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April 3, 2017

ENGROSSED HOUSE
BILL NO. 1516

By: Cockroft and Meredith of
the House

and

Kidd of the Senate

An Act relating to counties and county officers; amending 19 O.S. 2011, Sections 421.1, as amended by Section 1, Chapter 354, O.S.L. 2013 and 421.2, as amended by Section 2, Chapter 144, O.S.L. 2012 (19 O.S. Supp. 2016, Sections 421.1 and 421.2), which relate to county property; authorizing the sale of property and agreements with tribal governments; modifying the prohibition of declaring county property surplus to be during the election of county commissioners; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 19 O.S. 2011, Section 421.1, as amended by Section 1, Chapter 354, O.S.L. 2013 (19 O.S. Supp. 2016, Section 421.1), is amended to read as follows:

Section 421.1. A. The board of county commissioners is hereby authorized to use any tools, apparatus, machinery or equipment belonging to the county, the original cost of which exceeded Five Hundred Dollars (\$500.00), as a trade-in on a cash purchase or lease purchase of any other tools, apparatus, machinery or equipment.

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

7 C. Except when such items are disposed of pursuant to
8 subsection F of this section, the following procedures shall be used
9 for the sale, by the board of county commissioners, of any tools,
10 apparatus, machinery or equipment, the original cost of which
11 exceeded Five Hundred Dollars (\$500.00), belonging to the county:

12 1. The board of county commissioners shall give notice of such
13 sale by publication in a newspaper of general paid circulation in
14 the county for two (2) successive weekly issues;

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;

18 3. At the next regular meeting of the board of county
19 commissioners after the expiration of fifteen (15) days from the
20 date of first publication of notice of the sale, the board of county
21 commissioners shall open such bids and award such tools, apparatus,
22 machinery or equipment to the highest and best bidder with the
23 option of rejecting all bids; and
24

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

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

16 E. The board of county commissioners may, by resolution, enter
17 into an agreement with any tribal governmental entity or other
18 county or political subdivision for the purpose of selling,
19 transferring, trading or otherwise disposing of equipment or
20 materials.

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

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

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

8 1. A certified appraisal of the county property shall be
9 performed to determine the market value of the property and accepted
10 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;

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

22 5. A successful bid must be no less than the market value of
23 the real property to be considered by the board of county
24

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

3 6. If more than one bid is above the market value of the real
4 property, the board of county commissioners shall have the right to
5 compel the potential buyers of the real property who have bid above
6 the market amount to enter into public auction conducted by the
7 chairman of the board of county commissioners after the opening of
8 such bids, to establish the highest bid for the property in order to
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.
13 Upon awarding the bid, either through sealed bid or by conducting a
14 public auction of those bidders who bid more than the market value
15 of the real property, the board of county commissioners shall have
16 the right to pledge the occupied property, using an irrevocable bond
17 or letter of credit, as provided for in paragraph 10 of this
18 subsection, as collateral in order to finance bonds to purchase
19 other real property or build a replacement building, or both;

20 8. If the sale price is less than the estimated cost of new
21 land purchase or construction, then said sales contract shall be
22 contingent upon the public approval of bond funding or other
23 authorized funding to allow the complete payment of the contemplated
24 project;

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

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
13 State of Oklahoma equal to the amount of the purchase price of the
14 real property within fifteen (15) days of awarding of the bid.
15 Failure to provide either an irrevocable bond or letter of credit in
16 favor of the board of county commissioners within said time
17 limitation shall act as a rejection and cancellation by the board of
18 the award of bid and said board may, at that point, enter into a
19 contract with any secondary or subsequent bidder that meets the
20 aforementioned qualifications without further notice.

21 H. The board of county commissioners may solicit telephone bids
22 for the removal of recyclable materials.
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1 SECTION 2. AMENDATORY 19 O.S. 2011, Section 421.2, as
2 amended by Section 2, Chapter 144, O.S.L. 2012 (19 O.S. Supp. 2016,
3 Section 421.2), is amended to read as follows:

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

10 B. Except as otherwise provided in this section, the board of
11 county commissioners ~~may~~ shall not deem any property to be surplus
12 during the period ~~of time beginning~~ when the elections of any two
13 county commissioners occur at the same time. The prohibition of
14 declaring county property or material surplus shall:

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

18 2. End the day after a two or more county ~~commissioner is~~
19 commissioners are sworn in as such.

20 C. 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

1 officials shall be removed and the county may dispose of surplus
2 property as provided in subsection A of this section.

3 D. When the political subdivision receiving such property
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
6 the county. The board of county commissioners shall have up to
7 fifteen (15) days from the date of receipt of such notice to either
8 accept or reject the property. The political subdivision shall
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
14 April 3, 2017 - DO PASS
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