environmentally compromised areas.
 11. Potential government funding sources for parcel remediation or developments.
 12. Parcel owner.
 13. Market availability.
 14. Recent appraisals.
 15. Brokerage arrangements/fees.
 16. Any existing tenants and the terms and conditions of their leases.
 - b. Identifying the parcel most suitable to the Agency's needs.
 - c. Obtain two appraisals by Licensed Appraisers as to the Fair Market Value of the parcel selected.
6. The Agency should then, with prior Board authorization, undertake negotiations with the property owner (s) or their representatives regarding the purchase price and purchase terms. Upon successful completion of those negotiations, the Agency can enter into a Purchase Agreement or Purchase

7. Option, as appropriate. If the negotiations fail, the Agency can seek to obtain ownership by eminent domain under I. B., above, or consider other alternate sites.
8. Examination of Title – the Agency should select an appropriate title insurance company by a competitive process and have a title and tax search conducted to assure that clear and marketable title to the property can be obtained and the title to the premises secured by an appropriate A rated title insurance policy.
9. Prior to the closing on the purchase of the subject property, the Agency should conduct a further detailed inspection of the premises to ensure that conditions have not changed.
10. Environmental inspection – the property should be examined for environmental conditions that would affect the value, use or marketability of the property
11. Survey of Premises – a detailed survey and map of the premises should be obtained from a licensed land surveyor.
12. Closing – the closing should be conducted after all encumbrances affecting marketable and insurable title have been removed.
13. Agency Counsel shall approve all deeds, mortgages and title insurance as to form, warranties, content, or coverage.

Adopted by Resolution No. 1453, on November 9, 2005

**RESOLUTION APPROVING AGENCY GUIDELINES
REGARDING ACQUISITION OF AGENCY REAL PROPERTY**

WHEREAS, the Onondaga County Resource Recovery Agency wishes to adopt comprehensive guidelines which detail the Agency's operative policy and instructions regarding the acquisition of Agency real property, and

WHEREAS, the attached guidelines will ensure the Agency's compliance with Public Authorities Law Section 2824 as adopted in the Public Authorities Accountability Act of 2005, and

WHEREAS, the Agency's Administration Committee has reviewed the attached proposed guidelines regarding the acquisition of Agency real property and has recommended that the Agency adopt such guidelines for acquiring of such property, and

WHEREAS, such guidelines will provide the Agency with a procedure to assure that the Agency will obtain the most useful and functionally unencumbered property at a competitive price, while complying with all existing legal and procedural requirements for the acquisition of Agency real property, now therefore be it

RESOLVED, that the Onondaga County Resource Recovery Agency does hereby authorize, approve and adopt the attached proposed guidelines regarding the acquisition of Agency real property and directs its Executive Director to comply therewith in any future purchases of such Agency real property. This Resolution shall take effect on November 22, 2005.

Resolution Adopted Date: November 9, 2005

Vote: Ayes 10 Nays 0 Abstentions 0

Signed: Catherine M. Strong

WJB/pe
Attachment

RESOLUTION BRIEF

***Approving Agency Guidelines Regarding
Acquisition of Agency Real Property***

It has been some twelve years since the Agency last acquired any real property (Site 31 parcels). Nevertheless, the Agency is examining its strategy regarding potential future acquisitions to meet its corporate needs. The recently enacted Public Authorities Accountability Act of 2005 specifically requires our Agency to adopt guidelines regarding the acquisition of Agency real property. The Resolution adopting the attached guidelines will ensure the Agency's compliance with the Public Authorities Accountability Act of 2005 while providing the Agency with a procedure that will assure that the Agency will obtain the most useful and functionally unencumbered property at a competitive price.

WJB/pe

Guidelines for Disposal of Onondaga County Resource Recovery Agency (“Agency”) Real and Personal Property

I. APPLICABILITY OF PROCEDURE/CONTRACTING OFFICER

- A. This procedure shall apply to the disposal of any Agency personal property and any Agency interest in real property, to the extent that real property interest may be conveyed to another person.
- B. “Disposal” hereunder means transfer of title or any other beneficial interest in personal or real property.
- C. The Agency employee designated hereunder as responsible for the disposition of Agency real or personal property under this procedure is deemed the “Contracting Officer.” The Contracting Officer for the Onondaga County Resource Recovery Agency shall be the Agency’s Business Officer. The Contracting Officer shall be responsible for our Agency’s compliance with, and enforcement of, this procedure. This procedure shall comply with and be subject to Public Authorities Law Sections 2896 and 2897 as well as Public Authorities Law Section 2045 a through x.
- D. The guidelines set forth in this Procedure shall be annually reviewed and approved by the Agency Board and annually posted on our Agency’s internet website.

