

Linda Lehman- Mayor
Stephanie Haug, CMC- City Clerk/Treasurer
Spink Engineering- City Engineer
Kerr Law Group-City Attorney



Lisa Stade-Councilwoman
Mary Lettau- Councilwoman
Vanessa Coates- Councilwoman
David Sandretto- Councilman
Jake Mokler- Councilman

SPECIAL MEETING

May 16, 2017

A G E N D A

**Benton City Community Center
5:30pm**

- A. CALL TO ORDER**
- B. ROLL CALL**
- C. DISCUSSION- ORDINANCE 969**
- D. ADJOURNMENT**



First Reading: 4/18/2017

Second Reading: _____

Corrected Copy

ORDINANCE NO. 969

**AN ORDINANCE OF THE CITY OF BENTON CITY,
WASHINGTON, CREATING A NEW CHAPTER 2.30
"PROPERTY ACQUISITION AND DISPOSITION"**

WHEREAS, RCW 35A.11.010 expressly authorizes code cities such as the City of Benton City to purchase, lease, receive, or otherwise acquire real and personal property of every kind and use, enjoy, hold, lease, control, convey or otherwise dispose of it for the common benefit; and

WHEREAS, the City Council finds that an established procedure governing the process for the acquisition and sale of both real and personal property is in the best interest of the City; NOW, THEREFORE,

**THE CITY COUNCIL OF THE CITY OF BENTON CITY, WASHINGTON, DO
ORDAIN AS FOLLOWS:**

Section 1. That a new Chapter 2.30 entitled "Property Acquisition and Disposition" of the Benton City Municipal Code shall be and hereby is created and shall read as follows:

Chapter 2.30

PROPERTY ACQUISITION AND DISPOSITION

Sections:

- 2.30.010 Authority to Sell Real Property.
- 2.30.020 Minimum Price of Real Property.
- 2.30.030 Procedure for Sale of Real Property.
- 2.30.040 Negotiated Sale-Appraisal.
- 2.30.050 Competitive Bid Auction Sale.
- 2.30.060 Deed to Real Property.
- 2.30.070 Acquisition of Real Property.
- 2.30.080 Authority to Sell Personal Property.
- 2.30.090 Minimum Price of Personal Property.
- 2.30.100 Method of Sale of Personal Property
- 2.30.110 Advertisement of Sale of Personal Property.
- 2.30.120 Opening Bids for Sale of Personal Property; Rejection.
- 2.30.130 Sale of Personal Property for Cash; Exceptions.
- 2.30.140 Bill of Sale for Personal Property.

2.30.010 **Authority to Sell Real Property.** Whenever it appears to the City Council that it is for the best interest of the City and the people thereof that real property belonging to the City should be sold, the City Council shall adopt a Resolution declaring such property to be surplus, and shall sell and convey such property under the limitations and restrictions and in the manner hereinafter provided. In making such sales, the City Council may sell timber, minerals, water, and other rights and resources on or attaching any land owned by the City separate and apart from the land in the same manner and upon the same terms and conditions as provided in Sections 2.30.020 through 2.30.060 for the sale of real property. The City Council may also reserve mineral, water, and other such rights associated with such land.

2.30.020 **Minimum Price of Real Property.** The City Council shall fix a minimum price at which real property may be sold. In the case of a negotiated sale, such price must be set according to the provisions of Section 2.30.040 of this chapter. No sale shall be made unless at least the minimum price fixed by the City Council is paid.

2.30.030 **Procedure for Sale of Real Property.** The City Council shall determine which of the following methods shall be used to facilitate the sale of real property owned by the City and shall set forth such determination in the form of a Resolution. Passage of such a Resolution does not bind the City Council to sell the property using only such method if such method proves over a reasonable period of time to be unsuccessful. The sale may be facilitated by either:

- A. **Competitive Bid Auction.** Unless otherwise provided by law, all sales by auction via competitive bids shall be as provided in this chapter.
- B. **Realtor Listing.** The property shall be listed for sale through a reputable licensed realtor. Such realtor shall be chosen through City Council approval.
- C. **Negotiated Sale.** The City Council shall set forth its reasons by Resolution declaring its desire to attempt a negotiated sale. Passage of such a Resolution does not bind the City Council to sell the property by negotiation.
- D. **Intergovernmental Transfer Pursuant to Chapter 39.33 RCW.**
- E. **Other Method Authorized by Statute.** When sale by a method other than through a competitive bid is specifically and expressly authorized by state law.
- F. **Other Method in Emergency.** When the City Council setting forth the facts by Resolution has declared an emergency to exist. The City Council shall further direct by Resolution the manner of sale appropriate to meet the emergency.

2.30.040 **Negotiated Sale-Appraisal.** Following the passage of a Resolution as provided in Section 2.46.030 above, the City Council shall direct the obtaining of at least one appraisal for the property being considered for sale. The appraisal shall be performed by an independent qualified appraiser. The appraisal shall determine the value of the property for the purpose it is intended to be used, and the value of the property for such other purpose or under such other circumstances as the City Council may direct. The appraisal shall be performed not more than six (6) months prior to the date of sale unless the City Council by Resolution setting forth its reasons provides for a longer period of time. The results of the appraisal shall be made public prior to the Council's approval of the sale of the real property. No real property shall be sold for less than any appraisal obtained without the City Council setting forth its reasons by Resolution. This requirement to obtain appraisal may be waived via City Council approval and Resolution after public hearing.

