



City of Seattle Seattle City Light Department

DEPARTMENT POLICY & PROCEDURE

Subject	Number
	DPP 500 P I-705
	Effective
DISPOSITION OF SURPLUS, OBSOLETE, JUNK AND SCRAP MATERIALS, SUPPLIES, AND EQUIPMENT	May 13, 1999
	Supersedes
	March 23, 1990

Approved 

Page 1 of 21

1.0 PURPOSE

1.1 To establish uniform guidelines for the disposition of items (other than real property), which have become surplus to Seattle City Light Department (“SCL”) needs or which are of no current use.

2.0 ORGANIZATION AFFECTED

2.1 The Seattle City Light Department.

3.0 REFERENCES

3.1 Federal Toxic Substance Control Act 40 - CFR 761.

3.2 U.S. Resource Conservation and Recovery Act (RCRA) 1984 Amendments

3.3 W.A.C. 173-303 Washington State Dangerous Waste Regulations

3.4 Washington State Solid Waste Management Act

3.5 Washington State Hazardous Waste Reduction Act, Ch. 70.95C RCW

- 3.6 Washington State Hazard Communication Standard, WAC 296-62-054
- 3.7 Charter of the City of Seattle, Article VIII, Section 16, as amended.
- 3.8 City of Seattle Ordinance 102151, or as the same may be superseded or amended.
- 3.9 City of Seattle Administrative Rules For Disposition of Surplus Materials, Supplies and Equipment Other Than Real Property, Number 97-1, Effective July 21, 1997.
- 3.10 Memo from ESD (Contracting Services) to the Superintendent of City Light authorizing sales on a first-come, first served basis (requested annually each December for the following year.)
- 3.11 May 1984 Salvage Operations Study.
- 3.12 Seattle Municipal Code (SMC) Chapter 3.24.010, Powers of the Executive Services Department.
- 3.13 SMC Chapter 3.18.824, Sale or Transfer of Surplus
- 3.14 Administrative Rules, Regulations, Policies and Procedures of the Executive Services Department, Rules Regarding Disposition of Surplus Materials, Supplies and Equipment Other than Real Property, Number 97-1.
- 3.15 City of Seattle Hazardous Materials Coordinating Committee Recommended Guidelines for Surplussing Hazardous Materials.

4.0 POLICY

- 4.1 SCL shall be in compliance with state and federal laws giving priority to recycling and waste reduction. Additionally, SCL shall promote dangerous waste reduction by recycling and other means.
- 4.2 Except as specified in §7.1.1.4, items removed from SCL's system shall be returned to the South Service Center for disposition.
- 4.3 All items shall be examined for reuse potential; those classified as reusable shall be reconditioned, as required, and returned to material stock; materials classified as reusable or recyclable but are surplus to SCL needs, such as used oil, hardware, etc. may be sold to recyclers.

- 4.4 Material and equipment which is not in operating condition, except as noted in §4.3, shall be classified as junk; and shall be stored for disposal by appropriate means.
- 4.5 SCL having material or equipment that has become surplus to the needs or for which they have no current use shall notify the City's Executive Services Department ("ESD") for proper disposal. SCL shall declare surplus, obsolete, junk or scrap material, supplies or equipment to ESD.
- 4.6 ESD shall determine the method of disposition of the property. ESD may directly dispose of property by the following methods, including but not limited to, another City Department, another government agency, to a non-profit agency which receives local, State and Federal government assistance, public sale, trade-in for acquisition of new or other property, by arrangement with private contractors, through garbage or other disposal methods.
- 4.7 All inquiries from prospective purchasers of surplus material and equipment shall be referred to the South Service Center General Warehouse Supervisor, Salvage Chief Warehouse, or ESD.
- 4.8 Acceptable forms of payment are U.S. currency, certified check, cashier's check, or money order. Personal checks are not an acceptable form of payment.
- 4.9 All monies collected shall be turned in to the cashier periodically throughout the day of the sales transaction.
- 4.10 No surplus material or equipment shall be loaded onto vehicles without a delivery receipt or receipt of an award letter or personal bill of sale and document holding the City of Seattle harmless from any damages or injury arising from such removal or loading operation.
- 4.11 Except as specified in §7.1.1.4, 7.5.1.3, and 7.7.1.4 surplus material and equipment sent to South Service Center Salvage Section shall be sold exclusively at the South Service Center. On rare occasions ESD Warehousing Services will request item or items to be sent to their warehouse to facilitate the sale of the item (s).
- 4.12 SCL shall determine when the requirements of RCW 35.94 regarding the disposition of "works, plant or system(s) are applicable prior to notifying ESD that they have surplus for disposal. SCL is responsible for implementing any measures necessary to comply with RCW 35.94.

