

# NASSAU COUNTY INTERIM FINANCE AUTHORITY

## Property Disposition Contract Guidelines

**(Adopted March 31, 2006)**  
**(Re-adopted May 2, 2007)**  
**(Re-adopted June 18, 2008)**  
**(Re-adopted May 28, 2009)**  
**(Re-adopted April 22, 2010)**  
**(Re-adopted April 20, 2011)**  
**(Re-adopted May 17, 2012)**  
**(Re-adopted June 5, 2013)**  
**(Re-adopted June 18, 2014)**  
**(Re-adopted May 8, 2015)**  
**(Re-adopted May 17, 2016)**  
**(Re-adopted April 18, 2017)**  
**(Readopted May 8, 2018)**  
**(Readopted May 23, 2019)**  
**(Readopted April 21, 2020)**  
**(Readopted May 26, 2021)**  
**(Readopted May 31, 2022)**

Nassau County Interim Finance Authority (referred to herein as the “Authority”) is required by Section 2896 of the Public Authorities Law to adopt by resolution comprehensive guidelines, to be annually reviewed and approved by the Directors of the Authority, regarding the use, awarding, monitoring and reporting of contracts for the disposal of Property. The following guidelines (the “Guidelines”) are adopted pursuant to such requirement and are applicable with respect to the use, awarding, monitoring and reporting of all Property Disposition Contracts which are entered into by the Authority

### DEFINITIONS

1. “Contracting Officer” shall mean the officer or employee of the Authority who shall be appointed by resolution by the Directors of the Authority to be responsible for the disposition of Property. As of March 31, 2006, the Contracting Officer shall be ex-officio, the General Counsel of the Authority.
2. “Dispose” or “disposal” shall mean transfer of title or any other beneficial interest in personal or real property in accordance with these guidelines.
3. "Property" shall mean personal property in excess of five thousand dollars in value, real property, and any inchoate or other interest in such property owned by the Authority, to the extent that such interest may be conveyed to another person for any purpose, excluding an interest securing a loan or other financial obligation of another party.

4. "Property Disposition Contracts" shall mean written agreements for the sale, lease, transfer or other disposition of Property.
5. "Real Property" shall mean real property and interests therein.

## II. PRINCIPAL DUTIES OF CONTRACTING OFFICER

The Contracting Officer shall be an Authority officer appointed by the Directors who is responsible for the supervision and direction over the custody, control and disposition of Property and responsible for the Authority's compliance with, and enforcement of these guidelines. The Contracting Officer shall: (a) maintain adequate inventory controls and accountability systems for all property under the Authority's control; (b) periodically inventory such property to determine which property shall be disposed of; (c) produce a written report of such property, at least annually, listing its real property, including a full description of all real and personal property disposed of during the reporting period, which report must be delivered to the State Comptroller, the Director of the Budget, the Commissioner of General Services, and the State legislature; and (d) transfer or dispose of such property as promptly as possible in accordance with these guidelines.

## III. PROPERTY DISPOSITION CONTRACTS

### A. Reason(s) for Use of Property Disposition Contracts

Property Disposition Contracts may be entered into for the purpose of disposing of Property which is no longer necessary or useful for the operations of the Authority and does not warrant retention, if the disposition of such Property will result in cost savings or other benefits to the Authority and/or the disposition thereof will result in the receipt of valuable consideration or benefits by the Authority.

### B. Method of Disposition

The Authority may dispose of Property for at least the fair market value by sale, exchange, or transfer, for cash, credit or other Property, upon such terms and conditions as are determined by the Contracting Officer. Provided, however, that no disposition of real property, any interest in real property, or any other property which, because of its unique nature, is not subject to fair market pricing may only be disposed when an appraisal of such property has been made by and independent appraiser and included in the records of the transaction.

### Award of Property Disposition Contracts; Selection Criteria for Property Disposition Contracts

1. All sales or other dispositions of Property shall be conducted in accordance with these Guidelines by or under the supervision of the Contracting Officer.