2.30.050 **Competitive Bid Auction Sale.** A sale by method of auction via competitive bidding shall conform to the following requirements:

- A. **Advertisement of Sale of Real Property-Publication and Posting.** The City Clerk shall publish an advertisement for bids once each week for two successive weeks in the official city newspaper. All pending sales may be advertised by any notice posted on a public bulletin board in a conspicuous place at the City Hall, upon the City's website, or upon a third-party website suitable for the sale of real property. Both such posting and the date of last publication must be at least five (5) calendar days before the final date for submitting the bids.
- B. **Contents of Advertisement for Sale of Real Property.** The advertisement for bids shall particularly describe the property or portion thereof proposed to be sold, shall designate the place and the time that the bids will be opened, shall set forth the minimum price established by the City Council, and shall set forth the terms of the sale.
- C. **Opening Bids for Sale of Real Property; Rejection.** The bids shall be opened in public at the time and place stated in the newspaper publication. The City Council may reject any or all bids, or the bid for any one or more of the parcels of realty included in the advertisement for bids.

2.30.060 **Deed to Real Property.** Upon the sale of any property, the City Clerk shall have the necessary contract or deed issued and executed as required by law.

2.30.070 **Acquisition of Real Property.** A representative chosen by the council will be authorized to negotiate for the purchase of real property for any municipal purposes. The purchase price shall be based upon a fair market value analysis or appraisal of the property. The purchase price, terms and condition of sale shall be approved by the City Council as a condition of any purchase. Final approval of any purchase of real property shall be obtained from the City Council prior to purchase. The City shall

have authority pursuant to RCW 39.30.010 to purchase real property by an executory conditional sales contract.

2.30.080 **Authority to Sell Personal Property.** The supplies, materials, and equipment not needed for public use may be declared as surplus and may be disposed of by the City pursuant to this section.

- A. Personal property with an estimated value, per item, of less than \$1,000 may be declared surplus by the Mayor and disposed of in a manner determined by the Mayor to be most advantageous to the City, pursuant to Section 2.30.090.
- B. Personal property valued in excess of \$1,000, per item, may be declared surplus and disposed of with authorization from the City Council, including minimum sale price, if any, and the manner of disposal.
- C. Personal property may be traded as consideration in the acquisition of replacement personal property when such replacement property is included as an authorized expenditure in the City's current operating budget.
- D. Salvage/junk metals that have accumulated for purposes of sale as scrap metals may be disposed of by the Mayor or his/her designee, in which case the metals shall be sold to the local dealer(s) offering the best current market price per measured weight or volume determined by telephone survey or other reasonable means.

2.30.090 **Minimum Price of Personal Property.** The City Council shall fix a minimum price at which personal property may be sold, when such property has an estimated value more than \$1,000, per item. If less than \$1,000, the Mayor shall fix the minimum price.

2.30.100 **Method of Sale of Personal Property.** Personal property declared surplus may be disposed of through one of the following methods:

- A. By transfer to a governmental agency; or
- B. In trade as credit toward a municipal purchase;
- C. By sale through competitive sealed bid, public auction, consignment or internet auction.

2.30.110 **Advertisement of Sale of Personal Property.** In the event that surplus property is to be sold by consignment or auction, the City Clerk shall cause that notice of such sale shall be given, in such a manner as to provide reasonable notice to potential buyers of the sale. The City Clerk shall also publish an advertisement of such auction or sale once each week for two successive weeks in the official city newspaper. All pending sales shall also be advertised by a notice posted on a public bulletin board in a conspicuous place at the City Hall, upon the City's website, or upon a third-party website suitable for the sale of such property. Both such posting and the date of last publication must be at least five (5) calendar days before the date for submitting the bids or the date of such sale. The

advertisement for bids must particularly describe the property proposed to be sold or shall refer to approved specifications on file in the office of the City Clerk, designate the place and the time when the bids will be opened, and shall set forth the minimum price established by the City Council.

2.30.120 **Opening Bids for Sale of Personal Property; Rejection.** The bids shall be opened in public at the time and place stated in the notice. The presiding authority, whether Mayor or City Council pursuant to 2.30.080, may reject any or all bids, or the bid for any one or more of the articles included in the advertisement for bids.

2.30.130 **Sale of Personal Property for Cash; Exceptions.** Sales of personal property must be for cash except:

- A. When property is transferred to a governmental agency;
- B. When the City property is to be traded in on the purchase in which case the proposed cash allowance for the trade-in must be a part of the proposition to be submitted by the seller in the transaction.

2.30.140 **Bill of Sale for Personal Property.** Upon the sale of any property as provided for in Sections 2.30.080 through 2.30.140 the City Clerk shall, upon request, have the necessary bill of sale issued and executed as required by law.

Section 2. This Ordinance shall take full force and effect five (5) days after its approval, passage, and publication as required by law.

PASSED by the City Council of the City of Benton City, Washington, and approved as provided by law this ____ day of _____, 2017.

Linda Lehman, Mayor

ATTEST:

APPROVED AS TO FORM:

Stephanie Haug, City Clerk

Leland B. Kerr, City Attorney

First Reading: _____

Second Reading: _____

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