5.0 **DEFINITIONS**

- 5.1 **Surplus Material.** Any supplies, material, or equipment on hand which is excess to departmental requirements.
- 5.2 **Obsolete Material.** Any supplies, material, or equipment which has become surplus because of changes in operation or technology.
- 5.3 **Junk Material.** Equipment which is not in operating condition (may be obsolete and/or damaged beyond economical repair). After salvaging working parts, if any, the remainder has value only as a basic scrap commodity.
- 5.4 **Scrap.** Any supply, material, or equipment on hand which is unsuitable in its original form for continued departmental use and has no value except for basic material content.
- 5.5 **Salvage.** Any supply, material, or equipment on hand which is removed from service and may be reused or reconditioned for continued SCL service, or sold as surplus/scrap.
- 5.6 **Equipment.** Apparatuses or tools owned by the Department which are identified by serial number, SCL number, or location.
- 5.7 **Real Property.** Land, buildings, or lease hold improvements.
- 5.8 **SCL.** The Seattle City Light Department.
- 5.9 **E&S.** Environment & Safety Division, Seattle City Light Department.
- 5.10 **ESD.** The City of Seattle, Executive Services Department.
- 5.11 **Courtesy Sales.** Sales which allow the public to come into the salvage section and purchase salvage materials in small quantities; e.g., scrap metal, wood reels, scrap wood, etc. Untreated poles and sections thereof are sold through the Pole Yard.
- 5.12 **Wire Shorts.** Wire considered by the North and South Electrical Services Divisions as not a substantial amount for service use and, therefore, will not require a Salvage Material Return (SMR) or a Stores Return, in order to turn wire into Salvage.
- 5.13 **PCB.** Polychlorinated biphenyl.
- 5.14 **Purchasing Surplus Store.** Sales which allow the public to come into the salvage yard and purchase miscellaneous items in small quantities; e.g., miscellaneous hand tools, rope, ladders, etc.

- 5.15 Garbage. Items with no sale or service value.
- 5.16 Hazardous Material. A product or item containing a chemical or chemicals which is (are) a physical hazard or a health hazard per Washington State Hazard Communication Standard, WAC 296-62-054
- 5.17 Dangerous Waste. Waste materials that is required, upon disposal to be disposed as dangerous waste pursuant to the Washington State Dangerous Waste Regulations, Ch. 173-303 WAC.

6.0 RESPONSIBILITIES

- 6.1 Under the City of Seattle Charter, ESD shall be responsible for controlling the disposal of surplus, obsolete, junk and scrap materials, supplies and equipment. SCL shall inform ESD in a timely manner of any property that becomes excess to its needs and available for appropriate disposition.
- 6.2 Except as noted in §7.5.1.3, 7.6.1.2, and 7.7.1.4, division directors shall be responsible for informing the Director of South Electrical Services of any material or equipment which becomes available for disposal.
- 6.3 The North and South Electrical Services Divisions shall be responsible for:
 - 6.3.1 Removing salvage material from the Department's system, and returning all material to the South or North Service Center; Materials returned to North Service Center shall be transported to South Service Center Warehouse Salvage Section.
 - 6.3.2 Originating and approving Salvage Material Returned (SMR) form (Appendix 8.2); and
 - 6.3.3 Coordinating, via the Director of South Electrical Services, on-site bid sales of large surplus items at the Skagit and Boundary facilities or system substations. This would include items which are not economically transportable to the South or North Service Center for disposition. All other procedures concerning these sales need to follow the DPP 500 P I-705
- 6.4 The Senior Automotive Engineer, Power Stations Division, shall be responsible for declaring mobile equipment as surplus for the Department.
- 6.5 The Technical Metering Section, North Electrical Services Division, shall be responsible for declaring meters as surplus for the Department.

