

STAFF REPORT

To: Coastside County Water District Board of Directors

From: Mary Rogren, Assistant General Manager

Agenda: November 13, 2018

Report

Date: November 9, 2018

Subject: Resolution Adopting a Surplus Property Policy for the Coastside County Water District

Recommendation:

Approve Resolution No. 2018-10, A Resolution of the Board of Directors of the Coastside County Water District Adopting the Coastside County Water District Surplus Property Policy.

Background:

From time to time, the District has surplus equipment, other than real property, that is no longer needed or useable by the District. This policy authorizes the General Manager to dispose of surplus property with a net book value of less than \$15,000.

The policy also provides for the methods of disposition. District staff and families and Board members are prohibited from receiving surplus property offered for sale or otherwise disposed by the District.

RESOLUTION NO. 2018-10

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE COASTSIDE COUNTY WATER DISTRICT
ADOPTING THE COASTSIDE COUNTY WATER DISTRICT SURPLUS PROPERTY
POLICY

WHEREAS, from time to time, the Coastside County Water District has surplus property, other than real property, and that is no longer needed or useable by the District; and

WHEREAS, Section 31041 of the California Water Code provides that a county water district may hold, use, enjoy, lease, or dispose of property within or without the district necessary to the full exercise of its powers; and

WHEREAS, the Coastside County Water District's Board of Directors desires to adopt a Policy for the handling the disposition of surplus property.

NOW THEREFORE BE IT RESOLVED:

By the Coastside County Water District's Board of Directors, that the Coastside County Water District's Surplus Property Policy incorporated herein as Exhibit A is hereby approved by the Coastside County Water District's Board of Directors.

PASSED AND ADOPTED THIS ___ day of November 2018, by the following votes:

Ayes:

Noes:

Absent:

Robert C. Feldman, President
Board of Directors

ATTEST:

APPROVED:

David R. Dickson, General Manager
Secretary of the District

Patrick Miyaki
Attorney

Exhibit A
COASTSIDE COUNTY WATER DISTRICT SURPLUS PROPERTY POLICY
Adopted: _____

Determination of Surplus Property

Sections 31041 of the California Water Code (County Water District Law) authorizes the District to dispose of surplus property. The term "surplus property" shall mean any property, other than real property, that is no longer needed or useable by the District, as determined by the General Manager. The General Manager is authorized to dispose of surplus property with a net book value of less than \$15,000. All other determinations of surplus property will be presented to the Board for its review and approval prior to disposition of the property.

Methods of Disposition

The General Manager is responsible for the disposition of District surplus property. The General Manager shall determine which of the following methods of disposition to use:

1. Trade-In – Property declared as surplus may be offered as a trade-in for credit toward the acquisition of new property. All trade-in offers will be submitted for the review and approval of the General Manager.
2. Return to Manufacturer – Surplus property may, when possible, be returned to the manufacturer for buy-back or credit toward the purchase of new property.
3. Sale – The District may offer surplus property for sale. All surplus property is for sale "as-is" and "where-is" with no warranty, guarantee, or representation of any kind, expressed or implied, as to the condition, utility, or usability of the property offered for sale. Appropriate methods of sale are as follows:
 - a. Public Auction – Surplus property may be sold at public auction. The District may contract with a professional auctioneer.
 - b. Sealed Bids – Sealed bids may be solicited for the sale of surplus property. Surplus property disposed of in this manner shall be sold to the highest responsive bidder.
 - c. Negotiated Sale – Surplus property may be sold directly to a purchaser if it is determined that only one known buyer is available or interested in acquiring the property.
 - d. Selling for Scrap – Surplus property with a minimal fair market value may be sold as scrap.
4. Donation or Disposal – If the District is unable to sell surplus property after using the methods provided in sections 1 through 3, above, or if the cost of locating a buyer exceeds the estimated sale price of surplus property, the property may be donated to a charitable organization, recycled, destroyed, or disposed of as junk.

Proceeds

All sales of surplus property shall be paid to the District by certified check, money order, or in manner agreeable to the General Manager. The General Manager shall be authorized to sign bills of sale and any other documents evidencing the transfer of title to such surplus property by and on behalf of the District.

District Staff and Directors

District staff and families (spouses and children) and Board members are prohibited from receiving surplus property offered for sale or otherwise disposed by the District.