

HEBER PUBLIC UTILITY DISTRICT

REPORT TO BOARD OF DIRECTORS

MEETING DATE: March 19, 2015

FROM: Laura Fischer, General Manager

SUBJECT: Adopt Resolution 2015-4 Declaring Certain Items as Surplus Property.

ISSUE:

Shall the Board of Directors adopt Resolution 2015-4 declaring certain items as surplus property?

GENERAL MANAGER'S RECOMMENDATION:

It is recommended that the Board of Directors adopt Resolution 2015-4 declaring items as surplus.

FISCAL IMPACT:

None. Possible revenue increase if property is successfully sold during sealed bid process.

BACKGROUND:

Staff has identified property that is no longer needed or of value to the Heber Public Utility District. These items are identified below and pictures of the items are attached to this report.

Description

1 Ford Truck – Vin: 1FTR10E11PB31909

1 Craftsman Lawn Tractor

1 Chlorine Tank

Condition

Poor – Transmission Failure

Poor – Does Not Run

Poor – Leaks and Not Repairable

The 2001 Ford Ranger Truck has transmission failure and the cost to repair exceeds the value of the vehicle.

The Craftsman Lawn Tractor is a 2,100 gallon vertical water tank: Diameter is 7' 4" and Height is 7' 2". The tank has a leak on the bottom.

The Craftsman Lawn Tractor is a 19.5 Horsepower Twin 42" tractor with engine problems. The cost to repair exceeds the value of the tractor. HPUD has purchased a new lawn tractor.

DISCUSSION:

The Public Utility Code Section 16431 provides that the District can declare items surplus to the needs of the District. Upon that declaration, staff will advertise these

items for sale in the local newspaper and HPUD website. HPUD will accept sealed bids and after opening the bids will award the sale of the property to the highest bidder. The successful bidder must remove the property within a specific time or the bid will be void and the next highest bidder will get the property. This will ensure that they follow through with the completion of the sale. Staff will ensure that all of the proper paperwork to transfer title/ownership be completed.

If there are no responses to the bid request, the property will be properly disposed of at the local recycling center or landfill. We would work closely with our contracted waste hauler to ensure property disposal.

CONCLUSION:

It is important to run a clean and efficient operation and to maintain HPUD property. We have the unusable equipment stored on our property and it should be removed according to the legal procedures. Therefore, staff recommends adopting Resolution 2015-4 declaring these items as surplus and authorizing staff to offer the items at public auction and/or negotiated sealed bids.

ALTERNATIVES:

- 1) Do not adopt Resolution 2015-4 declaring certain items as surplus.
- 2) Provide alternate direction to staff regarding the disposition of the property.

Respectfully Submitted,

Laura Fischer,
General Manager

Attachments: Resolution 2015-4

RESOLUTION NO. 2015-4

A RESOLUTION OF THE HEBER PUBLIC UTILITY DISTRICT DECLARING CERTAIN ITEMS AS SURPLUS PROPERTY

WHEREAS, the Public Utility Code Section 16431 provides for the Heber Public Utility District Board of Directors to declare items surplus to the need of the District under certain qualifying conditions.

“A district may take by grant, purchase, gift, devise, or lease, or otherwise acquire, hold and enjoy, and lease or dispose of, real and personal property of every kind within or without the district, when in the judgment of the board it is for the best interests of the district so to do.”

(Public Utilities Code Section 16431)

NOW, THEREFORE, THE HEBER PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS HEREBY DECLARES THE FOLLOWING PROPERTY AS SURPLUS TO THE NEEDS OF THE DISTRICT AND DIRECTS THE GENERAL MANAGER TO OFFER THE ITEMS AT PUBLIC AUCTION AND/OR NEGOTIATED SEALED BID:

| <u>Description</u> | <u>Condition</u> |
|---|--|
| 1 Ford Truck – Vin: 1FTR10E11PB31909 | Poor – Transmission Failure |
| 1 Craftsman Lawn Tractor | Poor – Does Not Run |
| 1 Chlorine Tank | Poor – Leaks and Not Repairable |

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Heber Public Utility District held on the 19th day of March, 2015.

AYES:

NOES:

ABSENT:

HEBER PUBLIC UTILITY DISTRICT

Eduardo Valdez-Belmonte, Board President

APPROVED AS TO FORM:

Steven M. Walker, General Counsel

ATTEST:

I, Raquel R. Carrillo, Secretary to the Board of the Heber Public Utility District, County of Imperial, State of California, DO HEREBY CERTIFY that the foregoing resolution was dully passed, approved and adopted by the Board of Directors of the Heber Public Utility District at its regularly scheduled meeting held on the 19th of March 2015.

Raquel Carrillo, Secretary of the Heber Public Utility District Board