- 6.6 The Supervisor, North Electrical Services & Construction, North Electrical Services Division, and South Electrical Services & Construction, South Electrical Services Division shall be responsible for declaring all streetlight luminaires, components and standards as surplus for the Department.
- 6.7 The Appliance Repair Unit, North Electrical Services Division shall be responsible for declaring used residential water heaters from the water heater leasing program as inoperable and surplus for the Department. These heaters and all other surplus materials and equipment shall be processed through the South Service Center Warehouse, South Electrical Services Division, except as noted under §7.6.1.2 through §7.6.1.6.
- 6.8 The Building Operation Manager, or designee, Facilities Management Division, shall be responsible for declaring office furniture and equipment as surplus for the Department.
- 6.9 The Salvage Chief Warehouse, under the direction of the South Services Center General Material Handling Supervisor, South Electrical Services Division, shall be responsible for:
- 6.9.1 Designating Department employees to sort all salvage material by type;
 - 6.9.2 Examining and classifying material for salvage value. Items with salvage value are held for sale, other items with service value are reworked and returned to material stock. Items with no sale or service value may be disposed of as garbage;
 - 6.9.3 Assisting prospective purchasers on examining surplus material and equipment for sale;
 - 6.9.4 Issuing a Personal Bill of Sale (PB, Source Code 48; Appendix 8.3) and Cash Receipt (Appendix 8.4) for each courtesy sale;
 - 6.9.5 Maintaining a log system to account for the processing of all PB forms issued;
 - 6.9.6 Retaining all salvage sales records for a minimum period of two years from date of sale;
 - 6.9.7 Operating the Department's electronic scale for tare and gross weights of scrap material picked up by successful bid purchasers; and
 - 6.9.8 Inspecting all used water heaters turned in as surplus by the Appliance Service Manager.
 - 6.9.9 When salvage materials, supplies, or equipment, which might contain hazardous materials, are being sold on bid or contract, the Salvage Chief Warehouse will consult

with Environment & Safety Division regarding applicable laws, appropriate disposition of items, or when bidder should be pre-qualified or reviewed by E&S. Additionally, procedures in §7.9 will be followed.

6.10 The General Warehouse Supervisor, South Service Center, shall be responsible for:

6.10.1 Designating responsibility for answering all telephone Inquiries from prospective purchasers of surplus material and equipment;

6.10.2 Establishing an estimated value on surplus materials that are processed through South Electrical Services Division, with the exception of transformers and wire (see § 7.8.1.2);

6.10.3 Reviewing and approving the completed form "Surplus Property Release Form" (Appendix 8.5) which is completed by the Salvage Unit prior to review. The document is then sent to ESD. Surplus items available for sale are listed on this form.

6.10.4 Originating a PB and receipt associated with all sealed bid sales;

6.10.5 Originating a Stores Return, Source Code 49 (Appendix 8.6), on all sealed bid sales;

6.10.6 Retaining intact all voided PB forms and compiling a monthly report to Stores Accounting, Finance Division;

6.10.7 Reconciling the cashiers' and guards' copies of the PBs on a monthly basis with a summary report to Stores Accounting;

6.10.8 Compiling all salvage sales into a monthly report to Stores Accounting;

6.10.9 Reviewing and revising, if necessary, the present DPP in August of each year;

6.10.10 Annually requesting, via a memorandum to the ESD (Warehousing Services), authorization for Courtesy Sales on items referenced in §7.2.2.1; and

6.10.11 Providing bins and boxes for wire shorts returned to Salvage by distribution crews. Wire shorts will be credited to Warehouse Salvage Inventory on Stores Return, Source Code 49, Account Number 957.330.

6.10.12 When salvage materials, supplies, or equipment, which might contain hazardous materials, are being sold on bid or contract, the General Warehouse Supervisor will consult with Environment & Safety Division regarding applicable laws, appropriate

disposition of items, or when bidder should be pre-qualified or reviewed by E&S. Additionally, procedures in §7.9 will be followed.

6.11 The Material Control Unit, Finance Division, shall be responsible for the control and distribution of PB forms to designated users.

6.12 The purchaser shall be responsible for:

6.12.1 Removing all purchased material and equipment from place of sale; and

6.12.2 Holding the City of Seattle and SCL harmless from any actions arising from the purchase of material and equipment from place of sale.

6.13 The Finance Division shall be responsible for:

6.13.1 Analyzing quantities of salvage and installed material credited to work orders against engineering work order estimates;

6.13.2 Processing records necessary to record accounts receivable from salvage sales; i.e., processing Sundry Sales Invoices to cover Pbs;

6.13.3 Reconciling salvage sales to sold bill inventory; and

6.13.4 Reviewing the salvage sales records annually.

7.0 PROCEDURES

For the disposition of certain material/equipment, the Department uses four basic methods; i.e., Sealed Bid Sales, Courtesy Sales, Contract Sales, and Purchasing Surplus Store. Additionally, for the disposition of mobile equipment, water heaters, transformers, oil-circulating equipment and oil; hazardous materials office furniture and equipment, a separate set of procedures is described in §7.5-7.10.

