



## Legislation Text

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**File #:** 21-695, **Version:** 1

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Staff Report for a City of San Leandro City Council Resolution Declaring Twenty-Three (23) Vehicles, Two (2) Pieces of Equipment, and Other Miscellaneous Items as Surplus and Authorizing the Sale of Said Surplus Assets at Public Auction

### **SUMMARY AND RECOMMENDATIONS**

Public Works coordinates the purchase of new and replacement vehicles/equipment in the City's fleet. Units are sent to public auction when they have reached the end of their useful lives and meet the criteria of the City's vehicle replacement policy. Staff recommends the City Council declare certain assets as surplus and authorize sale of said items at public auction.

### **BACKGROUND**

There are twenty-three (23) vehicles, two (2) pieces of equipment, and other miscellaneous items ready for sale by means of public auction. These units have been stored at the Public Works Service Center since they were taken out of service. All vehicles recommended for surplus reached the end of their useful lives over the past year after meeting the City's vehicle replacement policy. The criteria for surplus includes the number of miles on each vehicle, increasing maintenance costs, and other factors. In addition, each unit is fully depreciated.

The San Leandro Unified School District (District) receives the first offer of the City's surplus assets. Currently there is no interest from the District in purchasing any of the surplus vehicles.

Section 1-6-500 of the San Leandro Municipal Code authorizes the Purchasing Agent to sell surplus items at public auction. If staff's recommendation is approved, the vehicles/equipment will be sold at public auction by U.S. Auctions on a date to be determined in December 2021 or January 2022.

### **Fiscal Impacts**

The sale of these items at auction generates a moderate amount of one-time revenue. Although there is no guarantee of the revenues that an auction can generate, prior auctions of similar size have seen returns in the range of \$123,000 and \$201,000. Funds generated by the sale of equipment will be returned to the Equipment Maintenance Fund.

### **ATTACHMENT(S)**

Auction Inventory List FY22

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