

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Adoption of Resolution No. 431 – Declaring Certain City-Owned Vehicles Surplus and Authorizing Their Sale as Provided in Shoreline Municipal Code, Chapter 3.50
DEPARTMENT:	Administrative Services Department
PRESENTED BY:	Sara Lane, Administrative Services Director Dan Johnson, Fleet & Facilities Manager
ACTION:	<input type="checkbox"/> Ordinance <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Motion <input type="checkbox"/> Discussion <input type="checkbox"/> Public Hearing

PROBLEM/ISSUE STATEMENT:

Staff is requesting City Council approval to surplus two City vehicles in accordance with Section 3.50.030 (B) of the Shoreline Municipal Code (SMC). Staff has identified a 2012 Ford E 350 XL Interceptor Transport Van (including a Passenger Insert) with 93,500 miles and a 2003 Chevrolet Silverado Pickup with 48,299 miles for surplus. SMC 3.50.030 requires City Council approval for the sale of surplus personal property with an individual value in excess of \$5,000. The transport van has been evaluated by a private company for its fair market value, and the value ranges from \$6,000 to \$9,000. The pickup has been also evaluated and based on the Kelly Blue Book, it is valued at \$6,508.

Proposed Resolution No. 431 would authorize the surplus of these two vehicles by live auction. Tonight, Council is scheduled to adopt proposed Resolution No. 431.

RESOURCE/FINANCIAL IMPACT:

The estimated cost to surplus the Transport Van will range from \$600 to \$900 and \$651 for the pickup, which equates to 10% of the fair market value of the vehicles. Because the transport van was purchased with Federal funds, the City must follow the US Department of Justice rules for disposition and replacement of equipment. As well, since the transport van has a fair market value of over \$5,000, proceeds must serve the same function as the original; and therefore, will go towards the new van lease through the Police Services Agreement with King County. The proceeds from the sale of the pickup will be returned to the City Equipment Replacement Fund.

RECOMMENDATION

Staff recommends that the City Council adopt Resolution No. 431.

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

BACKGROUND

Staff is requesting City Council approval to surplus two City vehicles in accordance with Section 3.50.030 (B) of the Shoreline Municipal Code (SMC). Staff has identified a 2012 Ford E 350 XL Interceptor Transport Van (including a Passenger Insert) with 93,500 miles and a 2003 Chevrolet Silverado Pickup with 48,299 miles for surplus. SMC 3.50.030 requires City Council approval for the sale of surplus personal property with an individual value in excess of \$5,000. The transport van has been evaluated by a private company for its fair market value, and the value ranges from \$6,000 to \$9,000. The pickup has been also evaluated and based on the Kelly Blue Book, it is valued at \$6,508.

The transport van was assigned to the Shoreline Police Department, however with the purchase of a new replacement van by the King County Sherriff's Office, it is no longer needed for City operations. The pickup was assigned to the Customer Response Team (CRT) but was replaced with a new pickup and also is no longer needed for City operations.

The following is a summary of surplus vehicles and their fair market value:

Vehicle #	Vehicle Description	Vehicle Miles	Fair Market Value
163	2012 Ford E 350 XL Interceptor Van & Passenger Insert	93,500	\$6,000 - \$9,000
133	2003 Chevrolet Silverado Pickup	48,299	\$6,508

DISCUSSION

Proposed Resolution No. 431 (Attachment A) would authorize the surplus of these two vehicles by live auction. This option for surplus sale has proven effective due to the following:

- Potential of higher and faster financial returns to the City stemming from a larger volume of bidders during the auction process.
- Removal of the vehicles from City property and creating additional parking spaces for customers and employees.
- Removal from the Washington Cities Insurance Association insurance coverage once they are sold.

If proposed Resolution No. 431 is approved, staff would auction the two vehicles using James G. Murphy Auction Services. Tonight, Council is scheduled to adopt proposed Resolution No. 431.

RESOURCE/FINANCIAL IMPACT

The estimated cost to surplus the Transport Van will range from \$600 to \$900 and \$651 for the pickup, which equates to 10% of the fair market value of the vehicles. Because the transport van was purchased with Federal funds, the City must follow the US Department of Justice rules for disposition and replacement of equipment. As well, since the transport van has a fair market value of over \$5,000, proceeds must serve the same function as the original; and therefore, will go towards the new van lease through

the Police Services Agreement with King County. The proceeds from the sale of the pickup will be returned to the City Equipment Replacement Fund.

RECOMMENDATION

Staff recommends that the City Council adopt Resolution No. 431.

ATTACHMENTS

Attachment A: Proposed Resolution No. 431

RESOLUTION NO. 431

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

WHEREAS, Chapter 3.50 of the Shoreline Municipal Code addresses the sale and disposal of surplus personal property; and

WHEREAS, SMC 3.50.030 requires City Council approved for the sale of surplus personal property with an individual item value in excess of \$5,000; and

WHEREAS, City Staff have identified two fleet vehicles that are no longer of public use and the sale of these vehicles would be in the best interest of the City; and

WHEREAS, the two fleet vehicles are a 2012 Ford E 350 XL Interceptor Transport Van and a 2003 Chevrolet Silverado Pickup, both of which have individual values in excess of \$5,000; and

WHEREAS, per SMC 3.50.030, the City Council has determined that these fleet vehicles should be sold by live auction;

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

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

Vehicle #	Vehicle Description	Fair Market Value
163	2012 Ford E 350 XL Interceptor Van & Insert	\$6,000 - \$9,000
133	2003 Chevrolet Silverado Pickup	\$6,508

Section 2. Authorization to Sell and Dispose of Surplus Personal Property. The City Manager or duly authorized agent is hereby authorized to sell and dispose of the Surplus Personal Property identified in Section 1 by Live Auction as provided in SMC 3.50.030(B).

This Resolution shall take effect and be in full force immediately upon passage by the City Council.

ADOPTED BY THE CITY COUNCIL ON SEPTEMBER 10, 2018.

Mayor Will Hall

ATTEST:

Jessica Simulcik Smith
City Clerk