

ORDINANCE NO. 2025-3

**AN ORDINANCE ESTABLISHING A POLICY
FOR THE SALE OR EXCHANGE OF SUPPLIES, MATERIALS,
OR EQUIPMENT VALUED AT LESS THAN \$10,000;
AMENDING SECTION 3.04.04 OF THE MOUNTAIN HOME CITY CODE;
AND REPEALING ORDINANCES 529, 579, 637 AND 825**

WHEREAS, A.C.A. §14-54-02 allows the Mayor or his or her authorized representative to sell or exchange any municipal personal property with a value of Twenty Thousand Dollars (\$20,000) or less without first engaging in competitive bidding; and

WHEREAS, A.C.A. §14-54-02 also allows the governing bodies of a municipality to establish a lesser amount by Ordinance; and

WHEREAS, the Mountain Home City Council has previously addressed this lesser limit, namely through Ordinances 529, 579, 637, and 825; and

WHEREAS, these Ordinances were codified into the Mountain Home City Code under Section 3.04.04; and

WHEREAS, rising costs and continued inflation necessitate the City Council to update its policy limiting the supplies, materials or equipment that may be sold or exchanged without Council approval;

**NOW, THEREFORE BE IT ORDAINED
BY THE CITY COUNCIL OF THE CITY OF MOUNTAIN HOME, ARKANSAS:**

Section 1.

That Section 3.04.04 of the Mountain Home City Code is hereby amended to read as follows:

3.04.04 Sale or exchange of supplies, materials or equipment valued at less than \$10,000. That the Mayor, or his or her duly authorized representative, may sell or exchange municipal supplies, materials or equipment without competitive bidding if such supplies, materials or equipment have a value of less than Ten Thousand Dollars (\$10,000). For multiple items of municipal property to be disposed of as one (1) unit, the Mayor shall certify in writing to the City Council that in his or her opinion the sum of the fair market values of the items or lot is collectively less than Ten Thousand Dollars (\$10,000). No

supplies, materials or equipment shall be sold without receiving competitive bids if the value thereof exceeds the sum of Ten Thousand Dollars (\$10,000).

Section 2.

Ordinances 529, 579, 637 and 825 are hereby repealed in their entirety. All other existing Ordinances, or parts of Ordinances, which are inconsistent herewith, are hereby repealed.

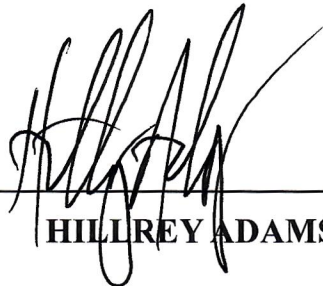
Section 3.

If any part of this Ordinance shall be held invalid, such part shall be deemed severable, and the invalidity thereof shall not affect the remaining parts.

Emergency clause

Allowing the timely sale or exchange of certain supplies, materials or equipment without first engaging in competitive bidding is vital to the ongoing operation of the City of Mountain Home and directly affects the health and wellbeing of its residents; therefore, an emergency is hereby declared, and this Ordinance shall be in full force and effect from and after its adoption.


PASSED AND APPROVED THIS 6th DAY OF FEBRUARY, 2025.



HILLREY ADAMS, MAYOR



ATTEST:



SCOTT LILES, CITY CLERK

History. Acts 1965, No. 7, § 8; A.S.A. 1947, § 19-2344; Acts 1993, No. 403, § 5; 1995, No. 1296, § 47.

Amendments. The 1993 amendment substituted “case or controversy” for “case of controversy” in (a).

The 1995 amendment substituted “damages or liability” for “damages of liability” in (a).

SUBCHAPTER 3 — REAL AND PERSONAL PROPERTY

SECTION.

14-54-301. Ownership authorized.

14-54-302. Purchase, lease, sale, and disposal authorized.

14-54-303. Authority of incorporated towns.

14-54-304. Property exchange by municipalities.