7.1 Bid Sales

7.1.1 Except as noted under §7.1.1.4, all Department personnel shall return all material removed from service to the North and/or South Service Centers for disposition.

7.1.1.1 A Salvage Material Returned (SMR; Form 378-L) is filled out by all personnel listing materials removed from a specific job, using engineering work order numbers, dash number (10), or an inventory clearing account number if no work order has been set up.

7.1.1.2 The SMR form is approved by the Crew Chief/Personnel-In-Charge before the material is unloaded at the various warehouse locations.

7.1.1.3 For meters, the glass cover and the SCL identification are removed or destroyed before disposal.

7.1.1.4 For surplus materials and equipment considered economically nontransportable to the South or North Service Center for disposition from the Skagit and Boundary facilities or system substations, on-site bid sales are coordinated with the Material Handling Supervisor.

7.1.2 Warehouse personnel shall examine and perform the necessary warehouse functions on all salvage-returned material, including the coordination with the ESD Warehousing Services.

7.1.2.1 All salvage material is sorted by type. An SMR is completed for stock numbers and percentage of salvage value. For nonstock materials, an estimated salvage value is entered on the SMR.

7.1.2.2 Salvage material returned to the North Service Center is transported daily to the South Service Center for storage.

7.1.2.3 Some materials (e.g., wire, wire shorts, brass pieces, and bare copper) are weighed and put in allocated space for sale. Weight slips (Appendix 8.7) are turned in to the General Warehouse Supervisor to maintain inventory. A Stores Return, Source Code 49, is originated.

7.1.2.4 The South Service Center General Warehouse Supervisor and Chief Warehouse in the Salvage Unit will declare surplus material/scrap for SCL.

7.1.2.5 Completed declarations of surplus/scrap property (surplus property release forms) are taken to the Material Handling General Supervisor for approval and signature.

7.1.2.6 Surplus Property Release Forms with stated items are sent to ESD Warehousing Services.

7.1.2.7 The Material Handling General Warehouse Supervisor will accept or reject bids upon notification by ESD Warehousing Services.

7.1.2.8 Successful bidders will pick up materials as per the "Invitation to Bid" document (Appendix 8.8).

Materials which require Weight Slips will be weighed and the final cost of the materials will be computed. The final amount due is payable by certified check, cashier's check, or money order.

7.1.2.9 A Personal Bill of Sale (PB) and Cash Receipt are issued for each bid sale.

7.1.2.10 All completed bid sales will be sent to ESD Warehousing Services with a "summary of sale," green copy of Cash Sale Receipt and the "signed" Pickup and Delivery Letter (Appendix 8.9).

7.1.3 The Warehousing Services Division of the Executive Services Department shall control the disposal of surplus, obsolete, junk and scrap materials, supplies, and equipment.

7.1.3.1 The Warehousing Services Division of the Executive Services Department will receive all completed declarations of surplus/scrap property. (Surplus Property Release Forms)

7.1.3.2 "Invitation to Bid" is sent to prospective buyers. They may inspect the listed materials and submit bids by a designated deadline. A bid deposit in the form of a certified check, cashier's check or money order in the amount of 10 percent of the proposal must accompany each bid. A "hold harmless clause" is included in the conditions of the Invitation to Bid.

7.1.3.3 ESD Warehousing Services Division will notify the General Warehouse Supervisor of all prospective bid prices via a spreadsheet.

7.1.3.4 ESD Warehousing Services Division will notify all successful bidders and include a Pickup and Delivery Letter for award of bid.

7.2 Courtesy Sales

7.2.1 As previously mentioned in §7.1.1, all SCL personnel shall return all material removed from service to the North and/or South Service Centers for disposition.

7.2.2 As previously mentioned in §7.1.2-7.1.2.2, material is sorted by type and transported daily from the North Service Center to the South Service Center. SMRs are to be completed the same day and are to accompany all material being turned into salvage.

7.2.2.1 The Department has received approval from ESD Warehousing Services Division as specified in §6.10.10, to sell items on a blanket authorization. These

items are: untreated wood poles, scrap wood, reels, luminaires, used out-of-warranty water heaters, scrap metal, wire, PVC conduit, lumber, and miscellaneous.

