GSA Assists USACE in Disposal of Surplus Personal Property from Olmsted, IL Locks and Dam Construction Project

Challenge: The Olmsted Locks and Dam is one of the largest civil works projects undertaken by the United States Army Corps of Engineers (USACE). More tonnage transits through this point on the Ohio River than any other place in America’s inland navigation system. The goal of the construction project was to replace the original construction which was completed in 1929 and relieve the frequently congested locks and dams to reduce delays on the river. The construction project cost an estimated $3 billion and began in 1995. The target to finish construction and dispose of all project equipment is 2019. USACE needed to dispose of $67.8 million of equipment that was used to build the project. The Agency was not confident that General Services Administration (GSA) could handle the disposal of this construction equipment and requested a formal waiver from the Office of Governmentwide Policy to allow the on-site contractor to sell the equipment.

Action: GSA’s Office of Personal Property Management helps federal agencies dispose of personal property that is no longer needed by the government. Policies and regulations require federal agencies to use an approved sales center to sell property. GSA is approved and authorized to sell all categories of personal property.

The Southeast-Great Lakes Personal Property Management (PPM) Zone scheduled an onsite meeting with the USACE in Olmsted, IL. The goals of this meeting were to assess the surplus equipment, understand the USACE’s requirements and concerns and develop a trusted working relationship. After touring the impressive facility and learning about the variety of property, it was determined that nearly all the equipment to be disposed of was within GSA’s scope and expertise.

Solution: After determining that the surplus equipment was within the parameters of what GSA handles, the Office of Governmentwide Policy, USACE and Personal Property Management determined that GSA would handle the sale of equipment using GSA Auctions, an electronic solution for auctioning federal personal property.

GSA Auctions offers federal personal property assets ranging from commonplace items such as office equipment and furniture to more select products like scientific equipment, heavy machinery, airplanes, vessels and vehicles. GSA Auctions online capabilities allow GSA to offer assets located across the country to any interested buyer.

GSA established a dedicated, seasoned team of disposal experts composed of Area Property Officers to assist with reporting of the property, and Sales Contracting Officers to manage the online auctions to assist the USACE. For the first month of the planning and implementation process, the team had regular, consistent conference calls with the USACE to answer their questions and concerns.

Result: GSA’s Personal Property Management Southeast-Great Lakes Zone guided the USACE through the sales process; resulting in an easy transition in dealing with the equipment buyers. GSA handled $49.3 million in surplus property including a 4,500-ton catamaran barge which sold for $1.6 million, a 60-meter concrete boom truck which sold for $605,000 and a 350-ton crawler crane which sold for $225,00. The property sold for $5.8 million on GSA Auctions and $5.1 million of the sales proceeds were returned to the USACE. The USACE was pleasantly surprised at the results of auctions.

Reference: Gregory Hales Plant Clearance Officer/Risk Manager Olmsted Resident Office U.S. Army Corps of Engineers gregory.l.hales@usace.army.mil 618-748-6484