
**AUGUSTA COUNTY SERVICE AUTHORITY
OPERATING PROCEDURES AND POLICY MANUAL**

Approved By: Board of Directors
Effective Date: January 1, 2017

Procurement
Policy No. 11.4
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Material Sales From Inventory

1.0 Intent

This policy is a statement of rules and regulations governing the dispensing of material to outside contractors or individuals. This intent of this policy is to comply with Virginia Department of Taxation requirements.

2.0 Policy

The Authority maintains an inventory of parts and supplies for its use during projects and repair situations. This inventory is not intended to be available to outside contractors and developers.

The Authority acknowledges there are situations where contractors find themselves with an immediate need for materials that are not stocked by local plumbing supply houses, but are stocked by the Service Authority. In this case the Authority will loan contractors the materials necessary to complete the job by the following guidelines:

- a. There must be sufficient quantities on hand of the requested item so as not to disrupt a project in progress by Authority Crews. Service Authority projects have priority.
- b. Items on loan must be returned within 30 days. Contractors who abuse this return policy will have their loan privileges suspended.
- c. The item returned must meet the requirements of approved style and manufacture as indicated on ACSA's List of Approved Materials in the ACSA Design and Construction Standards.

In the event the Authority requires a contractor or developer to use a specific item, the Authority may, at its discretion, provide the item to the contractor or developer at cost using the miscellaneous billing process.

3.0 Mutual Interest Project

The Authority acknowledges that in certain cases a developer and/or contractor will have a mutual interest with the Authority in the construction or replacement of a utility line. In these cases the respective values of the interests may be assessed and the Authority contributes materials while the other party contributes labor (and possibly some materials) for completion of a project that will eventually be solely owned by the Authority.