7.2.2.2 Prospective buyers must come to the South Service Center to purchase any of the items noted in §7.2.2.1.

7.2.2.3 Customer will designate type of material and quantity to be purchased.

7.2.2.4 Salvage Chief Warehouseman will fill out PB and Cash Receipt.

7.2.2.5 Customer will sign off PB form. Salvage personnel will mark PAID CASH and give customer the pink copy for his/her records and a blue copy for the guard. Customer will pick up materials.

7.2.2.6 Security personnel will obtain the blue copy of PB as customer leaves the South Service Center via the Fourth Avenue gate.

7.2.2.7 White and goldenrod copies of PB, along with the hard and green copy of the Cash Receipt, are brought to the General Warehouse Supervisor.

7.2.2.8 A Stores Return, Source Code 49, is originated to complete the sales transaction. Copies of the PB and Stores Return will be distributed to the appropriate personnel. Copies of both documents will be kept for Warehouse files.

7.2.2.9 The Pole Yard-Crew Chief shall maintain a daily sales log containing sale date, customer name, Personal Bill of Sale number, cash receipt number, cash ring number, and amount of sale.

7.2.3 The ESD Warehousing Services Division gives authorization to SCL to sell Items mentioned in §7.2.2.1 on a continuous basis; i.e., Courtesy Sales. Authorization is given to SCL on a yearly basis, see §6.10.10.

7.2.3.1 The ESD Warehousing Services Division will receive copies of all completed sales paperwork.

7.3 Purchasing Surplus Store

7.3.1 As previously mentioned in §7.1.1, all Department personnel shall return all material removed from service to the North and/or South Service Centers for disposition.

7.3.2 As previously mentioned in §7.1.2 - §7.1.2.2, material is sorted by type and transported daily from the North Service center to the South Service Center. SMRs are to be completed the same day and are to accompany all material being turned into Salvage.

7.3.2.1 Every Thursday, Salvage will notify ESD Warehousing Services, via the South Service Center General Warehouse Supervisor, of the miscellaneous items received to be sold through the Surplus Store.

7.3.2.2 Purchasing will compile the Sale List with sale prices indicated. This list is distributed to all Department divisions, mailed to a prospective buyer list, and advertised in other ways.

7.3.2.3 Prospective buyers must come to the South Service Center to purchase any of the items noted in §7.3.2.2.

7.3.2.4 Salvage Chief or Senior Warehouser will fill out Delivery Receipt (4 copies) showing type of Item purchased with the price.

7.3.2.5 Customer will sign Receipt. Salvage personnel will mark PAID CASH and give customer a copy for his/her records and a copy for the guard.

7.3.2.6 Security personnel will obtain their copy of the Delivery Receipt as customer leaves the South Service Center via the Fourth Avenue gate.

7.3.2.7 First copy of Delivery Receipt is kept by Salvage; second copy goes to the General Warehouse Supervisor.

7.3.2.8 A Cash Receipt is made and the money is taken to the Cashier. The green copy of the receipt goes to the General Warehouse Supervisor and the hard white copy goes to Purchasing.

7.3.3 The ESD Warehousing Services Division gives authorization to the Department to sell items mentioned in §2.1 on a continuous basis.

7.3.3.1 The ESD Warehousing Services Division will receive copies of all completed sales paper work.

7.4 Contract Sales

7.4.1 Salvage items sold on annual contracts are transformers, oil from oil circulating equipment less than 1 ppm PCB.

7.4.2 As previously mentioned in §7.1.1, all Department personnel shall return all material removed from service to the North and/or South Service Centers for disposition.

7.4.3 As previously mentioned in §7.1.2-7.1.2.2, material is sorted by type and transported daily from the North Service Center to the South Service Center. SMRs are to be completed the same day, and are to accompany all material being turned into salvage.

7.4.3.1 The Toxics Chief Warehouse contacts the customer to pick up material at the South Service Center.

7.4.3.2 A receipt of material is filled out on the quantity of material picked up by the customer. The receipt is given to the General Warehouse Supervisor.

7.4.3.3 A copy of the receipt is sent to ESD Warehousing Services. The original is retained by the General Warehouse supervisor.

7.4.3.4 Upon notification from ESD Warehousing Services of a deposit to the Light Fund, a PB and Stores Return are filled out and distributed to the appropriate personnel. Copies of both documents are kept for warehouse files.