Cross References. Property exempt from sale by virtue of execution, § 16-66-114.

Preambles. Acts 1953, No. 13 contained a preamble which read: “Whereas, the United States Government has in the past constructed a number of airfields in various places in Arkansas which at the close of World War II, it deemed to nearby or adjacent cities and which the United States Government now proposes to reactivate, enlarge and improve, but before making improvements on any airport, the United States Government requires the conveyance to it of that airport; Now, therefore...”

Acts 1959, No. 159 contained a preamble which read: “Whereas, it is desirable to clarify any ambiguity now existing regarding the authority of Municipal Corporations to handle its real and personal property and to remove limitations which may have heretofore existed regarding contracts and conveyances of real estate and personal property owned or held by Municipal Corporations or the leasing and renting of municipal property;

“Now, therefore....”

RESEARCH REFERENCES

Am. Jur. 56 Am. Jur. 2d, Mun. Corp., § 532 et seq.

C.J.S. 63 C.J.S., Mun. Corp., § 950 et seq.

14-54-301. Ownership authorized.

Municipal corporations are authorized and empowered to acquire and hold real estate, tenements, hereditaments, and such other real and personal property as is necessary and proper for the administration of the affairs of municipal corporations.

History. Acts 1935, No. 176, § 1; Pope’s Dig., § 9538; A.S.A. 1947, § 19-2309.

14-54-302. Purchase, lease, sale, and disposal authorized.

(a) A municipality may:

(1) Sell, convey, lease, rent, let, or dispose of any real estate or personal property owned or controlled by the municipality, including real estate or personal property that is held by the municipality for public or governmental purposes;

(2) Buy any real estate or personal property; and

(3)(A) Donate real estate or personal property, or any part of the real estate or personal property, to the United States Government or any agency of the

United States Government, for any one (1) or more of the following purposes, that is, having the real estate or personal property, or both, activated, reactivated, improved, or enlarged by the donee.

(B) The municipality may donate the fee simple title and absolute interest, without any reservations or restrictions, in and to all real estate or personal property, or both, or any part of the real estate or personal property, to the United States Government, if this real estate or personal property was previously conveyed or otherwise transferred by the United States Government to the municipality without cost to the municipality.

(C) All other donation instruments shall contain provisions by which the title to the property donated shall revert to the municipality when the donated property is no longer used by the donee for the purposes for which it was donated.

(b) The execution of all contracts and conveyances and lease contracts shall be performed by the mayor and city clerk or recorder, when authorized by a resolution in writing and approved by a majority vote of the governing body of the municipality present and participating.

(c) The mayor or his or her authorized representative may sell or exchange any municipal personal property with a value of twenty thousand dollars (\$20,000) or less, unless the governing body of the municipality shall by ordinance establish a lesser amount.

(d) Municipal personal property to be disposed of as one (1) unit shall not be sold without competitive bidding if the amount exceeds twenty thousand dollars (\$20,000) or the maximum provided by resolution, unless the mayor certifies in writing to the governing body of the municipality that in his or her opinion the fair market value of the item or lot is less than the amount established by ordinance.

(e)(1) If personal property of the municipality becomes obsolete or is no longer used by a municipality, the personal property may be:

(A) Sold at public or internet auction;

(B) Sent to the Marketing and Redistribution Section;

(C) Transferred to another governmental entity within the state; or

(D) Donated under this section.

(2) If an item of personal property is not disposed of under subdivision (e)(1) of this section, the item may be disposed of in the landfill used by the municipality if the mayor or his or her authorized representative certifies in writing and the governing body of the municipality approves that:

(A) The item has been rendered worthless by damage or prolonged use; or

(B) The item has:

(i) Only residual value; and

(ii) Been through public auction and not sold.

(f)(1) A record shall be maintained of all items of personal property disposed of under this section and reported to the governing body of the municipality.

(2) The municipal fixed asset listing shall be amended to reflect all disposal of real estate and personal property made under this section.