II. PROPERTY INVENTORY CONTROLS

- A. Agency Procedure for Real Property
 - 1. The Agency shall maintain adequate inventory controls and accountability systems for all real property owned by or under the Agency’s control. In order to accomplish this, the Agency’s Contracting Officer shall maintain a detailed list of all real property owned by the Agency, or in which the Agency has an interest, including specifics as to:
 - a. Location of property by County, Town/City/Village
 - b. County tax map number
 - c. Acreage
 - d. Improvements thereon – including a detailed description and recent photographs thereof
 - e. Date of purchase/lease/other property interest
 - f. Property interest (i.e. fee, lease, license, etc.)
 - g. Assessed value
 - h. Breakdown on assessed value of land and improvements
 - i. Deed – book and page number as filed with County Clerk’s office (If Agency owned)
 - j. Purchase price/lease amount
 - k. Present Agency use – includes copies of DEC permits
 - l. Date property was last visited – property must be visited at least annually
- B. Agency Fixed Asset Procedure for Personal Property
 - 1. The Agency has an existing procedure for dealing with Agency fixed assets adopted by the Agency Board on October 3, 2002 (attached) which allows it to keep track of those Agency assets.
 - 2. This Agency Fixed Asset Procedure is incorporated herein by reference and must be complied with.

III. GUIDELINES REGARDING THE USE, AWARDING, MONITORING AND REPORTING OF CONTRACTS FOR THE DISPOSAL OF AGENCY REAL PROPERTY.

- A. The Agency shall, at least annually, inventory all real property and determine which real property should be disposed of. For any such real property disposed of, the Agency shall make a written report of the method and terms of disposal and transfer or dispose of the property as promptly as possible in accordance with the procedure set forth below.
- B. The Agency shall, at least annually, prepare or update, as necessary, and publish a report listing all real property owned by the Agency. (See Section II. A. above). Such report shall also contain a list and full description of any real property disposed of during such period. The report shall contain the price received by the Agency and the name of the purchaser of such real property sold by the Agency during such period. Copies of the report should be delivered to the State Comptroller, the State Director of the Budget, the Commissioner of General Services and the New York State Legislature.
- C. Procedure for Disposition
 1. As noted above, the Contracting Officer shall have supervision and direction over the disposition of all real property of the Agency.
 2. Provisions related to Disposition of Real Property
 - a. Real property may be disposed of for not less than Fair Market Value by sale, exchange or transfer for cash, credit or other property, with or without warranty, and upon such other terms and conditions as the Contracting Officer deems proper.
 - b. The Agency's Executive Director may only execute such documents authorized by the Agency Board for the transfer of title to real property and take such other action as it deems necessary or proper to dispose of such real property.
 - c. No disposition of real property or other interest in real property which, because of its unique nature or because of the unique circumstances of the proposed transaction, is not subject to fair market pricing shall be made unless an appraisal of the value of such property has been made by an independent appraiser certified in the State of New York and included in the record of transaction.
 - d. Where appropriate the Agency may also utilize the services of the State Commissioner of General Services or Onondaga County auction services to dispose of Agency real property under terms and conditions agreed to by the Agency.
 - e. A deed, bill of sale, lease or other instrument executed by or on behalf of the Agency, purporting to transfer title or any other interest in real property of the Agency shall be conclusive evidence of compliance with this procedure, as well as with the Public Authorities Accountability Act of 2005, insofar as it concerns title or other interest of any bona fide grantee or transferee who has given valuable consideration for such title or other interest and has not received actual or constructive notice of lack of such compliance prior to closing. Agency Counsel shall review and approve as to legal form all real estate documents that transfer title.
 - f. No real property or real property interest may be dispositioned under these guidelines to employees or Board members of the Agency or their immediate families, relatives, firms, employers or agents unless specifically authorized by the Board in compliance with the Agency's Ethics Code.

