

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Adoption of Resolution No. 440 – 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 vehicles in accordance with Section 3.50.030(B) of the Shoreline Municipal Code (SMC). SMC 3.50.030(B), which provides for the surplus of personal property valued more than \$5,000 by live auction, requires City Council approval for the sale of these surplus assets. City Council adoption of proposed Resolution No. 440 is required to surplus the two vehicles that are no longer of use for City operations.

Staff intends to sell the identified vehicles and equipment via live auction conducted by James G. Murphy, a private auctioneer under contract with the City. However, the Shoreline School District (SSD) has expressed interest in the City's 2007 Ford F250 Pickup (Vehicle 148). Vehicle 148 has an estimated value of \$7,942. SMC 3.50.040(A) permits the sale of surplus property with this value to another governmental agency without City Council approval. While the City's Fleet Services Division will 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 as authorized by proposed Resolution No. 440.

RESOURCE/FINANCIAL IMPACT:

The estimated cost to surplus all the fleet assets identified in this report if sold by live auction is \$1,353. This represents the 10% commission the auctioneer retains.

RECOMMENDATION

Staff recommends that Council adopt Resolution No. 440 authorizing the surplus of the 2001 Chevrolet Silverado 1500 Pickup and the 2007 Ford F250 Pickup by live auction in accordance with SMC 3.50.030(B).

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

BACKGROUND

Staff has identified two City vehicles for surplus because they are no longer of use for City operations. SMC Section 3.50.030(B) requires City Council approval for the sale of surplus personal property with an individual item value more than \$5,000.

The following surplus vehicles exceed the \$5,000 value threshold identified in the SMC. These values were based on evaluations using Kelley Blue Book.

Vehicle #	Vehicle Make	Estimated Value
126	2001 Chevrolet Silverado 1500 Pickup	\$ 5,589
148	2007 Ford F250 Pickup	\$ 7,942
Total Estimated Value		\$ 13,531

DISCUSSION

Staff intends to sell the vehicles and equipment identified above via 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 the 2007 Ford F250 Pickup (Vehicle 148). Vehicle 148 has an estimated value of \$7,942 per the Kelley Blue Book. 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. The Fleet and Facilities Division intends to work with SSD staff to negotiate a reasonable and competitive price for the vehicle. However, if negotiations fail, the vehicle would be sold at live auction as authorized tonight. Therefore, in the event the vehicle is not sold to SSD, staff has included it within this request so that it can be sold at auction.

In comparison to using the Washington State Department of Enterprise Services or trade-ins for disposal services, private auction services provide 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.
- Removal of surplus items from the Washington Cities Insurance Authority.

City Council adoption of proposed Resolution No. 440 (Attachment A) is required to surplus the two vehicles that are no longer of use for City operations.

RESOURCE/FINANCIAL IMPACT

The estimated cost to surplus all the fleet assets identified in this report if sold by live auction is \$1,353. This represents the 10% commission the auctioneer retains.

RECOMMENDATION

Staff recommends that Council adopt Resolution No. 440 authorizing the surplus of the 2001 Chevrolet Silverado 1500 Pickup and the 2007 Ford F250 Pickup by live auction in accordance with SMC 3.50.030(B).

ATTACHMENT

Attachment A: Proposed Resolution No. 440

RESOLUTION NO. 440**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 approval 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 use for City operations and the sale of these fleet vehicles would be in the best interest of the City; and

WHEREAS, the two fleet vehicles are a 2001 Chevrolet Silverado 1500 Pickup and a 2007 Ford F250 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
126	2001 Chevrolet Silverado 1500 Pickup	\$5,589
148	2007 Ford F250 Pickup	\$7,942

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 JULY 22, 2019.

Mayor Will Hall

ATTEST:

Jessica Simulcik Smith, City Clerk