

Agenda Report

TO: CITY COUNCIL **DATE:** APRIL 5, 1999
FROM: CITY MANAGER
SUBJECT: ESTABLISHMENT OF SALVAGE/SURPLUS GOODS AND
EQUIPMENT DONATION POLICY

RECOMMENDATION

It is recommended that the City Council reaffirm its policy of disposing of salvage and surplus goods and equipment through public auctions. And, to the extent that occasional donations of salvage and surplus are made to various non-profit organizations, such donations be made only to Pasadena-based agencies, agencies outside of Pasadena where it is determined that a significant number of Pasadena residents benefit from the services provided, sister cities of Pasadena, and for emergency relief efforts.

BACKGROUND

The Disposition of Salvage and Scrap Property Ordinance, Pasadena Municipal Code, Chapter 4.04, establishes the procedure for the disposal of salvage and surplus goods and equipment that have reached the end of their useful lifecycle and/or are no longer economical to maintain but still retain some value.

Pursuant to the Ordinance, salvage/surplus goods and equipment are sold at public auction. On average, the sale of surplus/salvage generates a return to the City of about \$150,000 per year, with the largest portion coming from the sale of vehicles. This process has proven to be efficient and cost-effective method of disposal and should be continued.

While public auction is the typical means of disposal for salvage/surplus, the Ordinance provides that the City Council may authorize alternate means of disposal provided a valid public purpose is served in doing so. In recent years, this provision has been used to request approval to donate salvage/surplus to various organizations. It should be noted that consistent with the City Council's policy to support the Pasadena Unified School District, in early 1998, the Ordinance was modified to allow the City Manager to transfer salvage/surplus items to PUSD without further City Council authorization.

The following is a list of donations made since June 1995. Staff is unaware of any donations being made prior to June 1995.

Recipient Agency	Item(s)	Date of Donation	Estimated Value
Give The Streets Back (Pasadena)	Various Computer Equipment	December 7, 1998	\$2,000
Hurricane Mitch Relief	Bottled Water	November 16, 1998	\$800
San Gabriel Valley YMCA	One Flatbed Truck	November 2, 1998	\$2,000
Pasadena Unified School District	Four Police Cars	October 19, 1998	\$6,000
Rosario, Mexico	Five Dump Trucks	May 11, 1998	\$13,500
Boys & Girls Aid Society – Five Acres (Altadena)	Electric scooter	February 23, 1998	\$400
Pasadena City College	Six Bicycles	January 26, 1998	\$480
Pasadena Unified School District	Two Fire Engine Pumpers	February 24, 1997	\$7,000
Loreto, Mexico	Two Police Cars	November 4, 1996	\$3,000
Pasadena Unified School District	Seven Police Cars	September 9, 1996	\$10,500
El Centro De Accion (Pasadena)	Eleven Chairs	February 26, 1996	\$55
Coalition for a Non-Violent City (Pasadena)	Three Computers	June 19, 1995	\$450

As illustrated by the table, recent months have seen an increase in the number of requests for salvage/surplus items. Additionally, staff is in receipt of donation requests from three separate agencies. One of these agencies is in Pasadena, another in Los Angeles and the third in Mexico.

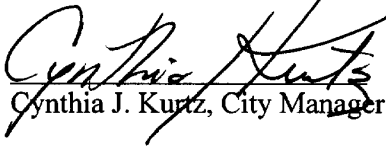
Given the increased frequency at which donation requests are being made, coupled with the fact that some of these requests are coming from agencies outside of the City, staff believes it appropriate to establish a policy concerning the donation of salvage/surplus goods and equipment. Staff proposes that the donation of salvage/surplus goods and equipment be made only to Pasadena-based agencies, agencies outside of Pasadena where it is determined that a significant number of Pasadena residents benefit from the services provided, sister cities of Pasadena, and for emergency relief efforts.

It is important to note that with the exception of donations to the Pasadena Unified School District, the establishment of this policy will not remove the City Council from the donation approval process. This policy will be used by staff to determine which donation requests will be brought forward for consideration by the City Council.

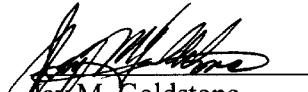
FISCAL IMPACT

Since 1995 the City has donated salvage/surplus goods and equipment valued at \$46,185. The adoption of a policy regarding the donation of salvage/surplus may result in a reduction of donations thereby increasing the return to the City through the sale of items at public auction.

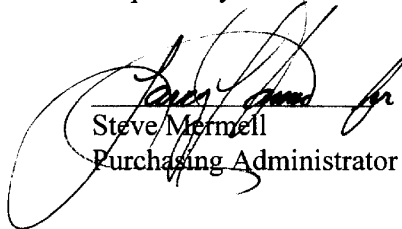
Respectfully submitted,


Cynthia J. Kurtz, City Manager

Approved by


Jay M. Goldstone
Director of Finance

Prepared by


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