3. Bids for Disposition
 - a. Unless sold through negotiation or auction under Section 4 below, all other disposals or contracts for disposal of Agency real property made or authorized by the Contracting Officer shall be made after publicly advertising for bids.
 - b. Whenever public advertising for bids is required under III. C. 3. (a) above, the advertisement for bids shall be made at such time prior to the disposal or contract, through such methods and on such terms and conditions as shall permit full and free competition consistent with the value and nature of the property.
 - c. All bids shall be publicly disclosed at the time and place stated in the advertisement.
 - d. The award shall be made with reasonable promptness by notice to the responsible bidder whose bid, conforming to the invitation for bids, will be most advantageous to the Agency, price and other factors considered provided, however, that all bids may be rejected when it is in the public interest to do so.
4. Any disposal or contracts for disposal of real property may, subject to final Board approval, also be negotiated or made by public auction rather than bid, but subject to obtaining such competition as is feasible under the circumstances, if:
 - a. The estimated fair market value of the real property does not exceed Fifteen Thousand Dollars (\$15,000) and
 - b. Bid prices after advertising therefore are not reasonable, either as to all or part of the property, or have not been independently arrived at in open competition, or
 - c. The disposal will be to the State of New York or any political subdivision and the estimated fair market value of the real property and other satisfactory terms of disposal are obtained by negotiation, or
 - d. The disposal is for an amount less than the estimated fair market value of the property, the terms of such disposal are obtained by public auction or negotiation, the disposal of the property is intended to further the public health, safety or welfare or an economic development interest of the state or a political subdivision (to include but not limited to the prevention or remediation of a substantial threat to the public health or safety, the creation or retention of a substantial number of job opportunities, or the creation or retention of a substantial source of revenues), or where our Agency's enabling legislation found in Public Authorities Law Section 2045-a through x permits, and the purpose and terms of such disposal are documented in writing and approved in accordance with Agency Resolution No. 970 of January 14, 1998, as revised herein, or other Agency Resolution, or
 - e. Where such action is otherwise authorized by law.
5. Agency Board approval and an explanatory statement shall be prepared of the circumstances of each disposal by negotiation of Agency real property if:
 - a. Any real property that has an estimated fair market value in excess of One Hundred Thousand Dollars (\$100,000), except that any real property disposed of by lease or exchange shall only be subject to III. C. 5. (b) through (d) below.
 - b. Any real property disposed of by lease for a term of five (5) years or less, if the estimated fair annual rent is in excess of \$100,000 for any of such years.
 - c. Any real property disposed of by lease for a term or more than five (5) years, if the total estimated rent over the term of the lease is in excess of One Hundred Thousand Dollars (\$100,000).

- d. Any real property or real and related personal property disposed of by exchange, regardless of value, or any property any part of the consideration for which is real property.
- e. The explanatory statement shall include the following:
 1. Description of the parties involved in the property transaction;
 2. Justification for disposing of property by negotiation;
 3. Identification of property, including its location;
 4. Estimated fair market value of the property;
 5. Proposed sale price of the property;
 6. Size of the property; and
 7. Expected date of sale of property.
6. Real property values shall be determined by a New York State certified professional real property appraisal with additional consideration given to any site environmental conditions, if known. Each such statement shall be transmitted to the persons entitled to receive copies of the report acquired under this procedure, not less than 90 days in advance of such disposal, and a copy thereof shall be preserved in accordance with OCRRA's Record Retention Policy or thirty (30) days, whichever is longer.

IV. GUIDELINES REGARDING THE USE, AWARDING, MONITORING AND REPORTING OF CONTRACTS FOR THE DISPOSAL OF AGENCY PERSONAL PROPERTY.

- A. The Agency shall maintain adequate inventory controls and accountability systems for all personal property under our Agency's control. That inventory and accountability shall be as set forth in the Agency's Fixed Asset Procedure as revised and adopted by the Agency Board on October 3, 2002. (attached)
- B. The Agency shall, at least annually, inventory all Agency personal property having a book value of Five Thousand Dollars (\$5,000) or more and determine which personal property, if any, should be disposed of. For any such personal property disposed of, the Agency shall make a written report of the method and terms of disposal and transfer or dispose of the personal property as promptly as possible in accordance with the procedure set forth below.
- C. Method of Disposition
 1. The Contracting Officer shall also have supervision and direction over the disposition of all personal property of the Agency.
 2. Provisions Related to Disposition or Trade-In of Surplus Agency Equipment
 - a. Surplus equipment will be disposed of in accordance with the Agency Procedure adopted by Agency Board Resolution 970 of January, 1998 as updated below:

