

Chapter 1

Acquisition and Disposal of Materials or Equipment

1.0 Introduction

State law and MDT purchasing rules control acquisition of materials, supplies and equipment used in maintenance operations, as well as the disposal of used or unwanted materials, obsolete or worn out tools and equipment.

1.1 Purchasing Policy

Employees in Maintenance Areas are authorized to directly purchase commodities, repairs, services and rentals if in compliance with the procedures and limitations contained in the Purchasing Policy. Field employees must have approval of Area managers prior to any local purchasing.

Many materials, tool, and equipment purchases are identified as controlled commodities. Controlled commodities are items, which have restrictions on the method of acquisition. The Controlled Commodity List is constantly changing Before purchasing materials, tools, or equipment consult your local Stockperson, Maintenance Bureau Chief, Purchasing Services Bureau or the Department's Intranet website – <http://mdtinfo>.

To access the controlled commodities list, click on the MDT Policies and the select Controlled Commodities List. This is the most current list.

1.2 Inventory Process

Each Area is responsible for maintaining an inventory of equipment, materials and supplies. Each year in September, Area personnel conduct a complete inventory of all Sections and Area Capitol assets such as equipment, computers, and tools. Section personnel are responsible for recording usage of stores items and reporting biweekly to the Area Stockperson.

1.3 Disposal of Surplus Property

State law controls the disposal of surplus property. Surplus property is defined as supplies, materials or equipment no longer needed for Maintenance operations. The following items are considered surplus property:

- Excess or obsolete equipment
- Used oil
- Tires
- Scrap iron
- Salvaged materials

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When an Area determines excess materials are surplus, they are offered first to the other Areas. If unwanted, the Purchasing Bureau is contacted to dispose of the items. Surplus equipment and vehicles are sold at auction each year. All other materials may be considered surplus. Before disposing of any items or material with any value, first consult with the Area Stockperson.

1.4 Land Acquisition

When an Area determines there is a need to purchase property for a new site or a site expansion, the Maintenance Bureau Chief must request and justify the purchase to the Maintenance Division Administrator. The Non-Right-of-Way Land Acquisition Policy details the required processes and procedures. Requests are prioritized based on need and available funding.

1.5 Maintenance Aggregate Acquisition

Aggregate and abrasives purchases begin with requests from the field areas submitted to the Maintenance Headquarters for review and approval. Approved requests are then put into a bid package and bid out. The following are the most common methods of purchasing aggregates:

- Special Maintenance Projects (SMP) - The SMP crushing contracts are let through Contract Plans and administered through the Construction Program.
- May be let through the Purchasing Services Bureau and administered through the Maintenance Program.
- May be acquired through maintenance takeover of excess aggregate materials from Construction contracts.

Aggregates and abrasives must meet specifications commonly identified in the Departments Standard Specifications for Road and Bridge Construction, or a specification approved by headquarters.

1.6 Lost and Found

Questions about ownership of items found on roadways should be directed to the Area Maintenance Bureau Chief. (MDT's is rewriting the current policy.)

1.7 Accounts Receivable (AR)

The Account Receivable (AR) is a procedure for reimbursing MDT by a third party for damage to state property or approved work for other agencies. Examples of AR projects are:

- Guardrail, signs or other roadway feature's damaged by accident.
- Maintenance activities completed for another Agency.
- Vandalism to State property.

When there are damages recoverable from a third party, an appropriate MMS cost center should be established even if the third party isn't known at the time.

1.8 Leases and Rentals

The Department has occasion lease or rent land, equipment or facilities. Examples are:

- Stockpile sites
- Aggregate sources
- Facility sites
- Specialty equipment
- Storage facilities