7.4.3.5 When salvage materials, supplies, or equipment, which might contain hazardous materials, are being sold on bid or contract, Toxic Section in the warehouse will consult with the Environment and Safety Division regarding applicable laws, appropriate disposition of items, or when bidder should be pre-qualified or reviewed by Environment & Safety Division.

7.4.4 ESD, Contracting Services Division, notifies the Department of the successful bidder for the yearly contract.

7.4.4.1 Payments from the customer are mailed to ESD Contracting Services Division. The payments are deposited in the Light Fund.

7.4.4.2 ESD Contracting Services notifies the General Warehouse Supervisor of the deposit. Date of deposit, amount of deposit and check number is given.

7.5 Mobile Equipment

7.5.1 The Mobile Equipment Controller shall coordinate the disposition of surplus mobile equipment for the Department.

7.5.1.1 The Controller shall declare a piece of mobile equipment as surplus when a replacement is ready for service, the equipment is totaled out, or a division has a fleet reduction.

7.5.1.2 The Controller shall determine if the piece of equipment is operational.

7.5.1.3 If operational, the equipment owned by Executive Services Department is forwarded to ESD with instructions to dispose as they see fit. Operational equipment owned by the City Light Department is sent directly to the contracted auction service with the titles or sold directly to other government agencies, if they are willing to pay fair market value. Fair market value is established mutually by City of Seattle Executive Services Department, Contracting Services Division and City Light's Mobil Equipment Controller.

7.5.1.4 A surplus declaration form is not filled out, since a blanket shop work order is used for the accounting information.

7.5.1.5 Notification of sales of City Light owned equipment comes directly from the auction service in the form of a check to City Light General Accounting, itemization of the sale is forwarded to Cost Accounting. No notification is received on ESD owned equipment.

7.5.2 If a piece of equipment is not operational, the Department handles it under the bid sale procedures.

7.5.2.1 A declaration of surplus form is filled out by the Mobile Equipment Unit.

7.5.2.2 The form and title are sent to South Service Center Warehouse for processing.

7.5.2.3 "Declaration" and title of equipment are sent to ESD Contracting Services.

7.5.2.4 This type of equipment is sold to other City Departments or through sealed bids to the public as described in §7.1.3-7.1.3.4.

7.6 Water Heaters

7.6.1 Except as noted in §7.6.1.2 through 7.6 1.6, Appliance Repair Unit shall turn in all surplus used water heaters to South Service Center Warehouse after disabling for sale as salvage.

7.6.1.1 Appliance Repair shall declare a water heater as surplus when a used water heater is not suitable for reuse in the water heater leasing program, or a new out of warranty water heater will be declared surplus when not required for future replacement in the water heater leasing program.

7.6.1.2 Appliance Repair is being phased out. Starting in 1997, no additional water heaters have been leased. An outside vendor will provide services to the existing customers on rate assistance until termination of the lease or the sale of the water heater to the customer. Those customers who have been leasing for five years or longer receive full ownership of the tanks that they have leased. The remaining customers still leasing tanks have an option to buy those tanks.

7.6.1.3 A record of the sold water heaters is kept, which includes the sales amount, size of tank, and date of sale.

7.6.1.4 Appliance Repair will fill out a Billing Request, Form 174-L (Appendix 8.10) and Electrical Appliance Sale, Form 245-L (Appendix 8.11). Funds and appropriate paperwork are taken to the cashier (Seattle Public Utilities). The serial number, model, and size of the water heater sold is indicated on the paperwork.

7.6.1.5 One copy each of 174-L and 245-L for completed sales will be sent to the City's Executive Services Department. In addition, one copy is retained by Appliance Services and the remaining copies are distributed to Cost Accounting, Finance Division.

7.6.1.6 A copy of the 174-L is returned from Cost Accounting and is entered in the record book as a completed sales transaction.

7.6.2 Used water heaters (if a leaker or in poor condition), returned from the water heater leasing program are sent to salvage for sale as scrap.

7.6.2.1 Used water heaters are declared salvage, and are offered for sale as scrap, when age, overall appearance, rust, dents, or otherwise poor condition, prevents continued Department use.

7.6.2.2 When used water heaters are turned in to salvage for disposal, salvage personnel shall ensure that the water heaters are rendered inoperable, and not suitable for reuse.

