


DATE: 11/2/99 AGENDA ITEM # 20
() APPROVED () DENIED
() CONTINUED TO _____

TO: James L. App, City Manager
FROM: Mike Compton, Director of Administrative Services 
SUBJECT: Surplus Property
DATE: November 2, 1999

Need: For the City Council to consider adoption of a resolution declaring certain City property as surplus and authorize its sale at auction or in the manner as specified below.

Facts:

1. The Council adopted Resolution No. 99-95 authorizing budget appropriations for the Y2K upgrade of various City personal computers and other various needs.
2. The adopted budget also included appropriations for the replacement of additional personal computers, information system components and copying machines.
3. Per this authorization, the office equipment is now being replaced via commercial lease program.
4. Accordingly, the Council is being asked to declare said equipment as surplus so that it may be disposed by public auction or consignment or other means.

Analysis and Conclusion:

Before the City may dispose of property, the City must first declare said property as surplus. Additionally, even though the Council may declare all of the equipment identified as surplus, City departments will be given an opportunity, subject to City Manager approval, to re-utilize said equipment within the scope of their current operational needs.

In August, a secondary market reseller was engaged in order to maximize sale proceeds of office equipment. Given the age and condition of the office equipment, mostly personal computers and 'dumb' terminals, the effort was not very successful. Most of the equipment ended up at the City landfill. It is expected that, given the age and condition of the current surplus equipment, the next sale should prove more successful. However, success is relative. It is estimated that the wholesale value of the personal computers is \$80 to \$120 and their retail value is estimated at \$180 to \$250.

Sale at public auction, may or may not, generate any greater sales income to the City. Should the Council not choose Option 'A' below, staff would propose to auction a small number of personal computers in order to test the potential success of this methodology versus consignment sales.

In response to a number of request by City employees to purchase their work PCs, staff has presented Option 'A' below for Council consideration. Option 'A' provides that the a City employee may

purchase a surplus City PC at the price of \$250 representing the fair market value of the equipment (including monitor and keyboard - no software other than operating system). Should the requests for PCs exceed the number available, then PCs would be sold on a lottery basis. It has been confirmed by the City Attorney that, so long as the equipment is sold at fair market value, it is not required that the equipment be sold at public auction.

Fiscal

Impact:

It is estimated that the sale of surplus property would generate \$10,000 to \$15,000 for the City.

Options:

- a. That the City Council adopt the attached resolution declaring certain City property as surplus and the method of disposal; or
- b. Amend, modify or reject any of the options above.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF EL PASO DE ROBLES
DECLARING CERTAIN CITY PROPERTY AS SURPLUS

WHEREAS, the City is purchasing replacement equipment per Council budgetary authorization; and

WHEREAS, the City no longer has a need or use for the equipment being replaced; and

WHEREAS, it is highly desirable to sell the equipment for which the City no longer has a need in order to meet General Fund revenue estimates for sale of surplus equipment.

THEREFORE, BE IT HEREBY RESOLVED by the City Council of the City of El Paso de Robles that the equipment identified in the attached exhibit is declared surplus and shall be disposed of as follows:

1. Personal computers shall be available first to City employees at the price of \$250 representing the fair market value of said equipment. If requests exceed the quantity available, personal computers will be sold by lottery.
2. The balance of the equipment shall be sold on consignment with a secondary market resaler.

APPROVED AND ADOPTED by the City Council of the City of El Paso de Robles this 2nd day of November, 1999 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Duane J. Picanco, Mayor

Attest:

Dennis Fansler, City Clerk

City of El Paso de Robles
Surplus Office Equipment Schedule
Fiscal Year 2000

<u>Replace</u> <u>Fiscal Year</u>	<u>Fund #</u>	<u>Dept</u> <u>Code</u>	<u>Dept.</u>	<u>Prog #</u>	<u>I.S. ID</u> <u>Number</u>	<u>DESCRIPTION</u>	<u>Acq. Date</u>	<u>COST</u>	<u>Est. Life</u>	<u>Replacemen</u> <u>t Criteria</u>	<u>Est.</u> <u>Replace</u> <u>Cost</u>
1999	100	130	CMO	120		Compaq Proliant 1500 Server	Jun-95	19,286	3	3 yrs	20,000
1999	100	130	CMO	120	130-005	HP Vectra XU 5/90 Computer	May-95	3,410	3	3 yrs	2,500
1999	100	130	CMO	120	130-001	HP Vectra XU 5/90 dual cpu-upgd	May-95	3,870	3	3 yrs	2,500
1999	100	140	AS	125	140-002	HP Vectra XU 5/90 Computer	May-95	3,873	3	3 yrs	2,500
1999	100	140	AS	125	140-007	HP Vectra XU 5/90 Computer	May-95	3,873	3	3 yrs	2,500
1999	100	140	AS	125	140-008	HP Vectra XU 5/90 Computer	May-95	3,834	3	3 yrs	2,500
1999	100	140	AS	125	140-009	HP Vectra XU 5/90 Computer	May-95	3,410	3	3 yrs	2,500
1999	100	220	DES	150		Pantex 23203-1594 Computer	Jan-94	2,500	3	3 yrs	2,500
1999	100	310	PW	192	710-002	HP Vectra XU 5/90 Computer	May-95	3,370	3	3 yrs	2,500
1999	100	310	PW	191	411-001	HP Vectra XU 5/90 Computer	Nov-95	2,944	3	3 yrs	2,500
1999	100	610	LRS	199	610-004	HP Vectra XU 5/90 Computer	May-95	3,410	3	3 yrs	2,500
1999	100	610	LRS	199		HP Vectra XU 5/90 Computer	Dec-95	2,510	3	3 yrs	2,500
1999	100	710	CDD	209	710-001	HP Vectra XU 5/90 Computer	May-95	3,410	3	3 yrs	2,500
1999	100	710	CDD	217	710-003	HP Vectra XU 5/90 Computer	May-95	3,370	3	3 yrs	2,500

fr-

City of El Cerrito del Norte
 Surplus Office Equipment Schedule
 Fiscal Year 2000

