

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Adoption of Resolution No. 409 - Surplus Vehicles and Equipment in Accordance with SMC 3.50.030(B)
DEPARTMENT:	Administrative Services Department
PRESENTED BY:	Sara Lane, Administrative Services Director Dan Johnson, Fleet & Facilities Manager
ACTION:	<input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Discussion <input type="checkbox"/> Public Hearing

PROBLEM/ISSUE STATEMENT:

Staff is requesting City Council approval of the surplus of certain vehicles and equipment in accordance with Section 3.50.030(B) of the Shoreline Municipal Code (SMC). SMC 3.50.030 (B), which relates to the sale of surplus property with values in excess of \$2000 by live auction, requires City Council approval for the sale of these surplus assets.

Staff intends to sell the identified vehicles and equipment via a live auction conducted by James G. Murphy, the private auctioneer under contract with the City. However, the Shoreline School District (SSD) has expressed interest in a 2000 Ford 1 Ton Pickup with a plow and sander (Vehicle 119). Vehicle 119 has an estimated value of \$7,000. SMC 3.50.040(A) permits the sale of surplus property with this value to another governmental entity without City Council approval. While the City's Fleet Services Division would work with SSD staff to negotiate a reasonable and competitive price for the vehicle, if negotiations fail, staff would sell this vehicle at live auction.

In order to approve the surplus of these vehicles, Council must adopt proposed Resolution No. 409, which is attached to staff report as Attachment A.

RESOURCE/FINANCIAL IMPACT:

The estimated cost to surplus all of the items identified in this report, if all were sold by private auction, is \$2,700. This represents the 10% commission the auctioneer retains.

RECOMMENDATION

Staff recommends Council adopt Resolution No. 409 authorizing the surplus of identified vehicles and equipment estimated at \$27,000 in value in accordance with SMC 3.50.030(B). As provided in SMC 3.50.030(A), Vehicle 119 may be sold to SSD but Council approval for surplus and auction is still being requested.

Approved By: City Manager **DT** City Attorney **MK**

BACKGROUND

Staff has identified certain vehicles and equipment for surplus because they are no longer of public use for City operations. SMC 3.50.030(B) requires City Council approval for the sale by live auction of surplus personal property with an individual item value in excess of \$2,000.

The following surplus vehicles and equipment exceed the \$2,000 value limit threshold identified in the SMC. These values are based on evaluations using Kelley Blue Book and a private auction company.

Vehicle Number	Vehicle/Equipment Description	Estimated Value
116	2000 Ford 1 Ton Pickup with Plow	\$6,000
119	2000 Ford 1 Ton Pickup with Plow & Sander	\$7,000
214	2001 RD25 - Hydrostatic Vibratory Roller	\$4,000
232	2002 Cimline Crack Sealer	\$8,000
N/A	1989 Mantle 50 Ton Scale from North Maintenance Facility	\$2,000
Total		\$27,000

DISCUSSION

Staff intends to sell the identified vehicles and equipment via a live auction conducted by James G. Murphy, the private auctioneer under contract with the City. However, the Shoreline School District (SSD) has expressed interest in a 2000 Ford 1 Ton Pickup with a plow and sander (Vehicle 119). Vehicle 119 has an estimated value of \$7,000. SMC 3.50.040(A) permits the sale of surplus property with a value of less than \$50,000 to another governmental entity without City Council approval. Fleet Services intends to work with SSD staff to negotiate a reasonable and competitive price for the vehicle. But, if negotiations fail, the vehicle would need to be sold at live auction. Therefore, in the event the vehicle is not sold to SSD, staff has included within this request so that it can be sold at auction.

This will be the second time the City has used the private auction services of James G. Murphy. In comparison to the use of the State's Department of Enterprise Services or trade-ins for disposal of surplus property, the use of a private auction service has provided the following benefits:

- Higher financial returns generated from the advertisement and auction process;
- Expedite the removal of fleet surplus items from City property creating additional storage space and parking spaces for City customers and employees;
- Faster return of revenue to the Fleet Equipment Program; and
- Removal of surplus items from the Washington Cities Authority Association (WCIA) insurance coverage.

RESOURCE/FINANCIAL IMPACT

The estimated cost to surplus all of the items identified in this report, if all were sold by private auction, is \$2,700. This represents the 10% commission the auctioneer retains.

RECOMMENDATION

Staff recommends Council adopt Resolution No. 409 authorizing the surplus of identified vehicles and equipment estimated at \$27,000 in value in accordance with SMC 3.50.030(B). As provided in SMC 3.50.030(A), Vehicle 119 may be sold to SSD but Council approval for surplus and auction is still being requested.

ATTACHEMENT

Attachment A: Proposed Resolution No. 409

RESOLUTION NO. 409

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON, DECLARING CERTAIN CITY-OWNED VEHICLES AND EQUIPMENT SURPLUS AND AUTHORIZING THEIR SALE AS PROVIDED IN SHORELINE MUNICIPAL CODE, CHAPTER 3.50.

WHEREAS, Shoreline Municipal Code (SMC) Chapter 3.50 authorizes the City to dispose of personal property surplus to the needs of the City; and

WHEREAS, the Administrative Services Director has certified that certain vehicles and equipment owned by the City of Shoreline with fair market values in excess of \$2,000 each are no longer of public use to the City and that the sale thereof is in the best interests of the City; and

WHEREAS, SMC 3.50.030 provides that surplus personal property may be sold by calling for sealed bids or by live auction; and

WHEREAS, SMC 3.50.040 provides that surplus personal property may be sold to another governmental entity without council authorization if valued at less than \$50,000; and

WHEREAS, the Shoreline School District has expressed an interest in Vehicle 119, a 2000 Ford 1 Ton Pickup with Plow and Sander, and the City intends to negotiate for a reasonable and competitive price with the District for this vehicle; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

Section 1. Declaration of Surplus Personal Property. The following vehicles and equipment are declared surplus to the needs of the City of Shoreline:

Vehicle Number	Vehicle /Equipment	Estimated Value
116	2000 Ford 1 Ton Pickup with Plow	\$6,000
119	2000 Ford 1 Ton Pickup with Plow and Sander	\$7,000
214	2001 RD25 - Hydrostatic Vibratory Roller	\$4,000
232	2002 Cimline Crack Sealer	\$8,000
N/A	1989 Mantle 50 Ton Scale from North Maintenance Facility	\$2,000

Section 2. Authorization to Sell and Dispose of Surplus Personal Property. The Administrative Services Director is hereby authorized to sell and dispose of the Surplus Personal Property by Live Auction as provided in SMC 3.50.030(B) EXCEPT that Vehicle 119 may be sold directly to the Shoreline School District for a reasonable and competitive price as provided in SMC 3.50.040(A). If Vehicle 119 is not sold directly to the Shoreline School District, then it may be sold at Live Auction as provided in SMC 3.50.030(B).

ADOPTED BY THE CITY COUNCIL ON MAY 8, 2017.

Christopher Roberts, Mayor

ATTEST:

Jessica Simulcik Smith, City Clerk