7.7 Office Furniture and Equipment

7.7.1 The Building Operations Manager, or designee, shall coordinate the disposition of surplus office furniture and equipment for the Department.

7.7.1.1 The Building Operations Manager, or designee, shall declare office furniture and equipment as surplus when the item is replaced with new furniture/equipment, obsolete, or worn out.

7.7.1.2 Facilities Management personnel will fill out declarations of surplus forms listing the furniture and equipment. Forms must be signed by the Building Operations Manager or Facilities Design.

7.7.1.3 The declaration forms are sent to the Executive Services Department Warehousing Services and to City Light Cost Accounting Unit.

7.7.1.4 Records are maintained in the Building Operations Manager's office on all surplus office furniture and equipment.

7.7.1.5 The Department, via the Building Operations Manager, receives a formal record of all completed sales.

7.8 Surplus Computer Equipment

7.8.1 The Information Technology Division shall coordinate the disposition of surplus computer equipment for the Department.

7.8.1.2 The Desktop Administration staff shall declare computer equipment as surplus. Items are logged and labeled with identification stickers.

7.8.1.3 The Desktop Administration staff shall complete a "Surplus Property Release" form and attach a spreadsheet listing of all surplus equipment.

7.8.1.4 Surplus equipment is verified and the "Surplus Property Release" form is signed by the Desktop Administration and Procurement staff.

7.8.1.5 The release form and spreadsheet is faxed to the ESD Warehousing Manager for scheduling the removal of surplus equipment. An electronic version of the same spreadsheet is also sent via e-mail to the ESD Warehousing Manager.

7.8.1.6 As ESD staff removes the surplus equipment, items are reconciled against the spreadsheet and any additions or deletions are noted.

7.8.1.7 Upon completion, the spreadsheet is signed by both City Light and ESD staff.

7.8.1.8 A final updated spreadsheet denoting any changes is e-mailed to ESD Warehousing Manager, City Light Cost Accounting Unit, and Desktop and Procurement Management.

7.9 Hazardous Materials

7.9.1 The Salvage Chief Warehouse, in consultation with the Environment & Safety Division, shall coordinate the disposition of surplus hazardous materials, per the City of Seattle Hazardous Material Coordinating Committee (HMCC) Recommended Guidelines for Surplussing Hazardous Materials (Appendix 8.13).

7.9.1.1 The Salvage Chief Warehouse, in consultation with the Environment & Safety Division, shall determine whether excess hazardous materials are usable, and suited for surplussing, per the HMCC Recommended Guidelines for Surplussing Hazardous Materials.

7.9.1.2 The Salvage Chief Warehouse will first, pursue returning usable hazardous materials to the vendor or manufacturer.

7.9.1.3 If the hazardous material cannot be returned to the vendor or manufacturer, the Salvage Chief Warehouse will fill out the Surplus Property Release Form, and send it to the Executive Services Department.

7.9.1.4 ESD will coordinate advertising the availability of the surplus hazardous material to other City Departments.

7.9.1.5 If the hazardous material is not transferred to a City Department for use after circulating notice of the product's availability for two weeks, ESD will complete the Surplus Property Release Form and return the form to the Department, thereby transferring authority for disposition of the item.

7.9.1.6 When authorized by ESD, the Salvage Chief Warehouse will advertise the availability of the hazardous material to interested parties, through use of existing mailing lists, posting in the Industrial Materials Exchange, or other means.

7.9.1.7 The Salvage Chief Warehouse will consult with the Environment & Safety Division in evaluating potential buyers of hazardous materials, per the HMCC Recommended Guidelines for Surplussing Hazardous Materials.

7.9.1.8 The buyer will sign a Liability Release and Receipt for IMEX Items Form (appended to HMCC Guidelines for Surplussing Hazardous Materials.)

7.9.1.9 The Salvage Chief Warehouse will provide the buyer with the Material Safety Data Sheet (MSDS) for the hazardous material, a copy of the signed release form, and cash receipt.

7.9.1.10 Copies of documents will be kept for Warehouse files.

7.10 Transformers, Oil-Circulating Equipment & Oil

7.10.1 The Environment & Safety Division shall be consulted prior to the disposal/surplus/recycling of any and all regulated materials. The Environment & Safety Division shall be consulted in approving contractors authorized to dispose/surplus/recycle any and all regulated materials.

