

ITEM 4.5

CITY MANAGER'S REPORT MAY 13, 2024 CITY COUNCIL REGULAR MEETING

ITEM: **DECLARE ONE VEHICLE AND EQUIPMENT SURPLUS PROPERTY AND AUTHORIZE THEIR DISPOSAL**

RECOMMENDATION: **Adopt a Resolution Declaring One Vehicle and Equipment Surplus Property and Authorizing Their Disposal**

SUMMARY:

The City currently has one surplus vehicle and various equipment/items that have reached their useful life, have been replaced, or the repair costs exceed their fair market value.

The City's policy regarding disposition of surplus property allows for surplus property to be sold at auction. In the event that the auction is unsuccessful, the City may choose to donate, discard or recycle the property. Pursuant to Council Resolution 21-4831, the City Council declared surplus property with a value of \$1,500 or less to be of de minimus value and adopted a donation policy that allows the City to donate surplus City vehicles with a value of less than \$1,500 to local non-profits or charities. Any vehicles with a failed auction sale will be returned to the City to be donated to local non-profits or charities.

BACKGROUND:

The City of Lathrop updated its policy regarding disposition of surplus vehicles on December 1, 2014 pursuant to Resolution 14-3848 and staff recommends that the items listed on Attachment "B" be declared surplus property in accordance with this policy. All of these items have reached their useful life, have been replaced, or the cost of repair exceeds their value. Each item listed on the attachment has a brief description of the condition of each item. All of the listed items are ready to be declared as surplus property for sale, recycling, or disposal.

According to City policy, if the total market value of the surplus items is greater than \$5,000, the Purchasing Officer shall present the listing of such assets to the City Council for action regarding their declaration as surplus. It has been determined that these items collectively could have a value greater than \$5,000.

Surplus vehicles will be sold at public auction by Nationwide Fleet Services pursuant to an existing contract. In the event that the property remains unsold, the City Council may choose to donate, discard or recycle the property. Pursuant to Council Resolution 21-4831 the City Council declared surplus property with a value of \$1,500 or less to be of de minimus value and the donation thereof does not create a gift of public funds. Council adopted a donation policy through the same resolution to allow the City to donate surplus City vehicles with a value of less than \$1,500 to local non-

CITY MANAGER'S REPORT
MAY 13, 2024 CITY COUNCIL REGULAR MEETING
RESOLUTION DECLARING ONE VEHICLE AND EQUIPMENT SURPLUS
PROPERTY AND AUTHORIZING THEIR DISPOSAL

PAGE 2

profits or charities. Surplus equipment will be discarded or recycled if all other disposal methods are not successful.

REASON FOR RECOMMENDATION:

Pursuant to City policy, at least once a year each Department Head shall conduct a review of inventory, goods and supplies utilized by that department and shall determine what items have become surplus. City staff has gathered a list of surplus items from all department's which are included in Attachment "B". These surplus assets have been reviewed and determined that their collective value could be greater than \$5,000. In addition, once the surplus items are discarded, it will help each department maintain storage space.

FISCAL IMPACT:

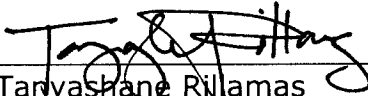
Any net revenues from the sale of these items will be returned to the City's general fund.

ATTACHMENTS:

- A. Resolution declaring certain vehicles and equipment surplus property and authorizing their disposal
- B. Surplus Inventory List

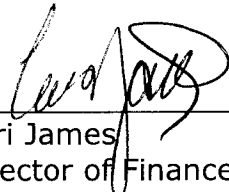
**CITY MANAGER'S REPORT
MAY 13, 2024 CITY COUNCIL REGULAR MEETING
RESOLUTION DECLARING ONE VEHICLE AND EQUIPMENT SURPLUS
PROPERTY AND AUTHORIZING THEIR DISPOSAL**

APPROVALS:



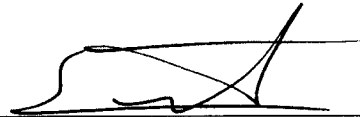
Tanyashane Rillamas
Management Analyst II

04/23/24
Date




Cari James
Director of Finance

4/23/2024
Date




Salvador Navarrete
City Attorney

4.24.2024
Date



Thomas Hedegard
Deputy City Manager

4/26/2024
Date



Stephen J. Salvatore
City Manager

4.30.24
Date

RESOLUTION NO. 24-_____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP
DECLARING ONE VEHICLE AND EQUIPMENT SURPLUS PROPERTY AND
AUTHORIZING THEIR DISPOSAL**

WHEREAS, the City of Lathrop has a policy that allows for the disposal of vehicles and equipment with City Council approval; and

WHEREAS, the City has one surplus vehicle and equipment, which have reached their useful life, are inoperable, or the cost of repairs exceed their value; and

WHEREAS, the City Council has reviewed the list of surplus items which are to be auctioned, donated after meeting Donation Policy criteria, recycled, or discarded;

NOW, THEREFORE, BE IT RESOLVED that the City Council declares the items listed in Attachment "B" to the City Manager's report that accompanied this resolution, to be surplus property and authorizes the City Manager to dispose of the surplus vehicle and equipment. The surplus vehicle will be sold at public auction by Nationwide Fleet Services pursuant to an existing contract.

The foregoing resolution was passed and adopted this 13th day of May, 2024, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSENT:

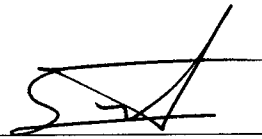
ABSTAIN:

Sonny Dhaliwal, Mayor

ATTEST:

APPROVED AS TO FORM:

Teresa Vargas, City Clerk



Salvador Navarrete, City Attorney

ATTACHMENT B
Surplus Inventory List
MAY 13, 2024

Surplus Type: Vehicle/Other

Surplus Reason Codes: **A**-No longer needed **B**-Reached useful life **C**-Replaced **D**-Cost to repair is higher than value **E**-Damaged/not working

Surplus Reason Code	Description	Year/Make/Model	Vin / Serial Number	Quantity	Dept.
A	Truck	2008 Chevrolet Silverado	IGCHK29K68E110546	1	P&R

Surplus Type: Equipment

Surplus Reason Codes: **A**-No longer needed **B**-Reached useful life **C**-Replaced **D**-Cost to repair is higher than value **E**-Damaged/not working

Surplus Reason Code	Description	Year/Make/Model	Vin / Serial Number	Quantity	Dept
A	Inflatable Obstacle Course			2 pieces	P&R
A	Inflatable Air Blowers			2 pieces	P&R
A	Storage Bags for Inflatable Obstacle Course			2 pieces	P&R
C	Dryer			1	Pd

**PAGE LEFT
INTENTIONALLY
BLANK**