



TRUCKEE TAHOE AIRPORT DISTRICT BOARD OF DIRECTOR STAFF REPORT

AGENDA TITLE: Approval of Policy Instruction 319 – Disposal of Surplus Property

MEETING DATE: June 26, 2019

PREPARED BY: Kevin Smith, General Manager

RECOMMENDED ACTION: Approved by Consent: Approve Staff recommendation to adopt Policy Instruction (PI) 319 – Disposal of Surplus Property.

DISCUSSION: Staff has identified the need to adopt an official District policy related to the disposal of District surplus property. In the past the District has used State guidelines and best practices to dispose of surplus property. In order to facilitate an organized, open, and transparent process, staff with assistance of District legal counsel has prepared the attached policy for Board consideration and adoption. This proposed policy does the following:

1. Section 1 sets guidelines for the sale of real property. While this is unlikely and includes extensive Federal Aviation Administration involvement, the District should have a written policy to address this subject should it arise in the future.
2. Section 2 sets guidelines for the sale of personal property¹. This section will assist District staff to dispose of property that no longer has utility or value to the District but may have value to other users. This section typically applies to equipment, vehicles, office furniture, tools, etc. It sets forth a monetary guideline for Board vs. Staff declaration of surplus property of \$10,000.
3. Section 2(c)(9) sets guidelines for “Minimal or No Value Items. This is an important section as these types of item, less than \$500 in value, tend to build up in inventory and need a process to disposal of them that is transparent and easy to navigate as we do not what the disposal process to exceed the recovery value.

¹ This is referencing the tax definition of personal property which includes movable man-made objects that have a physical form and can be seen and touched. This typically includes District equipment, vehicles, office furniture, tools, etc.

4. Section 2(c)(10) sets guidelines for disposal of old computers, iPads and other Smart devices assigned to employees, ACAT Members, or the Board of Directors. The District typically amortizes the utility and value of these devices for 3 years. This provision allows the individual assigned to the devices to purchase it from the District if desired at fair market value once it has reached the end of its amortized useful life.
5. The Policy also has provisions outlining that the District does not provide any type of warranty on surplus property.

This policy has been reviewed by District legal counsel and is based on best practices among cities, counties, special districts, and other governmental agencies in California.

FISCAL IMPACT: As the policy is implemented the District will record an annual surplus property revenue projection each year in the annual budget based on property expected to be surplus. In some years as we are surplus on equipment and vehicles this can be a sizable number.

SAMPLE MOTION(S): (see recommended consent action)

ATTACHMENTS:

PI 319 – Disposal of Surplus Property