The Agency has, on occasion, the need to sell unneeded, worn-out or obsolete equipment, computers, furniture, machinery, tools, parts and vehicles. The Agency has the discretion to conduct such sales by public auction, competitive bidding, or as a last option, private negotiation. The method chosen should be the one which will bring the best price or the most beneficial terms. The procedure for disposing of such surplus equipment shall be as follows:

- (1). Declaration that Equipment is Surplus or Unneeded
 - (a). An Agency employee or manager responsible for any surplus, unneeded, worn-out or obsolete equipment with an estimated remaining

market value over \$100 shall fill out an equipment disposal request and forward same to the Agency's Contracting Officer. If the Contracting Officer determines that the equipment has, in his opinion, a fair market value over \$100 and that the equipment is surplus, unneeded or obsolete, he shall forward a recommendation for its disposition to the Agency's Executive Director and if the Executive Director concurs, the disposition shall be made under the procedure set forth in Section IV. C. 2 a (2) below.

- (b). If the equipment has, in the opinion of the Contracting Officer, an expected remaining market value at that time of less than \$100, in total, the manager having responsibility for the equipment may sell same by negotiated sale after obtaining at least one, and preferably two, informal quotes or may dispose of the equipment under the aggregate surplus equipment sale procedure found in Section IV. C. 2 a. (2) below. If no quotes can be obtained or if the item has no real value or the cost of effecting a sale exceeds the limited value, the item may be discarded or sold for scrap in the discretion of the Contracting Officer.
- (2). Procedure for Sale of Surplus Equipment Having Value Over \$100 but Less Than \$5000
 - (a). If the equipment to be disposed of has an estimated fair market value in the opinion of the Contracting Officer, in total, of more than \$100 but less than \$5,000, the Agency's Executive Director may authorize the Contracting Officer to proceed with its sale. Such sale may, in the first instance, be by public auction or competitive bidding as the Contracting Officer deems appropriate. The Agency may also participate in a County auction or in a joint auction with the County for the sale of such property in which case the high bid at such auction shall be deemed the fair market value. Otherwise, the Executive Director may initially obtain an informal appraisal of the fair market value of the equipment, if he deems such an appraisal useful. The fair market value can also be estimated from public valuation lists or other reference valuation sources on the Internet or otherwise. If three or more offers, quotes or bids are received, the Executive Director may proceed with the sale to the party submitting the highest offer, bid or quote within the specified time and term specifications. If sufficient competition is not generated (3 or more quotes or bids), the Executive Director shall direct a second solicitation, including advertisement in the official newspaper and any appropriate trade journals, as well as active direct solicitation. The sale may then be made to the party submitting the highest offer, bid or quote, whether or not three (3) bids or quotes have been received. If no offers, bids or quotes result from this second solicitation, the equipment may then be sold by private negotiation.
 - (b). If the equipment has an estimated fair market value, of \$5,000 or more, the Contracting Officer under the direction of the Agency's Executive Director shall first consult any published valuation sources that may be available both from published lists, on the Internet or in the media, obtain an appraisal or otherwise develop available information estimating the fair market value of the equipment and, with his

recommendation, forward the request to the appropriate Board Committee for its review and determination. Such property may not, in the first instance, be sold for significantly less than the estimated fair market value. The Committee may, if it agrees with the Executive Director and determines that a sale is in order, authorize such sale by either public auction or sealed bids upon such terms as the Contracting Officer deems proper. If sale is made by public auction, it must be authorized by the Agency's Executive Director with authority given to the auctioneer to sell the items above a certain floor price established based upon the estimated fair market value. (See above). If sale is by sealed competitive bids, the Board may award to the highest responsible bidder meeting the bidding criteria but may reject all bids and readvertise for a rebid if it determines that the bids were too low, relative to the estimated fair market value, or there was determined to be inadequate competition. Whether the sale is by sealed bids or auction, it should be widely advertised in advance in the official newspaper, any appropriate trade journals and by direct solicitation to potential purchasers to promote maximum competition.

