



A Tradition of Stewardship  
A Commitment to Service

Agenda Date: 5/16/2017

Agenda Placement: 6B

## NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

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**TO:** Board of Supervisors  
**FROM:** Kim Henderson for JOHN ROBERTSON JR. - Sheriff-Coroner  
Sheriff  
**REPORT BY:** Kim Henderson, Sheriff's Administrative Manager - 259-8674  
**SUBJECT:** Disposal of a totaled vehicle and Budget Transfer to payoff lease

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### **RECOMMENDATION**

Sheriff and County Executive Officer/Purchasing Agent request the following actions regarding the disposal of a totaled leased vehicle:

1. Declare Asset No. 27184, a 2014 Ford Explorer leased from Ford Motor Credit Company LLC, as surplus and no longer of use;
2. Authorize the removal of the fixed asset from the Sheriff's fixed asset list;
3. Authorize disposal of the fixed asset by way of general disposal; and
4. Approval of Budget Transfer No. SHE004 increasing appropriations in the Sheriff's budget with offsetting revenue from insurance proceeds in the amount of \$8,507 to payoff the remaining balance on the lease. (4/5 vote required)

### **EXECUTIVE SUMMARY**

The requested will allow the Sheriff's Office to surplus the 2014 leased Ford Explorer after it was declared totaled during a collision which was caused by another vehicle pulling out in front of the unit on March 3, 2017. Approval of the Budget Transfer will allow the payoff of the totaled leased vehicle with offsetting funds from insurance proceeds in the amount of \$8,507.

### **FISCAL IMPACT**

Is there a Fiscal Impact?            Yes  
Is it currently budgeted?            No

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What is the revenue source?	Insurance proceeds.
Is it Mandatory or Discretionary?	Mandatory
Is the general fund affected?	No
Future fiscal impact:	The Sheriff's Office is currently reviewing the need to replace the totaled leased vehicle in the Fiscal Year 2017-2018 budget.
Consequences if not approved:	If this item is not approved the County would be in violation of the current lease agreement, Section 13, risk of loss; damage; destruction, in which the Lessee is required to notify Ford Motor Credit LLC within thirty (30) days of the damaged unit beyond repair. In the event of a total loss the Lessee is obligated to pay the pro rata amount based on the Cash Price of the vehicle. There is one payment left on the vehicle due on 10/13/2017 and is included in the Fiscal Year 2017-2018 proposed budget, however, due to the vehicle deemed a total loss, that payment must be made by May 30, 2017.

Additional Information:

### **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**

On March 3, 2017, unit 4013, a Leased 2014 Ford Explorer, was southbound on Devlin road approaching Gateway Drive. A vehicle pulled out from Gateway Drive as unit 4013 was approaching. Due to the close proximity, the driver of unit 4013 was unable to avoid colliding with the vehicle. Unit 4013 has been assessed by three auto body shops and is deemed a total loss. As this unit is a leased vehicle, the provisions of Section 13 of the lease require the Lessee to notify Ford Motor Credit LLC within 30 day of the vehicle being deemed damaged beyond repair. Risk Management was immediately notified and is currently working with the insurance company of the person who collided the County's vehicle.

On October 13, 2014 the Sheriff's Office entered into a Master Equipment Lease to Purchase Agreement for three (3) non-patrol units to be driven by Lieutenants and above. In the event of a total loss, per Section 13 of the Lease Agreement, the Lessee is obligated to pay the pro rata amount based on the cash price of the vehicle listed in the Agreement. There is one payment left on the vehicle due on 10/13/2017 and is included in the Fiscal Year 2017-2018 proposed budget, however, due to the vehicle deemed a total loss, that payment must be made by May 30, 2017. Approval of today item will allow the Sheriff's Office to declare Asset No. 27184 as surplus; authorize the removal of the fixed asset from the Sheriff's fixed asset list; authorize disposal of the fixed asset by way of general disposal; and approve a budget transfer increasing appropriations with offsetting insurance proceeds in the amount \$8,507, in the Sheriff's budget to payoff the balance of the vehicle.

### **SUPPORTING DOCUMENTS**

None

CEO Recommendation: Approve

Reviewed By: Helene Franchi