<u>Replace</u> Fiscal Year	<u>Fund #</u>	<u>Dept</u> Code	<u>Dept.</u>	<u>Proc #</u>	<u>I.S. ID</u> Number	<u>DESCRIPTION</u>	<u>Acq. Date</u>	<u>COST</u>	<u>Est. Replacemen</u> Life t Criteria	<u>Est.</u> Replace Coat
2000	100	130	CMO	120		Compaq Proliant 1500 Server	Mar-96	16,800	3 3 yrs	20,000
2000	100	130	CMO	120	130-002	HP Vectra VL4 5/100 Computer	Dec-95	2,510	3 3 yrs	2,500
2000	100	130	CMO	120	130-013	HP Vectra VL4 5/100 Computer	Dec-95	2,510	3 3 yrs	2,500
2000	100	130	CMO	120	130-014	HP Vectra VL4 5/100 Computer	Dec-95	2,510	3 3 yrs	2,500
2000	100	130	CMO	120	130-004	Toshiba Laptop T4900CT	May-95	7,340	3 3 yrs	4,000
2000	100	130	CMO	120		Toshiba Laptop T4900CT	May-95	7,340	3 3 yrs	4,000
2000	100	140	AS	125	140-010	HP Vectra VL4 5/100 Computer	Dec-95	2,510	3 3 yrs	2,500
2000	100	140	AS	125	140-003	HP Vectra XU 5/90 Computer	Dec-95	2,510	3 3 yrs	2,500
2000	100	210	PD	136	210-009	HP Vectra VL4 5/100 Computer	Dec-95	2,510	3 3 yrs	2,500
2000	100	210	PD	136	210-001	HP Vectra VL4 5/100 Computer	Jun-96	2,331	3 3 yrs	2,500
2000	100	210	PD	136	210-002	HP Vectra VL4 5/100 Computer	Jun-96	2,331	3 3 yrs	2,500
2000	100	210	PD	136	210-004	HP Vectra VL4 5/100 Computer	Jun-96	2,331	3 3 yrs	2,500
2000	100	210	PD	136	210-005	HP Vectra VL4 5/100 Computer	Jun-96	2,594	3 3 yrs	2,500
2000	100	210	PD	136	210-006	HP Vectra VL4 5/100 Computer	Jun-96	2,594	3 3 yrs	2,500
2000	100	210	PD	136	210-008	HP Vectra VL4 5/100 Computer	Jun-96	2,331	3 3 yrs	2,500
2000	100	220	DES	150	220-001	HP Vectra XU 5/90 Computer	May-95	3,410	3 3 yrs	7,500
2000	100	310	PW	162	310-003	HP Vectra VL4 5/100 Computer	Dec-95	2,510	3 3 yrs	2,500
2000	100	310	PW	162	310-004	HP Vectra VL4 5/100 Computer	Dec-95	2,510	3 3 yrs	2,500
2000	100	310	PW	161	310-005	HP Vectra VL4 5/100 Computer	Dec-95	2,510	3 3 yrs	2,500
2000	100	310	PW	161	310-006	HP Vectra VL4 5/100 Computer	Dec-95	2,510	3 3 yrs	2,500
2000	100	310	PW	161	310-001	HP Vectra XU 5/90 Computer	May-95	3,410	3 3 yrs	2,500
2000	100	411	LRS	183		Compaq prosignia 500 Server	Feb-96	6,800	3 3 yrs	20,000
2000	100	411	LRS	183	411-003	HP Vectra VL4 5/100 Computer	Dec-95	2,510	3 3 yrs	2,500
2000	100	411	LRS	183	411-004	HP Vectra VL4 5/100 Computer	Dec-95	2,510	3 3 yrs	2,500
2000	100	411	LRS	183	411-005	HP Vectra VL4 5/100 Computer	Dec-95	2,510	3 3 yrs	2,500
2000	100	411	LRS	183	411-008	HP Vectra VL4 5/100 Computer	Dec-95	2,510	3 3 yrs	2,500
2000	100	411	LRS	183	411-009	HP Vectra VL4 5/100 Computer	Dec-95	2,510	3 3 yrs	2,500
2000	100	411	LRS	183	411-006	HP Vectra VL4 5/100 Computer	Jun-96	2,594	3 3 yrs	2,500
2000	100	411	LRS	183		HP Vectra XU 5/90 Computer	May-95	3,410	3 3 yrs	2,500
2000	100	610	LRS	199	610-007	HP Vectra VL4 5/100 Computer	Dec-95	2,510	3 3 yrs	2,500
2000	100	610	LRS	199	610-008	HP Vectra VL4 5/100 Computer	Dec-95	2,510	3 3 yrs	2,500
2000	100	610	LRS	199	610-009	HP Vectra VL4 5/100 Computer	Dec-95	2,510	3 3 yrs	2,500
2000	100	710	CDD	209	130-012	HP Vectra VL4 5/100 Computer	Dec-95	2,510	3 3 yrs	2,500
2000	100	710	CDD	217	310-002	HP Vectra VL4 5/100 Computer	Dec-95	2,510	3 3 yrs	2,500
2000	100	710	CDD	209	710-005	HP Vectra VL4 5/100 Computer	Dec-95	2,510	3 3 yrs	2,500
2000	100	710	CDD	209	710-006	HP Vectra VL4 5/100 Computer	Dec-95	2,510	3 3 yrs	2,500
2000	100	710	CDD	209	710-007	HP Vectra VL4 5/100 Computer	Dec-95	2,510	3 3 yrs	2,500
2000	100	710	CDD	209	710-010	HP Vectra VL4 5/100 Computer	Jun-96	2,594	3 3 yrs	2,500
2000	100	710	CDD	217	710-009	HP Vectra VL4 5/100 Computer	Aug-96	2,400	3 3 yrs	2,500

20-5

City of El Paso de Robles
 Surplus Office Equipment Schedule
 Fiscal Year 2000

<u>Replace</u> Fiscal Year	<u>Fund #</u>	<u>Dept</u> Code	<u>Dept.</u>	<u>Prog #</u>	<u>I.S. ID</u> Number	<u>DESCRIPTION</u>	<u>Acq. Date</u>	<u>COST</u>	<u>Est. Replacemen</u> Life	<u>t Criteria</u>	<u>Est.</u> Replace	
2000	227	710	CDD	211	710-004	HP Vectra XU 5/90 Computer	Oct-95	5,238	3	3 yrs	2,500	
2000	600	140	AS	125	130-009	HP Vectra XU 5/90 Computer	May-95	3,410	3	3 yrs	2,500	
2000	600	140	AS	125	140-001	HP Vectra XU 5/90 Computer	May-95	3,410	3	3 yrs	2,500	
2000	600	140	AS	125	140-006	HP Vectra XU 5/90 Computer	May-95	3,410	3	3 yrs	2,500	
2000	100	130	CMO	120		Copier Canon NP6060	Nov-92	25,554	5	5 yrs	25,000	####
2000	100	210	PD	136		Copier Minolta 4050	Mar-95	12,418	5	5 yrs	20,000	####
2000	601	310	PW	164		Copier Ricoh FT2260	Sep-90	2,029	7	5 yrs	3,500	####

20-6