- (c). When practical, and to promote more competition and reduce advertising costs, the Agency should encourage aggregating surplus items and equipment for sale by means of an auction, competitive bid or as a last option by negotiated sale. The Agency's Contracting Officer should periodically review surplus and projected surplus items and equipment and consider methods for effectively aggregating same.
- (3). Conflict of Interest Affidavit Required
 - (a). All purchasers of equipment under this Procedure must submit with their bid or purchase offer a completed and signed Conflict of Interest Affidavit indicating that they or their family or firm have no conflict of interest that would prevent them from purchasing the equipment. No equipment may be dispositioned under these guidelines to employees or Board members of the Agency or their immediate families, relatives, firms, employers or agents unless specifically authorized by the Board in compliance with the Agency's Ethics Code.
 - (4). Procedure if Surplus Equipment is Unsold
 - (a). If, after two unsuccessful attempted public sales, the goods or equipment remain unsold and have an estimated fair market value of \$5,000 or more, the Agency may negotiate a sale at the highest price that can be attained to any interested party, sell it for its scrap value, or donate it to a charitable or not-for-profit organization.
 - (5). Report of Final Disposition
 - (a). Upon final disposition of the item(s) the Agency employee or manager responsible for the surplus shall submit a brief memo to the Contracting Officer and the Agency Confidential Internal Controls Compliance Officer describing the item, Fixed Asset serial number (if any), sale price or scrap value received, if any, and buyer (if any). The fixed asset inventory shall be posted with the changes and the disposition memo retained in records retention for three (3) years.

- (6). Use of Surplus or Obsolete Equipment for “Trade-In” Value
 - (a). As an alternative to a sale of the surplus, worn or obsolete items or equipment, the Agency may include such item as a “trade-in” when replacement goods are purchased under the Agency’s Purchasing Policy. The trade-in value of the items or equipment must then be considered in making an award to the lowest responsible bidder or quoter meeting the specifications for the replacement goods. If the trade-in value is determined separately, the Agency should consider whether the trade-in value offered varies significantly from the proposed trade-in’s estimated fair market value. If it does, the item should not be traded in but sold separately under the procedures outlined above.
 - (b). Surplus, worn or obsolete items or equipment may also be traded in on purchases made off of a State Contract for similar equipment. Before the purchase with trade-in is approved, the manager responsible for the equipment to be traded in should ascertain whether the trade-in allowance is reasonable for equipment of that age and condition. If the trade-in allowance is deemed to be not adequate, the disposition procedure found in Sections IV. C. 2 b (1) through (5) above should be followed.
3. Provisions Related to Disposition of Other Agency Personal Property Having an Estimated Fair Market Value of \$5,000 or More
 - a. There may be some occasions when the Agency has personal property having an estimated fair market value by the Agency’s Contracting Officer of \$5,000, or more, other than those listed in IV. C. 2 above, which it wishes to dispose of. (e.g. trademark rights, office supplies, etc.). Such Agency personal property other than surplus or worn equipment may be disposed of directly by the Agency for not less than the estimated fair market value following the procedure for valuation of equipment set forth above. Such disposition may be made by sale, exchange or transfer for cash, credit or other property, with or without warranty, and upon such other terms and conditions as the Contracting Officer deems proper.
 - b. The Agency may execute such documents authorized by the Agency Board for the transfer of title or other interest in property and take such other action as it deems necessary or proper to dispose of such property.
 - c. No disposition of unique personal property, which because of its unique nature is not subject to fair market pricing, shall be made unless an appraisal of the value of such property has been made by an independent appraiser and included in the record of transaction.
 - d. The Agency may also utilize the services of the State Commissioner of General Services or Onondaga County auction services to dispose of such non-equipment Agency property under terms and conditions agreed to by the Agency. In such instance the highest bid price shall be deemed to be an acceptable fair market value.
 - e. A bill of sale or other instrument executed by or on behalf of the Agency, purporting to transfer title or any other interest in Agency personal property shall be conclusive evidence of compliance with this procedure, as well as with the Public Authorities Accountability Act of 2005, insofar as it concerns title or other interest of any bona fide grantee or transferee who has given valuable

