1	SENATE FLOOR VERSION
2	April 3, 2017
3	ENGROSSED HOUSE
4	BILL NO. 1516 By: Cockroft and Meredith of the House
5	and
6	Kidd of the Senate
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9	An Act relating to counties and county officers; amending 19 O.S. 2011, Sections 421.1, as amended by
10	Section 1, Chapter 354, O.S.L. 2013 and 421.2, as amended by Section 2, Chapter 144, O.S.L. 2012 (19
11	O.S. Supp. 2016, Sections 421.1 and 421.2), which relate to county property; authorizing the sale of
12	property and agreements with tribal governments; modifying the prohibition of declaring county
13	property surplus to be during the election of county commissioners; and providing an effective date.
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16	BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:
17	SECTION 1. AMENDATORY 19 O.S. 2011, Section 421.1, as
18	amended by Section 1, Chapter 354, O.S.L. 2013 (19 O.S. Supp. 2016,
19	Section 421.1), is amended to read as follows:
20	Section 421.1. A. The board of county commissioners is hereby
21	authorized to use any tools, apparatus, machinery or equipment
22	belonging to the county, the original cost of which exceeded Five
23	Hundred Dollars (\$500.00), as a trade-in on a cash purchase or lease
24	purchase of any other tools, apparatus, machinery or equipment.

B. To establish an appraised value for an item to be sold at
public auction, the purchasing agent may refer to an industryrecognized appraisal manual for used construction equipment to
estimate the value of the item being sold, or obtain appraisal
quotes from at least two vendors in the business of selling items
like the one being sold.

7 C. Except when such items are disposed of pursuant to subsection F of this section, the following procedures shall be used 8 9 for the sale, by the board of county commissioners, of any tools, 10 apparatus, machinery or equipment, the original cost of which exceeded Five Hundred Dollars (\$500.00), belonging to the county: 11 12 1. The board of county commissioners shall give notice of such sale by publication in a newspaper of general paid circulation in 13 the county for two (2) successive weekly issues; 14

15 2. Bids for such tools, apparatus, machinery or equipment on 16 sale shall be in writing, sealed and delivered to the county clerk 17 of such county;

At the next regular meeting of the board of county
 commissioners after the expiration of fifteen (15) days from the
 date of first publication of notice of the sale, the board of county
 commissioners shall open such bids and award such tools, apparatus,
 machinery or equipment to the highest and best bidder with the
 option of rejecting all bids; and

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4. The board of county commissioners may hold a public auction
 or use an Internet auction, which may include online bidding, in
 lieu of advertising for sealed bids as provided above. Such auction
 shall be advertised as provided herein.

5 D. A board of county commissioners may sell any materials, tools, apparatus, machinery or equipment to a tribal governmental 6 7 entity, state agency, if the agency is subject to The Oklahoma Central Purchasing Act, or to a political subdivision of the state 8 9 if the political subdivision is subject to such act or a similar 10 competitive bidding procedure. The board of county commissioners 11 may purchase materials, tools, apparatus, machinery or equipment 12 from a state agency, if the agency is subject to The Oklahoma Central Purchasing Act, or from a political subdivision of the state 13 if the political subdivision is subject to such act or a similar 14 competitive bidding procedure. 15

E. The board of county commissioners may, by resolution, enter
into an agreement with any <u>tribal governmental entity or</u> other
county or political subdivision for the purpose of selling,
transferring, trading or otherwise disposing of equipment or
materials.

F. Advertisement of surplus property consigned to sell at a Circuit Engineering District auction shall be provided by the auction company under contract to conduct the sale. Advertising shall be provided to attract the most potential buyers. Advertising

media may include, but not be limited to, sale flyers, newspapers,
 radio, television, and Internet postings.

G. Pursuant to the authority of Section 1 of this title, boards of county commissioners shall have authority, under such statute and in consideration of the procedures in this section to sell real property belonging to the county without declaring such property surplus under the following conditions:

A certified appraisal of the county property shall be
 performed to determine the market value of the property and accepted
 by the board of county commissioners;

11 2. After acceptance of the certified appraisal, the board of 12 county commissioners shall, pursuant to the requirements of this 13 section, give notice of such sale by publication in a newspaper of 14 general paid circulation in the county for two successive weekly 15 issues;

16 3. Bids for the real property shall be in writing, sealed and 17 delivered to the county clerk of such county;

4. At the next regular meeting of the board of county
commissioners after the expiration of fifteen (15) days from the
date of first publication of notice of sale, the board of county
commissioners shall open such bids;

