



Agenda Date: 11/20/2007
Agenda Placement: 6X

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: Michael Stoltz for Peterson, Robert - Director
Public Works
REPORT BY: Stacy Petross, Buyer , 253-4476
SUBJECT: Disposal of surplus vehicles

RECOMMENDATION

County Executive Officer/Purchasing Agent and Director of Public Works request authorization to declare certain vehicles and equipment as surplus and no longer required for public use, remove them from inventory, and dispose of them at public auction. (4/5 vote required)

EXECUTIVE SUMMARY

The Public Works Equipment Pool has submitted a list of surplus vehicles and equipment for disposal at public auction. These items have outlived their useful life, have been removed from service, and are no longer required for public use. California Government Code requires Board approval for the disposal of surplus property.

FISCAL IMPACT

| | |
|-----------------------------------|--|
| Is there a Fiscal Impact? | Yes |
| Is it currently budgeted? | No |
| What is the revenue source? | The County will incur no General Fund expense for sending vehicles to auction. Proceeds from the sale at auction will be deposited in the Equipment Pool Replacement Fund. |
| Is it Mandatory or Discretionary? | Discretionary |
| Discretionary Justification: | The vehicles to be disposed of have exceed their useful life and are no longer required for public use. |
| Is the general fund affected? | No |
| Future fiscal impact: | None. |

Consequences if not approved: The surplus vehicles would remain unsold and the proceeds expected to be realized from the sale of these vehicle would not be available to the Equipment Pool Replacement Fund.

Additional Information: Proceeds from the sale of surplus vehicles and equipment is dependent upon the age and condition of the vehicle and buyer preference. For example, fourteen surplus vehicles recovered \$40,000 in May 2006, while twelve surplus vehicles recovered \$24,000 in May 2007. The Department is presently looking at alternative approaches in the auction process to see if the County can increase its financial recovery for surplus vehicles.

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

California Government Code Section 25363 authorizes the Board of Supervisors, upon a four-fifths vote, to sell at public auction and convey to the highest bidder, for cash, any property belonging to the County and not required for public use.

The Public Works Equipment Pool has submitted a list of surplus vehicles for disposal at public auction. As a general practice, the Equipment Pool attempts to fully depreciate vehicles before identifying them as surplus. Fleet vehicles, acquired before July 1, 1997, are fully depreciated when they have been driven 70,000 miles, while patrol vehicles are fully depreciated when they have been driven 80,000 miles. Fleet vehicles, acquired after June 30, 1997, are fully depreciated when they have been driven 80,000 miles, while patrol vehicles are fully depreciated when they have been driven 90,000 miles.

In some instances, vehicles that have been fully depreciated may be retained in the Equipment Pool if their maintenance costs and condition warrant continued use. On the other hand, some vehicles are declared surplus and disposed of before they have been fully depreciated because the cost to maintain and/or repair them are not justified. Vehicles that have suffered major collisions, that require major engine or transmission work, or that have experienced excessive wear or exposure to extremely harsh conditions are generally declared surplus and sold at auction if the costs of making the necessary repairs or providing continued maintenance are not justified. For example, on the attached list, Vehicle No. 64 was totalled and is being replaced with transferred funds to Equipment Pool on today's agenda. These decisions are made on a case-by-case basis by the Equipment Pool Supervisor and the Facilities and Fleet Manager.

Attachment A contains the list of surplus vehicles to be disposed of at public auction. These vehicles have outlived their useful life, have been removed from service, and are no longer required for public use. These vehicles will be removed from the County's inventory after they have been sold at auction and the proceeds have been received by the Auditor-Controller.

SUPPORTING DOCUMENTS

A . Attachment A

CEO Recommendation: Approve

Reviewed By: Helene Franchi