- consideration for such interest and has not received actual or constructive notice of lack of such compliance prior to closing.
4. Where Bids for Disposition of Other Non-Equipment Type Personal Property are Utilized
 - a. All disposals or contracts for disposal of other non-equipment type Agency personal property having an estimated fair market value of \$5,000 or more (by the Contracting Officer) shall be made after publicly advertising for bids except where authorized to be sold by auction or negotiation herein.
 - b. Whenever public advertising for bids is required above, the advertisement for bids shall be made at such time prior to the disposal or contract, through such methods and on such terms and conditions as shall permit full and free competition consistent with the value and nature of the property.
 - c. All bids shall be publicly disclosed at the time and place stated in the advertisement.
 - d. The award shall be made with reasonable promptness by notice to the responsible bidder whose bid, conforming to the invitation for bids, will be most advantageous to the Agency, price and other factors considered provided, however, that all bids may be rejected when it is in the public interest to do so.
 5. Any other disposals or contracts for disposal of personal non-equipment Agency property not covered under IV. C. 2, above, may be negotiated or made by public auction rather than bid, but subject to obtaining such competition as is feasible under the circumstances, only if:
 - a. The personal property involved is of a nature and quantity which, if disposed of under the guidelines above, would adversely affect the local market for such property, and the estimated fair market value of such property and other satisfactory terms of disposal can be obtained by negotiation, or
 - b. The fair market value of the personal property is less than Five Thousand Dollars (\$5,000), or
 - c. Bid prices after advertising for such items are determined by the Contracting Officer to not be reasonable, either as to all or part of the personal property, or have not been independently arrived at in open competition, or
 - d. The disposal will be to the State of New York or any political subdivision and the estimated fair market value of the personal property and other satisfactory terms of disposal are obtained by negotiation, or
 - e. The disposal is for an amount less than the estimated fair market value of the personal property, the terms of such disposal are obtained by public auction or negotiation, the disposal of the personal property is intended to further the public health, safety or welfare or an economic development interest of the state or a political subdivision (to include but not limited to the prevention or remediation of a substantial threat to the public health or safety, the creation or retention of a substantial number of job opportunities, or the creation or retention of a substantial source of revenues), or where our Agency's enabling legislation found in Public Authorities Law Section 2045-a through x permits, and the purpose and terms of such disposal are documented in writing and approved in accordance with Agency Resolution No. 970 of January 14, 1998, as revised herein, or other Agency Resolution, or

- f. The personal property involved has qualities separate from the utilitarian purpose of such property such as artistic quality, antiquity, historical significance, rarity, or other qualities of similar effect, that would tend to increase its value, or
 - g. Where such action is otherwise authorized by law.
6. Agency Board approval by resolution and an explanatory statement setting forth in writing the purpose and terms of such disposal shall be prepared stating the circumstances of each disposal by negotiation of:
- a. Any personal property disposition which has an estimated fair market value of Five Thousand Dollars (\$5,000) or more.
 - b. Any personal property disposed of by exchange, regardless of value, or any personal property any part of the consideration for which is an interest in any Agency real property.
 - c. The explanatory statement shall include the following:
 - 1. Description of the parties involved in the property transaction;
 - 2. Justification for disposing of property by negotiation;
 - 3. Identification of property, including its location;
 - 4. Estimated fair market value of the property;
 - 5. Proposed sale price of the property;
 - 6. Size of the property; and
 - 7. Expected date of sale of property.
7. No disposition of any personal property, which because of its unique nature or the unique circumstances of the proposed transaction, is not readily valued by reference to an active market for similar property shall be made without an appraisal of the value of such property by an independent appraiser.

V. TRANSFER TO ANOTHER GOVERNMENT ENTITY

- A. With regard to disposal of Agency property for less than Fair Market Value, no asset owned, leased or otherwise in the control of our Agency may be sold, leased, or otherwise alienated for less than its fair market value except if: the transferee is a government or other public entity, and the terms and conditions of the transfer require that the ownership and use of the asset will remain with the government or any other public entity; the purpose of the transfer is within the purpose, mission or governing statute of the Agency; or in the event the Agency seeks to transfer an asset for less than its fair market value to other than a governmental entity, which disposal would not be consistent with the Agency's mission, purpose or governing statutes, the Agency will provide written notification thereof to the governor, the speaker of the assembly, and the temporary president of the senate, and such proposed transfer shall be subject to denial by the governor, the senate, or the assembly. Denial by the governor shall take the form of a signed certification by the governor. Denial by either house of the legislature shall take the form of a resolution by such house. The governor and each house of the legislature shall take any such action within sixty days of receiving notification of such proposed transfer during the months of January through June, provided that if the legislature receives notification of a proposed transfer during the months of July through December the legislature may take any such action within sixty days of January 1 of the following year. If no such resolution or certification is performed within sixty days of such notification of the proposed transfer to the governor, senate, and assembly, the Agency may effectuate such transfer. Provided, however, that with respect to a below market transfer by the Agency that is not within the purpose, mission or governing statute of the

Agency, if the governing statute provides for the approval of such transfer by the executive and legislative branches of Onondaga County government, and the transfer is of property obtained by the Agency from Onondaga County government, then such approval shall be sufficient to permit the transfer.

