

TO: ALL COUNTY PERSONNEL

**FROM: VERDENIA C. BAKER
COUNTY ADMINISTRATOR**

PREPARED BY: OFFICE OF FINANCIAL MANAGEMENT & BUDGET (OFMB)

SUBJECT: DISPOSAL OF SCRAP METAL

PPM #: CW-O-039

ISSUE DATE

November 13, 2019

EFFECTIVE DATE

November 13, 2019

PURPOSE:

To establish policies and procedures for the disposal of scrap metal generated by Palm Beach County operations or found to be abandoned on County-owned property.

UPDATES:

Future updates to this PPM are the responsibility of the Director of OFMB.

AUTHORITY:

- Florida Statutes, Chapters 125, 274, and 440, as may be amended
- PPM #CW-O-027 (Custody and Disposal of Surplus Assets), as may be amended
- Palm Beach County Surplus Property Ordinance (2004-0052), as may be amended
- Palm Beach County Administrative Code, Sections 303.00 and 308.00, as may be amended

DEFINITION:

Scrap Metal: Any metal (ferrous, composed of, pertaining to, or containing iron, and/or non-ferrous) no longer necessary to County operations, including, but not limited to, iron, steel, aluminum, brass, copper, insulated wire and printed circuit boards.

POLICY:

Scrap metal is an asset of the County, and its disposal is subject to the same business practices that govern the disposal of other surplus County assets.

It is the policy of Palm Beach County that scrap metal will be collected and recycled to the maximum practicable extent. Whenever possible, revenues will be generated from disposal of scrap metal, to be credited to the general fund, to special taxing districts or units, to the appropriate enterprise or internal service fund, or to the appropriate grant or bond funded asset's construction fund or debt service fund.

RESPONSIBILITIES:

1. The Fixed Assets Management Office (FAMO) is responsible for coordinating the sale of scrap metal generated by Palm Beach County operations or found to be abandoned on County-owned property.
2. If FAMO determines that any lot of scrap metal has no commercial value, or otherwise cannot be sold, the County department or agency which generated the scrap metal is responsible for its disposal, and all costs associated therewith; provided, however, that the Facilities Development and Operations Department is responsible for disposal of scrap metal found on vacant County-owned lands.
3. The FAMO shall require the County's contracted scrap metal hauler to pay for the scrap metal in accordance with a standard industry acceptable measure as published in a recognized publication, i.e., for ferrous metal (steel unprepared, heavy melt #1) a guaranteed price per ton as expressed as a percentage of "Consumer Buying Prices (Pittsburgh – Low End)" as published daily in the "Scrap Iron & Steel Prices" section of the American Metal Market publication.
4. County departments and agencies utilizing contractors for the removal of scrap metal shall comply with the insurance and indemnification requirements as specified by the Palm Beach County Risk Management Department. The contract between the County and the contractor shall include:
 - a. Insurance
 - 1) The contractor shall not commence work under this agreement until it has obtained all insurance required under this paragraph and such insurance has been approved by the County.
 - 2) All insurance policies shall be issued by companies authorized to do business under the laws of the State of Florida. The contractor shall furnish Certificates of Insurance to the County's representative prior to the commencement of operations. The Certificates shall clearly indicate that the contractor has obtained insurance of the type, amount, and classification as required for strict compliance with this paragraph evidencing that all coverages, limits and endorsements required are maintained and in full force and effect. In addition, the contractor agrees to notify the County of any cancellation, non-renewal or material change taking place during the life of

the contract. Compliance with the foregoing requirements shall not relieve the contractor of its liability and obligations under this contract.

- 3) The contractor shall maintain, during the life of this contract, commercial general liability, including contractual liability insurance of at least \$1,000,000 per occurrence unless otherwise specified by the Risk Management Department. This coverage shall be endorsed to include Palm Beach County as an Additional Insured.
- 4) The contractor shall maintain, during the life of this contract, business automobile liability insurance in the minimum amount of \$1,000,000 per occurrence combined single limit for bodily injury and property damage liability unless otherwise specified by the Risk Management Department to protect the contractor from claims for damages for bodily and personal injury, including death, as well as from claims for property damage, which may arise from the ownership, use, or maintenance of owned and non-owned automobiles, including rented automobiles whether such operations be by the contractor or by anyone directly or indirectly employed by the contractor.
- 5) The contractor shall maintain, during the life of this contract, adequate Workers' Compensation Insurance as required by law for all of its employees per Florida Statute, Chapter 440. Policy shall include coverage for Employer's Liability.

b. Indemnification

- 1) The contractor shall protect, defend, reimburse, indemnify and hold the County, its agents, employees and elected officers harmless from and against all claims, liability, expense, loss, cost, damages or causes of action of every kind or character, including attorney's fees and costs, whether at trial or appellate levels or otherwise, arising during and as a result of their performance of the terms of the contract or due to the acts or omissions of the contractor.

PROCEDURES:

Scrap Metal Derived from General Fund Operations

1. Whenever possible, all County general fund operations must bring their scrap metal to the Surplus Asset Disposal Program Operations of the FAMO located at 2455 Vista Parkway, West Palm Beach, or other specific locations as directed by FAMO, unless alternative disposal in-place is authorized by FAMO, pursuant to PPM No. CW-O-027.

For revenues generated from the disposal of scrap metal to be credited in their entirety to funds other than the general fund, the scrap metal derived from the appropriate special taxing district or unit (e.g., Fire-Rescue), enterprise (e.g., Water Utilities), Department of Airports, or internal service (e.g., Fleet) must be containerized uniformly at the respective locations of such operations.

Scrap Metal Derived from Bond and Grant Funds

1. For scrap metal revenues derived from bond funded assets to be credited in their entirety to the appropriate debt service fund, the scrap metal must be containerized uniformly for weighing and payment purposes, identified according to the respective bond fund by the project managing or operating department with the assistance of OFMB's Debt Manager, and the revenue account and fund provided to FAMO by the Debt Manager. This action must be taken in advance of scheduling the pick-up by the scrap metal hauler, with written notification to FAMO, in order to coordinate and properly document the transaction. If the bond funded scrap metal is mixed with another source or source(s) of scrap metal, then the pro rata share of bond funded scrap metal load would have to be determined by the Debt Manager, with the assistance of the project managing or operating department, and conveyed to FAMO. Otherwise such scrap metal revenues will be credited to the general fund.
2. For scrap metal revenues derived from grant funded assets to be credited to the appropriate fund, the same procedure applies with the exception that rather than contacting the Debt Manager, OFMB's Grant Coordinator should be consulted by the project managing or operating department.



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Supersession History

1. PPM# CW-O-039, effective 02/01/92
2. PPM# CW-O-039, effective 01/12/01
3. PPM# CW-O-039, effective 01/01/08
4. PPM# CW-O-039, effective 05/13/13
5. PPM# CW-O-039, effective 07/16/18