THE CITY OF ASHEVILLE

Staff Report

Council Meeting Date: May 10, 2022

Subject: Sale of Surplus/End of Life Equipment – Three (3) Backhoes and one (1) Street Sweeper

Staff Resource(s): Tony McDowell, Chief Financial Officer, Amy Patterson, Purchasing Manager

Action Requested: Approval of a resolution authorizing the sale of one (1) 2009 John Deere 410J Backhoe, one (1) 2002 John Deere 410G Backhoe, one (1) 2006 John Deere 410G Backhoe, and one (1) 2005 Freightliner Street Sweeper deemed surplus and end of life equipment City personal property.

Background:

- The City's Water Maintenance Department identified three (3) John Deere Backhoes as surplus personal property, with no anticipation of future utilization by the City.
- The City's Stormwater Division identified one (1) 2005 Freightliner Street Sweeper as surplus personal property, with no anticipation of future utilization by the City.
- The 2009 John Deere 410J Backhoe sold for $36,500 on April 18, 2022.
- The 2002 John Deere 410G Backhoe, 2006 John Deere 410G Backhoe, and 2005 Freightliner Street Sweeper are expected to sell for more than $30,000.
- Each of these assets have reached the end of their useful life based on age and maintenance needs.
- Equipment and vehicles that exceed their economic lifespan increase downtime and operational costs, and decrease productivity and resale value.
- While these assets have reached the end of their usable life, there are parts and components that have value and can be salvaged and/or repurposed.
- All bids are solicited through GovDeals online auction.
- Pursuant to N.C.G.S. §160A-266, the Sale and Disposal of Personal Property valued at $30,000 or more must be approved by the City Council.
- The City's Purchasing Manager has authority to dispose of personal property valued at less than $30,000 by private negotiation and sale.

Vendor Outreach Efforts:

- Not Applicable

Council Goal(s):

- A Financially Resilient City

Committee(s):

- None

Pro(s):

- Prudent asset management
- Space utilization eliminates the need to store large, unused equipment
- Competitive process yielded market price

Con(s):

- None

Fiscal Impact:

- The only fiscal impact will be the revenue collected from the sale
- The Water Resources Fund and the Stormwater Fund will recognize the revenue from the sale of their respective assets.

Suggested Motion:

- Move to adopt a resolution authorizing the sale of one (1) 2009 John Deere 410J Backhoe, one (1) 2002 John Deere 410G Backhoe, one (1) 2006 John Deere 410G Backhoe, and one (1) 2005 Freightliner Street Sweeper deemed surplus City personal property.

Attachment(s)

- Resolution

RESOLUTION NO. 22-____

RESOLUTION AUTHORIZING THE PURCHASING MANAGER TO DISPOSE OF SURPLUS CITY OWNED PERSONAL PROPERTY, (2009 JOHN DEERE 410J BACKHOE, 2002 JOHN DEERE 410G BACKHOE, 2006 JOHN DEERE 410G BACKHOE, AND 2005 FREIGHTLINER STREET SWEEPER), EACH VALUED AT $30,000 OR MORE

WHEREAS, pursuant to N.C.G.S. §160A-266, disposal of City owned surplus personal property valued at $30,000 or more requires City Council approval; and

WHEREAS, the City owns a surplus 2009 John Deere 410J Backhoe, 2002 John Deere 410G Backhoe, 2006 John Deere 410G Backhoe ("Backhoes"), and 2005 Freightliner Street Sweeper ("Street Sweeper"), with each vehicle having an estimated wholesale value of $30,000+; and

WHEREAS, the Backhoes and Street Sweeper are advertised on the GovDeals online auction website at www.govdeals.com; and

WHEREAS, upon completion of the auction the Backhoes and Street Sweeper will be awarded to the highest bidder; and

WHEREAS, the results of the online auction represent full and fair consideration for the property; and

WHEREAS, to authorize the sale of the Backhoes and Street Sweeper, City Council approval is needed; and

WHEREAS, the proceeds of the sale will be revenue for the Water Resources Fund and Stormwater Fund;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ASHEVILLE THAT:

1. The Purchasing Manager is hereby authorized to sell the 2009 John Deere 410J Backhoe, the 2002 John Deere 410G Backhoe, 2006 John Deere 410G Backhoe, and 2005 Freightliner Street Sweeper.

2. The Purchasing Manager is hereby further authorized to execute any and all documents and require any and all other information necessary to effectuate the sale of the 2009 John Deere 410J Backhoe, 2002 John Deere 410G Backhoe, 2006 John Deere 410G Backhoe, and 2005 Freightliner Street Sweeper

Read, approved and adopted this the 10th day of May, 2022.

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City Clerk Mayor

Approved as to form:

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City Attorney