- B. In the event a below fair market value asset transfer is proposed, the following information must be provided to the Agency Board and the public: a full description of the asset; an appraisal of the fair market value of the asset and any other information establishing the fair market value sought by the Board; a description of the purpose of the transfer, and a reasonable statement of the kind and amount of the benefit to the public resulting from the transfer including, but not limited to, the kind, number, location, wages or salaries of jobs created or preserved as required by the transfer, the benefits, if any, to the communities in which the asset is situated as are required by the transfer; a statement of the value to be received compared to the fair market value; the names of any private parties participating in the transfer and a statement of the value to the private party; and the names of other private parties who have made an offer for such asset, the value offered, and the purpose for which the asset was sought to be used. Before approving the disposal of any property for less than fair market value, the Agency Board shall consider the information now required and make a written determination that there is no reasonable alternative to the proposed below-market transfer that would achieve the same purpose of such transfer.

Adopted by Resolution No. 1454, on November 9, 2005
Amended by Resolution No. 1696, on February 10, 2010
Amended by Resolution No. 1996, on February 10, 2016

Real Property Sale

<u>Property</u>	<u>Appraised Value Under \$15,000</u>	<u>Appraised Value of \$15,000 and Over</u>	<u>Appraised Value Over \$100,000</u>	<u>Unique</u>
<u>Report to Several State Entities of Any Sale</u>	yes	yes		yes
<u>Sale for Not Less Than FMV</u>	yes	yes		yes
<u>Public Auction or Negotiated Allowed</u>	yes	no		---
<u>Bidding Required</u>	no	yes		---
<u>Appraisal Required</u>	yes	yes		yes
<u>Explanatory Statement Required for Negotiated Sale</u>	yes	yes	yes	no
<u>Approval of Board</u>	yes	yes	yes	yes

Personal Property Sale

	<u>Estimated FMV Value Under \$5,000</u>	<u>Estimated FMV Value of \$5,000 and Over</u>
<u>Annual Inventory</u>	no	yes
<u>Written Report of Proposal</u>	no	yes
<u>Public Auction</u>	yes	yes
<u>Sealed Bids</u>	yes	yes
<u>Negotiation</u>	yes	no
<u>Appraisal Required</u>	Optional Except for Unique (Required)	yes
<u>Unsold May Negotiate/Sell for Scrap/Discard</u>	yes	no
<u>Trade In OK</u>	yes	yes
<u>Must Be Sold for FMV</u>	no	yes
<u>Approval of Board</u>	no (Exec. Director Approval only)	yes

**RESOLUTION APPROVING FURTHER REVISIONS TO AGENCY GUIDELINES
REGARDING DISPOSITION OF AGENCY REAL AND PERSONAL PROPERTY**

WHEREAS, the Onondaga County Resource Recovery Agency did, by Resolution No. 1454 of November 9, 2005, adopt comprehensive guidelines which detail the Agency's operative policy and instructions regarding the use, awarding, monitoring and reporting of contracts for the disposal of Agency real and personal property; and

WHEREAS, the guidelines are required under the Public Authorities Accountability Act of 2005, Public Authorities Law Section 2824; and

WHEREAS, the Agency did subsequently adopt amendments to the guidelines regarding the disposition of Agency property by Resolution No. 1696 of February 10, 2010; and

WHEREAS, the Authority Budget Office has now required that an explanatory statement of the circumstances of a property disposal by negotiation include certain information as set forth in the attached proposed further amendment to the Agency's guidelines for the disposition of property; now, therefore be it

RESOLVED, that the Onondaga County Resource Recovery Agency does hereby authorize, approve and adopt the attached proposed further amendments to the guidelines regarding the disposition of Agency property and directs its Executive Director to comply therewith in any future sales of such Agency property. The Agency's Secretary is directed to promptly file a copy of the attached amendments to the guidelines and this Resolution with the State Comptroller and post the further amended guidelines on the Agency's internet website. This Resolution shall take effect immediately.

Resolution Adopted Date: February 10, 2016

Vote: Ayes: 10 Nays: 0 Abstentions: 0

Signed: *Bar E. Morrison*

Attachment