

OHIO TURNPIKE COMMISSION

Resolution Adopting Property Disposal Policy and Procedure

WHEREAS, the Commission is authorized by Section 5537.04(A)(8) of the Revised Code to acquire, hold and dispose of property in the exercise of its powers and performance of its duties; and

WHEREAS, the Commission is authorized by Article V, Section 5.08 of the Master Trust Agreement dated February 15, 1994, as amended and supplemented, with Huntington National Bank as Trustee, to sell, dispose of, or exchange both real and tangible personal property, including machinery, equipment, apparatus or other movable property, that the Commission determines is no longer needed or useful to the operation or maintenance of the Turnpike System subject to the requirement that any property with a fair market value in excess of \$500,000 requires the Commission to notify the Trustee of the disposition of the proceeds of the property disposition; and

WHEREAS, the Commission wishes to adopt a policy and procedure that the Executive Director shall follow when disposing of any tangible personal property when the cumulative value of such property is less than \$150,000; and

WHEREAS, the Chief Engineer in consultation with the General Counsel has proposed that the Commission adopt the attached Property Disposal Policy and Procedure that establishes criteria and guidelines to be utilized for the disposal of excess or surplus property; and

NOW THEREFORE, BE IT

RESOLVED, that the Commission hereby adopts the attached Property Disposal Policy which shall be effective immediately; and

FURTHER RESOLVED, that the Executive Director is authorized to implement and utilize the guidelines established under the policy and to dispose of any tangible personal property when the total aggregate value of such property is less than \$150,000, and

FURTHER RESOLVED, that the Commission shall approve the disposal of any property whose aggregate fair market value exceeds \$150,000.

(Resolution No. 29 - 2007 adopted August 20, 2007)

OHIO TURNPIKE COMMISSION PROPERTY DISPOSAL POLICY

The following policy governs the disposal of real and personal property owned by the Ohio Turnpike Commission. The disposal of property shall include the exchange, trade-in, donation or sale of such property. Department Heads are responsible for notifying the Purchasing Department and Office Services of the availability of surplus or excess property that is available for use by other Departments. Further, Department Heads are responsible for ensuring that Commission property is used in the most cost efficient and effective manner consistent with Commission's mission of ensuring the safety and security of both its employees and customers using the Turnpike System.

I. REAL PROPERTY

Real property that is no longer necessary or useful in connection with the construction, operation or maintenance of the Turnpike System shall be disposed of in accordance with the requirements of the Commission's governing statute, and the provisions of the 1994 Master Trust Agreement, as amended and supplemented from time to time including but not limited to the provisions of Section 5.08 thereof. The Chief Engineer shall initiate the process by requesting that the Consulting Engineer review the initial determination that the property in question is no longer necessary or useful to the construction, operation or maintenance of the Turnpike System. Upon receiving a recommendation to dispose of the property, the Commission shall review the decision to dispose of the property based upon the recommendation of the Executive Director, Chief Engineer and the Consulting Engineer.

Real property shall be disposed by sale to the highest and best bidder after advertisement in a newspaper of general circulation in the county in which the property is located for a period of two consecutive weeks or longer, and by publication on the Commission's website for the same or longer period of time. The Commission may sell such property at public auction, or by competitive sealed bids solicited through advertisement or publication on the Commission's website. The Legal Department shall be responsible for overseeing the disposal of Real Property. In the event that no sales result from the above process, such real estate may be donated to a Public Agency, if approved by the Executive and by resolution of the Commission.

II. PERSONAL PROPERTY

Personal property owned by the Commission, including but not limited to, vehicles, equipment, supplies, or materials that fall within the definition of excess or surplus supplies set forth below, shall be disposed of by the Purchasing Department. All determinations that such property qualifies for disposal as excess or surplus property must be approved by the Executive Director or the Commission if the total aggregate value of the property items being disposed of exceeds the amount of \$150,000.

Excess or surplus property means any one of the following:

1. Property that no longer adequately performs the task for which it is used;
2. Property that is no longer needed for the activities of the Commission to perform its functions as recommended by the respective Department Head and approved by the Executive Director;
3. The property no longer has any fair market value or the estimated cost of its continued care and handling would exceed the estimated proceeds from its sale through a competitive process;
4. Property that has value greater than its basic material content but for which repair or rehabilitation is clearly impractical or uneconomical;
5. Supplies that have exceeded its expected shelf life; or
6. Equipment or vehicles for which a supply of spare parts or repair/maintenance parts and/or services required to maintain the item are no longer readily available;
or
7. Computer equipment that is outdated.

Prior to requesting the Executive Director or the Commission's approval for the disposal of excess or surplus property, the respective Department Head shall provide the Purchasing Department with an inventory of such property, the reasons or justification for the disposal of such property, the suggested method of disposal, and the estimated fair market value of the property based upon the blue book value, recent sales of such equipment at public or online auctions, or another reliable or widely recognized resource.

Property may be disposed of using one the following methods, in order of priority, with the exception of property that should only be sold to a public or law enforcement agency:

1. Sale to the highest and best bidder at a public or online auction, by sealed competitive bids, or other competitive process, following advertisement in a newspaper of general circulation in the region of the state where the property is located for a period of at least two consecutive weeks or longer, or by online publication/advertisement on the Commission's or another online trading website;
2. Sale to another public agency, including but not limited to, a state agency, county agency, public university or state assisted institutions of higher education, municipal corporations, service districts, townships, fire departments, emergency medical service organizations, public libraries or school districts;

3. Donation to a public agency or non-profit organizations exempt from federal taxation under 501(a) and (c)(3) of the of the United States Code under such terms and conditions as prescribed by the Legal Department;
4. Recycling excess or used equipment or supplies;
5. Disposing of excess or surplus supplies as refuse when the useful value of the property to the Commission is \$250.00 or less, and when approved by the Executive Director.

Property may be traded-in or exchanged for new vehicles, machinery, equipment, or supplies if the trade-in or exchange value received is estimated to exceed the value of the property in question if it is sold at public or online auction, or other competitive process, less the anticipated administrative costs expected to be charged or incurred by conducting a public or online auction. Each Department Head is responsible for determining and recommending the most cost effective and efficient manner in which to dispose of the property in question. Department Heads are also responsible for researching the fair market value of the property in question.

III. LOST AND FOUND PROPERTY

All lost and found property is to be turned in to the immediate supervisor or Department Head of the employee who found the lost or recovered the property, and tagged with a consecutively numbered Lost and Found Tag by respective supervisor of the employee who found the property. Property that is lost and recovered at the Administrative Offices of the OTC may be turned into the Customer Services Office. Lost and Found Property should be transported to the Administrative Offices of the OTC within five (5) days of being found by OTC personnel. Each Service Plaza Manager, Toll Plaza Manager, Maintenance Section Foreman or other supervisor is responsible for maintaining a record and log of property that has been found on OTC property.

OTC employees are not permitted to keep or claim articles that are lost and found on OTC property in accordance with the Ethics Policy. Lost and Found property shall be disposed of in accordance with the procedures set forth in Section II if it is not claimed by its original owner within six months from the date it was found.