7.10.2 Oil from salvage transformers with non-detectable or less than 1ppm PCB, and other oil circulating equipment that has been tested at below 1 ppm PCB, can be picked up directly from the Toxic Substances Section by an authorized oil recycling company or contractor, as specified by contract or agreement. Salvaged transformers and other oil circulating equipment that has been tested at above 1 ppm PCB, and has a possibility of leaking while in transport, or otherwise, shall be drained into an approved Department of Transportation (DOT) drum, truck or container and the liquids will be disposed of as specified by contract. Separate pumps will be used to pump oil, with levels of below 1 ppm PCB, 1-49, 50-500, and 500 and above ppm PCB. Large volumes of used mineral oil tested at below 1 ppm PCB can be picked up directly from the unit by an authorized oil recycling company, as specified by contract. Large volumes of PCB contaminated used mineral oil tested at above 1 ppm PCB can be picked up directly from the unit by an authorized hazardous waste disposal company, as specified by contract.

7.11 The Finance Division shall coordinate the processing of salvage/surplus paperwork to ensure proper accounting in the Department's financial records.

7.11.1 Cost Accounting verifies the account or work order number for accuracy and authenticity on the SMR (Form 378-L). The work order number must coincide with the location of the work.

7.11.1.1 Cost Accounting personnel verify that all information is completed:

It shall contain: date, location, crew chief's name, crew number, org. unit number, description, initials of material receiver, and work order number. Any questions will be directed to the crew chief.

7.11.1.2 Cost Accounting personnel apply prices for all stock numbered materials. Transformers and other stock materials are priced with the latest

moving average unit price and wire is the latest sales price from the last salvage sale. Salvage value is computed by multiplying quantity, unit price, and percentage of salvage value (§7.1.2.1).

7.11.1.3 Cost Accounting personnel batch all completed salvage paperwork and prepares a monthly journal entry with journal identification LSVCLRG.

7.11.1.4 7.9.1.4 Each batch is balanced and consists of dollar totals for FERC Accounts by work order to prepare the monthly journal.

7.12.2 Cost Accounting prepares an invoice summarizing for the month Personal Bill of Sale (PB) or Billing Request (Form 174-L) received for salvage sales.

7.12.2.1 Cost Accounting personnel verify that all sales information is completed:

Personal Bill of Sale: purchaser's name and address, quantity, price, amount paid, form of payment, cash ring number, and sales tax rate.

Billing Request: purchaser's name and address, serial number, model and size of the water heater sold.

7.12.2.2 Cost Accounting prepares a Sundry Sales invoice summarizing for the month Bill of Sale (PB) and the Billing Request (Form 174-L). Invoices are prepared for the month and processed through Sundry Sales Billing.

7.12.2.3 Billing Section personnel balances the PBs to the monthly activity and account 154.110 in Journal 31.

7.12.2.4 A copy of the Sundry Sales Invoice is sent to Sundry Sales invoice summary receivable, General Accounting. The invoice summary is matched with the receipt of payment. The invoice summary and payment offset each other in Accounts Receivable.

7.13.3 Cost Accounting shall update Plant and Accounting records for the retirement of surplus, obsolete items.

7.13.3.1 Cost Accounting removes from PIM Inventory those items on the ESD Surplus list (received from IT Procurement) and prepares a journal entry to the General Ledger to reflect the retirement of the surplus, obsolete data processing equipment.

7.13.3.2 Using Form 378-L that was completed by Facilities Design of surplus, obsolete office furniture and equipment, Cost Accounting removes the items from the PIM Inventory and prepares a journal entry to reflect the retirements in the general ledger.

7.13.3.3 Cost Accounting is responsible for making adjustments to the Department's fixed asset system to reflect the disposal of any surplus property that is a fixed asset.

8.0 APPENDIX

8.1 Distribution: All Department Policy and Procedure Manuals.

8.2 Form: Salvage Material Returned (SMR)

8.3 Form: Personal Bill of Sale (PB)

8.4 Form: Cash Receipt (180-L)

8.5 Form: Declaration of Surplus/Scrap Property

8.6 Form: Stores Return, Source Code 49

8.7 Form: Weight Slip

8.8 Form: Invitation to Bid

8.9 Sample: Pickup and Delivery Letter

8.10 Form: Billing Request (174-L)

8.11 Form: Electrical Appliance Sale (Treasurer's Cash Receipt, 245-L)

8.12 Form: Sundry Sales Invoices

8.13 City of Seattle Hazardous Materials Coordinating Committee Recommended Guidelines for Surplussing Hazardous Materials