



CITY OF CARSON

Legislation Text

File #: 2022-065, Version: 1

Report to Mayor and City Council

Tuesday, February 15, 2022

Consent

SUBJECT:

CONSIDER ADOPTING RESOLUTION NO. 22-020, AUTHORIZING THE DISPOSITION OF VARIOUS SURPLUS CITY EQUIPMENT (CITY COUNCIL)

I. SUMMARY

In past years, the City has utilized auctioneer services to dispose surplus obsolete or worn-out equipment. The City's Public Works Department has several vehicles and equipment in need of auctioning. Vehicles 1290 and 1392 were declared total losses by the City's insurance vendor due to recent accidents. All other Public Works vehicles and equipment on the consignment forms are being auctioned due to age, obsolescence, or excessive maintenance/repair costs. The City's Transportation Division had utilized Bus 1190, a 2009 model year Thomas school bus, to transport participants of past permit trips and excursions. As nearly 13 years have passed since its purchase, essential parts for service and/or repair are hard to find, or no longer accessible through repair shops or other vendors.

The City Council is asked to approve the disposition of surplus City equipment listed on the consignment forms (Exhibit No. 1; Consignment Forms).

II. RECOMMENDATION

WAIVE further reading and ADOPT Resolution No. 22-020, "A RESOLUTION OF THE CARSON CITY COUNCIL AUTHORIZING THE DISPOSITION OF VARIOUS SURPLUS CITY EQUIPMENT." (Exhibit No. 2; Resolution No. 22-020).

III. ALTERNATIVES

TAKE another action the City Council deems appropriate.

IV. BACKGROUND

In past years, the City has utilized auctioneer services to dispose surplus obsolete or worn-out equipment. The City Council is authorized to approve the disposition of surplus City equipment under Title II of the Carson Municipal Code (CMC), pursuant to CMC Section

2614(d)(1 and 2):

“(d) Auction. If the Purchasing Manager elects to dispose of surplus property by auction, the following procedures shall be used:

(1) If the auction of such surplus property includes capitalized equipment, then the Purchasing Manager shall seek the approval of the City Council prior to initiating disposition by auction.

(2) Surplus property shall be sold to the highest bidder at a public auction conducted by a licensed auctioneer or through participation in a cooperative auction of government agencies.”

The City’s Public Works Department has several vehicles and equipment in need of auctioning. Vehicles 1290 and 1392 were declared total losses by the City’s insurance vendor due to recent accidents. All other Public Works vehicles and equipment on the consignment forms are being auctioned due to age, obsolescence, or excessive maintenance/repair costs.

The City’s Transportation Division had utilized Bus 1190, a 2009 model year Thomas school bus, to transport participants of past permit trips and excursions. As nearly 13 years have passed since its purchase, essential parts for service and/or repair are hard to find, or no longer accessible through repair shops or other vendors.

The City Council is asked to approve the disposition of surplus City equipment listed on the consignment forms. Ken Porter Auctions would conduct the auction where proceeds to vendor in the form of fees/commissions are not expected to exceed \$5,000. Under CMC 2605(b), for purchases of any services where the estimated cost of a service is less than \$5,000 over a fiscal year, a separate written contract may not be required.

V. FISCAL IMPACT

Proceeds of City equipment are expected to cover associated sales fees/commissions due to the vendor performing the auction. Proceeds exceeding their associated fees/commissions, or net revenue, shall be deposited into their respective funding account (s).

In the event proceeds fall short of covering their respective sales fees/commissions, equipment belonging to the Transportation Division will be charged to account no. 218-90-940-101-6004. Equipment belonging to the Public Works Department will be charged to account no. 101-80-840-275-6004.

VI. EXHIBITS

1. Consignment forms (pgs. 4-5).
2. Resolution No. 22-020 (pgs. 6-7).

Prepared by: Jason Jo, Transportation Supervisor; Robert Lennox, Community Services Director