2. All Property Disposition Contracts shall be made after publicly advertising for bids unless certain criteria as provided in the following paragraph have been met for such contracts to be made by negotiation or public auction. Whenever public advertising for bids is required, (i) the advertisement for bids shall be made at such time prior to the disposal or contract, through such methods, and on such terms and conditions as shall permit full and free competition consistent with the value and nature of the property; (ii) all bids shall be publicly disclosed at the time and place stated in the advertisement; and (iii) the award shall be made with reasonable promptness by notice to the responsible bidder whose bid, conforming to the invitation for bids, will be most advantageous to the state, price and other factors considered; provided, that all bids may be rejected when it is in the public interest to do so.
3. Property Disposition Contracts may be negotiated or made by public auction without regard to the immediately preceding paragraph but subject to obtaining such competition as the Contracting Officer determines is feasible under the circumstances, if (i) the personal property involved is of a nature and quantity which, if disposed of by public bid, would adversely affect the state or local market for such property, and the estimated fair market value of such property and other satisfactory terms of disposal can be obtained by negotiation; (ii) the fair market value of the property does not exceed fifteen thousand dollars; (iii) bid prices after advertising therefore are not reasonable, either as to all or some part of the property, or have not been independently arrived at in open competition; (iv) the dispositions of Property will be to the state or any political subdivision, and the estimated fair market value of the property and other satisfactory terms of disposal are obtained by negotiation; (v) the dispositions of Property is for an amount less than the estimated fair market value of the property, the terms of such disposal are obtained by public auction or negotiation, the disposal of the property is intended to further the public health, safety or welfare or an economic development interest of the state or a political subdivision, the purpose and the terms of such disposal are documented in writing and approved by the Directors of the Authority; or (vi) such action is otherwise authorized by law.
4. The Contracting Officer shall provide a statement explaining the circumstances of the negotiated disposition of property by at least ninety days prior to such disposal to each of the State Comptroller, the Director of the Budget, the Commissioner of General Services, and the State legislature and a copy thereof shall be preserved in the files of the Authority. Such a statement shall be prepared in connection with a negotiated disposition of property of any of the following: (i) any personal property which has an estimated fair market value in excess of fifteen thousand dollars; (ii) any real property that has an estimated fair market value in excess of one hundred thousand dollars; (iii) any real property disposed of by lease for a term of five years or less, if the estimated fair annual rent is in excess of one hundred thousand dollars for any of such years; (iv) any real property disposed of by lease for a term of more than five years, if the total estimated rent over the term of the lease is in excess of one hundred thousand dollars; or (v) any real property or related personal property

disposed of by exchange, regardless of value, or any property any part of the consideration for which is real property. Each such statement shall be transmitted to persons entitled to receive copies of the report under these guidelines not less than ninety-days in advance of such disposal, and copy thereof shall be preserved in the files of the Authority.

5. To the extent that Property Disposition Contracts are competitively awarded, such awards shall be made upon receipt and evaluation of bids or proposals or other information obtained from persons/firms responding to a request for proposals or other form of solicitation on the basis of the criteria specified in the request for proposals or other solicitation. The Contracting Officer shall document the processes by which Property is sold or otherwise disposed of, by making a record summarizing the nature and scope of the Property disposed, the name of each person or organization submitting, or requested to submit, a bid or proposal, the price or other consideration bid and received, and the basis for selection of both the purchaser and method of disposition of the Property.
6. All dispositions of Property also shall be subject to compliance with the Financing Agreement, dated as of October 1, 2000 between the Authority and the County of Nassau and the Indenture between the Authority and United States Trust Company of New York, dated as of October 1, 2000, as amended or supplemented (the "General Resolution"). In furtherance thereof, no Property of the Authority or the Subsidiary shall be sold or otherwise disposed of unless the Chairman or Executive Director shall have determined that such disposition (i) is desirable in the conduct of the business of the Authority, (ii) is not disadvantageous in any material respect to the holders of the Authority's Bonds (as defined in the General Resolution), and (iii) does not breach any covenants of the Authority relating to the exclusion of interest on the Authority's Obligations, which determinations shall be evidenced in writing and maintained with the records of the Authority relating to the disposition of such Property.

C. Approval Process for Property Disposition Contracts

The award of Property Disposition Contracts and any determinations made in connection therewith shall be approved as follows:

1. Property Disposition Contracts in amounts equal to or less than \$250,000 and related determinations shall be approved by the Contracting Officer and the Executive Director or Chairman.
2. Property Disposition Contracts in amounts greater than \$250,000 and related determinations shall be approved by the Directors of the Authority.

IV. GENERAL

A. Implementation of Guidelines

The Contracting Officer is empowered to prepare such supplemental procedures as may be required to effectively implement these Guidelines, copies of which shall be provided to the Directors.

B. Reports

1. Property Disposition Contract Guidelines approved by Authority shall be annually reviewed and approved by the Directors of the Authority. On or before the thirty-first day of March in each year, the Authority shall file with the State Comptroller a copy of the most recently reviewed and adopted Guidelines, including the name of the Contracting Officer, and must post such guidelines on the Authority's website. Guidelines posted on the Authority's website shall be maintained at least until the guidelines for the following year are posted on the website.
2. No less frequently than annually, the Contracting Officer shall prepare and submit to the Directors a report which summarizes all Property Disposition Contracts and entered into for the period of the report, which report will include a list of all Property Disposition Contracts, the process used to sell or dispose of any Property and the consideration and/or other benefits received or paid therefore, the name of the purchaser for all such property sold by the Authority, and the status of all existing Property Disposition Contracts.

C. Effect of Awarded Contracts

These Guidelines are intended for the guidance of the officers and employees of the Authority. Nothing contained herein is intended or shall be construed to confer upon any person, firm or corporation any right, remedy, claim or benefit under, or by reason of, any requirement or provision hereof, or be deemed to alter, affect the validity of, modify the terms of or impair any contract or agreement made or entered into in violation of, or without compliance with, these Guidelines. In accordance with Section 2897.5 of the Public Authorities Law, a deed, bill of sale, lease, or other instruments executed by or on behalf of the Authority, purporting to transfer title or any other interest in property shall be conclusive evidence of compliance with these guidelines insofar as concerns title or other interest of any bona fide grantee or transferee who has given valuable consideration for such title or other interest and has not received actual or constructive notice of lack of compliance with these guidelines prior to the closing.