

CITY COUNCIL REGULAR SESSION

Public Hearing and Resolution declaring certain utility-owned property and equipment as surplus and directing the director of finance and asset management to dispose of such property.

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Finance and Asset Management Department

EXECUTIVE SUMMARY

The Utilities Department is bringing forward utility-owned equipment that are no longer of use for utility functions for a public hearing and to be declared as surplus. The proposed surplus items have an estimated total salvage value of \$78,511.

RECOMMENDATION

Move to adopt Resolution No. 9800

BACKGROUND/ANALYSIS

Staff seeks to bundle the utility-owned surplus items that are no longer of use to the City for utility functions and bring them forward for a public hearing and to be declared as surplus by resolution. The proposed surplus items include vehicles, a trailer, equipment, and electronics. The last time Council held a public hearing on utility-owned surplus equipment was in June 2019.

The City has code requirements and written procedures directing the disposal of City utility-owned personal property. Following the public hearing, if the City Council determines that the property originally acquired for public utility purposes is surplus and is no longer required for continued utility service, then the City Council may authorize the property to be sold. Following these actions, the director of Finance and Asset Management (FAM) or her designee arranges for final disposition of the property, usually by auction.

The attached list of utility-owned items under consideration to be declared as surplus (Attachment A) includes vehicles and related equipment that are in FAM's equipment replacement program. These items are at the end of their useful life and as a result are more cost-effective to replace rather than continue to maintain. It is staff's intent that the items are disposed of while they still have some salvage value. A notice of public hearing was published on July 6.

POLICY & FISCAL IMPACTS

Policy Impact

RCW 35.94.040 and Bellevue City Code 4.32.070 require the City Council to hold a public hearing and, by resolution, declare utility-owned personal property to be surplus prior to its disposition. The resolution must state the fair market value of the item(s) and set forth any other conditions of the sale, as appropriate. Following the declaration, the property may be sold in the same manner and through the same procedures used for other City-owned personal property.

Fiscal Impact

The estimated total value of all assets under consideration is \$78,511. Revenues received from the sale of utility-owned surplus personal property are one-time revenues and were not budgeted in the 2020 Utilities fund budgets. All proceeds from the sale of utility-owned surplus personal property are remitted to the utility fund that owns the property.

OPTIONS

1. Adopt the Resolution declaring certain utility-owned property and equipment as surplus and directing the director of finance and asset management to dispose of such property.
2. Do not adopt the Resolution and provide alternative direction to staff.

ATTACHMENTS & AVAILABLE DOCUMENTS

- A. 2020 Utility Owned Personal Property Proposed for Surplus
 - B. Public Hearing Notice
- Proposed Resolution No. 9800

AVAILABLE IN COUNCIL LIBRARY

N/A