



**NAPA-VALLEJO WASTE
MANAGEMENT AUTHORITY**

Agenda Date: 2/6/2014

Agenda Placement: 6B

Napa-Vallejo Waste Management Authority Board Agenda Letter

TO: Board of Directors

FROM: Richard Luthy - Executive Director
Napa-Vallejo Waste Management Authority

REPORT BY: Richard Luthy, Executive Director, Napa-Vallejo Waste Management - 707-299-1314

SUBJECT: Consignment Agreement No. 2014-09 Sale of Microturbines

RECOMMENDATION

2014-09 CONSIGNMENT AGREEMENT

REQUESTED ACTION: Approval of and authorization for the Executive Director to sign Consignment Agreement No. 2014-09 with Aaron Equipment Company, effective February 6, 2014 for a period of twelve (12) months, to locate buyers for the surplus Microturbine Equipment in return for the payment of a commission on each sale.

EXECUTIVE SUMMARY

On July 11, 2013 the Board acted to declare the microturbines at the American Canyon Wastewater Plant as surplus property and authorize their sale or disposal. Staff prepared and distributed a Request for Bids package to potentially interested parties. Unfortunately, no bids were received. We were, however, approached by a company that deals in resale of used industrial equipment, including microturbines. Aaron Equipment Company has offered to list and attempt to sell the microturbines on consignment. The consignment fee would be 25% of the sale price.

Staff recommends that the Board authorize the consignment agreement with Aaron Equipment for a period of 12 months. The agreement could be extended with the mutual consent of the parties.

FISCAL IMPACT

Is there a Fiscal Impact? No

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: General Rule. It can be seen with certainty that there is no possibility the proposed action may have a significant effect on the environment and therefore CEQA is not applicable. [See Guidelines For the Implementation of the California Environmental Quality Act, 14 CCR 15061(b)(3)].

BACKGROUND AND DISCUSSION

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Staff recommends that the Board authorize the consignment agreement with Aaron Equipment for a period of 12 months. The agreement could be extended with the mutual consent of the parties.

The microturbines would remain at the wastewater plant until sold and would be removed by the purchaser at their expense.

SUPPORTING DOCUMENTS

None

Executive Director: Approve
Reviewed By: Martha Burdick