



March 7, 2019

Board of Directors
Ventura Regional Sanitation District
Ventura, California

APPROVE AND AUTHORIZE ALTERNATIVE METHODS FOR PURCHASING OF USED VEHICLES FOR SOLID WASTE OPERATIONS STAFF; AND DISPOSITION OF OBSOLETE / SURPLUS DISTRICT PROPERTY

RECOMMENDATIONS

- A. Approve and Authorize the District's Purchasing Agent to buy used trucks to be used at the Toland Road Landfill via public auctions or from nearby truck dealers.
- B. Make a determination that property described in this staff report is obsolete or surplus.
- C. Approve disposition of obsolete District property pursuant to VRSD Resolution No. 89-13, Part VI – Disposition of Surplus Personal Property.

FISCAL IMPACT

The Solid Waste Division FY2018-19 capital budget contains \$40,804 for the purchase of used trucks under account code 90-590-599900-52320.

The total value of the obsolete/surplus property is estimated to be approximately \$300,000 of which \$120,000 was included in the FY2018-19 budget.

BACKGROUND/ANALYSIS

Purchasing Used Vehicles

The District is in need of replacement trucks for use at the Toland Road Landfill. Administrative staff has determined that it makes the most economic sense to purchase used trucks because Operations staff do not put heavy miles on their trucks, but they do typically require four-wheel drive for traveling around the landfill site and within the active pit of the landfill. Used trucks are ideal for this purpose and provide considerable savings to the alternative of buying these trucks new. This request is based on and in furtherance of the Purchasing Agent's authority to make negotiated procurements in VRSD Resolution No. 89-13, Section 302.

Staff recommends that methods for the purchase of used vehicles for use at the landfill include either purchasing trucks at public auctions or from nearby truck dealers.

Disposition of Obsolete Heavy Equipment

The District has several pieces of heavy equipment (i.e., a front end loader, a D8 dozer, an 826 compactor, a fuel/lube truck) that are beyond their useful life at the Toland Road landfill as well as 14 biosolids trailers which the District no longer has any use for since it has discontinued the biosolids drying operations. However, they all have good salvage value and there is a market for buyers that may want to purchase this heavy equipment/personal property for their own purpose.

VRSD Purchasing Resolution 89-13 stipulates under Section 601 (Disposition of Salvageable Property valued over \$10,000) that the District's purchasing agent shall do the following:

- 1) Inform the Board of the condition of the property;
- 2) Obtain a determination from the Board as to whether the property is considered obsolete or surplus; and,
- 3) Seek approval from the Board as to the method of disposition.

Staff is currently planning on disposition of a front end loader, a D8 dozer, an 826 compactor, a fuel/lube truck and fourteen biosolids trailers.

Staff sees no reason to keep this heavy equipment/personal property any longer because they all have considerable runtime hours and their engines do not meet current California Air Resources Control Board (CARB) Tier 4 standards for emissions. For these reasons, staff deems this equipment to be obsolete and surplus at this point in time.

Staff has determined that the best method for disposition of this equipment is through either advertising their sale in specialty trade publications or by having them appraised by specialty auction dealers that would haul the equipment away and sell on consignment, and staff requests permission to pursue this course of action.

This letter has been reviewed by Legal Counsel as to form.

If you should have any questions or need additional information, please contact Tina Rivera, Director of Finance, by phone at (805) 658-4646 or via email at tinarivera@vrsd.com, or Matt Baumgardner, Director of Operations, by phone at (805) 658-4679 or via email at mattbaumgardner@vrsd.com.

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APPROVED FOR AGENDA:

Chris Theisen, General Manager

Attachments: None