

Saddle Creek Community Services District

Regular Meeting of July 18, 2017

AGENDA SUPPORTING DATA

7. DISCUSSION AND ACTION ITEMS

- e. Adoption of a resolution approving a policy on declaration and disposal of surplus District property

Recommended Action

Staff recommends the following motion:

I move to adopt the resolution approving a policy on declaration and disposal of surplus District property

Background

The District regularly purchases equipment and other items of value, uses them until they are worn out and disposes of them or sells them. Since these valuable items are public property, accounting standards require the District formally take action to declare items surplus, when they are no longer needed by the District. Good public policy also requires that the District attempt to gain some form of compensation for the item's sale, usually by selling a valuable item to the highest bidder in a published process.

No Board policy currently exists directing managements actions in the disposal of surplus assets, and therefore we are proposing that the Board adopt the attached standard policy. Amendments to the draft policy are completely appropriate if desired by the Board; except for the process of disposal of surplus property, which must first be offered to public agencies in the area. The draft policy model is taken from the CSDA policy handbook.

RESOLUTION 2017-__
EXHIBIT A

SADDLE CREEK COMMUNITY SERVICES DISTRICT
Policy and Procedure Manual

POLICY TITLE: Disposal of Surplus Property or Equipment
POLICY NUMBER: To be Determined
ADOPTED: July 18, 2017
AMENDED:

3085.1 Sale of Surplus Equipment.

3085.1.1 Board of Directors takes action to declare equipment surplus.

3085.1.2 Item is advertised for sale with notation of location/hours/days it can be seen and deadline date for submission of sealed bids. (Advertisement also notes that the District reserves the right to reject any or all bids, equipment sold AS IS.)

3085.1.3 Sealed bids are opened at the next Regular Board Meeting and action is taken by the Board to accept or reject highest bid. The General Manager may be delegated the authority to open, accept and reject bids.

3085.1.4 Bidders are notified of Board's action.

3085.1.5 Junked Certificates are obtained for vehicles that are sold to protect the District from liability.

3085.2 Sale of Real Estate:

3085.2.1 Board takes action to declare property surplus and authorizes District staff to obtain appraisal.

3085.2.2 Property is offered to public agencies at the appraised price. (State law requires that public agencies have the opportunity to purchase property prior to advertisement to the general public.)

3085.2.3 If property is not purchased by a public agency, it is advertised in the newspaper with a request that sealed bids be submitted to the District.

3085.2.4 Board takes action at the next regular Board Meeting to accept or reject highest bid.

3085.2.5 Bidders are notified of the Board's action.

RESOLUTION NO. 2017-

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SADDLE CREEK COMMUNITY SERVICES DISTRICT
APPROVING A DEBT MANAGEMENT POLICY**

WHEREAS, the Saddle Creek Community Services District (herein referred to as District) is a local government agency formed and operating in accordance with Section §61000 et seq. of the California Government Code; and

WHEREAS, the District Board of Directors has directed District management to propose the adoption of policies and to develop procedures that facilitate compliance with current government financial accounting laws and standards, as well as to maximize the transparency and accountability of the District; and

WHEREAS, the District regularly purchases equipment, land and other assets that when no longer needed or of public value to the District, are considered surplus to the needs of the District and may be sold or disposed of in accordance with law; and

WHEREAS, the District Board of Directors desired to adopt a policy statement to detail the appropriate process for declaring District property as surplus, and to prescribe the procedures for its disposal or sale; and

WHEREAS, a Surplus District Property Policy has been developed and attached hereto as Exhibit A.

NOW THEREFORE BE IT RESOLVED THAT THE BOARD OF DIRECTORS OF THE SADDLE CREEK COMMUNITY SERVICES DISTRICT DOES HEREBY approve the attached Surplus District Property Policy Dated July 18, 2017; which shall be effective immediately.

WHEREFORE, this Resolution is passed and adopted by the Board of Directors of the Saddle Creek Community Services District on July 18, 2017, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

CERTIFICATE OF SECRETARY

I, Peter Kampa, the duly appointed and acting Secretary of the Board of Directors of the Saddle Creek Community Services District, do hereby declare that the foregoing Resolution 2017-__ was duly passed and adopted at a Regular Meeting of the Board of Directors of the Saddle Creek Community Services District, duly called and held on July 18, 2017.

DATED: _____.