22 5. A successful bid must be no less than the market value of23 the real property to be considered by the board of county

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commissioners for acceptance. The board of county commissioners
 reserves the right to reject any and all bids;

6. If more than one bid is above the market value of the real 3 property, the board of county commissioners shall have the right to 4 5 compel the potential buyers of the real property who have bid above the market amount to enter into public auction conducted by the 6 chairman of the board of county commissioners after the opening of 7 such bids, to establish the highest bid for the property in order to 8 9 assure that the county is receiving adequate consideration for the 10 property;

11 7. A majority vote of the board of county commissioners shall 12 be required to determine the successful bidder of the real property. Upon awarding the bid, either through sealed bid or by conducting a 13 public auction of those bidders who bid more than the market value 14 of the real property, the board of county commissioners shall have 15 the right to pledge the occupied property, using an irrevocable bond 16 or letter of credit, as provided for in paragraph 10 of this 17 subsection, as collateral in order to finance bonds to purchase 18 other real property or build a replacement building, or both; 19 8. If the sale price is less than the estimated cost of new 20 land purchase or construction, then said sales contract shall be 21

23 authorized funding to allow the complete payment of the contemplated 24 project;

contingent upon the public approval of bond funding or other

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1 9. The board of county commissioners shall have authority pursuant to paragraphs 5 and 6 of Section 1 of this title to make 2 3 any order concerning the sale of such property contingent upon a closing date in the future in order to continue to use said real 4 5 property until a replacement building is completed. Upon completion of the replacement building, the board of county commissioners shall 6 execute all documents and title transfers pertaining to said real 7 property to the successful bidder; and 8

9 10. The successful bidder shall execute an irrevocable bond or 10 letter of credit with a surety company or bank licensed to do 11 business in the State of Oklahoma and organized under the corporate 12 laws of the State of Oklahoma and registered with the Secretary of State of Oklahoma equal to the amount of the purchase price of the 13 real property within fifteen (15) days of awarding of the bid. 14 Failure to provide either an irrevocable bond or letter of credit in 15 favor of the board of county commissioners within said time 16 limitation shall act as a rejection and cancellation by the board of 17 the award of bid and said board may, at that point, enter into a 18 contract with any secondary or subsequent bidder that meets the 19 aforementioned qualifications without further notice. 20

H. The board of county commissioners may solicit telephone bidsfor the removal of recyclable materials.

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1SECTION 2.AMENDATORY19 O.S. 2011, Section 421.2, as2amended by Section 2, Chapter 144, O.S.L. 2012 (19 O.S. Supp. 2016,3Section 421.2), is amended to read as follows:

Section 421.2. <u>A.</u> A unanimous vote of the board of county
commissioners may transfer any machinery, equipment or vehicle
belonging to the county, which is deemed by the board to be surplus,
to a political subdivision of the state which is in need of such
machinery, equipment or vehicle. Upon such transfer, the subject
property shall be removed from the inventory of the county.

<u>B.</u> Except as otherwise provided in this section, the board of
 county commissioners may <u>shall</u> not deem any property to be surplus
 during the period <del>of time beginning</del> when the elections of any two
 <u>county commissioners occur at the same time</u>. The prohibition of
 declaring county property or material surplus shall:

15 <u>1. Begin</u> thirty (30) days before the filing period for any election the elections of a any two or more county commissioner and ending commissioners in a county; and

18 <u>2. End</u> the day after a <u>two or more</u> county <del>commissioner is</del> 19 commissioners are sworn in as such.

20 <u>C.</u> If the incumbent draws two or more incumbents draw no 21 opponent opponents or if the two or more incumbent county 22 commissioner wins commissioners both win reelection, either at the 23 primary, special, or general election, the prohibition of declaring 24 county property or material surplus until the swearing in of county

officials shall be removed and the county may dispose of surplus
 property as provided in <u>subsection A of</u> this section.

D. When the political subdivision receiving such property 3 4 declares same to be surplus, the governing body shall give written 5 notice to the county of its intent to transfer such property back to the county. The board of county commissioners shall have up to 6 fifteen (15) days from the date of receipt of such notice to either 7 accept or reject the property. The political subdivision shall 8 9 transfer such property back to the county only if the board of 10 county commissioners agrees to accept the property or the board 11 fails to respond within the fifteen-day time period. 12 SECTION 3. This act shall become effective November 1, 2017. 13 COMMITTEE REPORT BY: COMMITTEE ON GENERAL GOVERNMENT April 3, 2017 - DO PASS 14 15 16 17 18 19 20 21 22 23

24