MONTEREY PENINSULA REGIONAL PARK DISTRICT BOARD OF DIRECTORS MEETING

DATE: May 5, 2021

TO: Board of Directors

FROM: Kelly McCullough, Finance Manager

REVIEWED BY: Rafael Payan, General Manager

SUBJECT: Approval to Dispose of Surplus District Vehicle and Equipment

Assets at Auction

RECOMMENDED ACTION:

Staff recommends that the Board of Director's approve of the disposal of surplus vehicle and equipment assets (ATTACHMENT 1) that have exceeded their useful lives and are in poor and/or unsafe operating condition.

FISCAL IMPACT:

This is disposal of assets, potential auction proceeds unknown at this time.

FUNDING SOURCE:

Not applicable.

FUNDING BALANCE:

Not applicable.

DISCUSSION:

Policy No. 3006- Fixed Asset Capitalization and Inventory Control Policy It shall be the responsibility of each Program Manager to appraise property designated as surplus. If it is determined that the property sold as a unit has a market value of more than \$5,000, the property must be disposed of by a sealed bid process in accordance

than \$5,000, the property must be disposed of by a sealed bid process in accordance with District purchasing guidelines. The Finance Manager is authorized to advertise such surplus property for sale to the general public.

If it is determined that the property sold as a unit has a value less than \$5,000, the property may be disposed of in a manner approved by MPRPD's General Manager.

Proceeds from the disposal of surplus property will be allocated to the District's General Fund unless the property was originally purchased with monies from a specific District Fund, in which case, the proceeds will be returned to that specific fund.

Staff has been using the services of First Capitol Auction, Inc., who is now a part of JJ Kane Auctioneers. The combined businesses will continue to use the First Capitol Auction name. All of First Capitol's prior auction services will not only continue but be expanded to include more auctions and a national advertising campaign that is made possible through the JJ Kane network of national sales. Going forward, vehicles and equipment will be auctioned alongside vehicles and equipment from PG&E, SMUD, City of Los

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Angeles, and Riverside and San Diego Counties to name a few. JJ Kane Auctioneers, are a leading provider of auction services for utilities, utility contractors, cities, counties, municipalities, and rental companies throughout the U.S.

Auctions are held on the fourth Thursday of every month at JJ Kane's new 12-acre auction facility at 8668 Sparling Lane, Dixon, CA.

Staff respectfully request Board approval to dispose of the attached list of vehicles and equipment (**ATTACHMENT 1**), with a likely unit value in excess of \$5,000, that have exceeded their useful lives and are in poor and/or unsafe operating condition. It is expected that the cost to repair these assets would exceed their current value.

RECOMMENDED ACTION:

Approve of staff sending the attached list of vehicle and equipment assets to First Capitol Auction for sale to the highest bidder.

ATTACHMENTS:

1. First Capitol Auction Vehicle/Equipment Pickup Request Form