

HEBER PUBLIC UTILITY DISTRICT

REPORT TO BOARD OF DIRECTORS

MEETING DATE: November 17, 2016

FROM: Laura Fischer, General Manager

SUBJECT: Adopt Resolution 2016-12 Declaring Certain Items as Surplus Property.

ISSUE:

Shall the Board of Directors adopt Resolution 2016-12 declaring certain items as surplus property?

GENERAL MANAGER'S RECOMMENDATION:

It is recommended that the Board of Directors adopt Resolution 2016-12 declaring items as surplus.

FISCAL IMPACT:

Revenue from sale of surplus property is projected at \$20,000.

BACKGROUND:

Staff has identified property that is no longer needed or of value to the Heber Public Utility District Water Treatment Plant. The emergency generator that is currently in service at the 2MGD water treatment plant will not be sufficient to provide emergency electricity for the expanded 4MGD water treatment plant. The construction at the water treatment plant includes the purchase and installation of a larger generator sized to provide emergency power to the new plant with increased capacity.

DISCUSSION:

The Public Utility Code Section 16431 provides that the District can declare items surplus to the needs of the District. Upon that declaration, staff will advertise the generator for sale. The sale will be contingent upon the following conditions:

- 1) The generator be removed from the water treatment plant at a date and time to be determined by the Heber Public Utility District.
- 2) The cost to remove the generator be borne by the purchaser of the generator and that HPUD will not have a financial responsibility to remove the generator from the water treatment plant.
- 3) The generator be purchased in an "as is" condition and that the HPUD will not be liable for any repairs or costs associated with the sale of the generator.
- 4) HPUD staff or consultants will ensure that all of the proper paperwork to transfer title/ownership be completed.

CONCLUSION:

As a result of the water treatment plant improvement project the Caterpillar 3456DIT Generator will no longer be needed and staff recommends adopting Resolution 2016-12 declaring this equipment as surplus.

ALTERNATIVES:

- 1) Do not adopt Resolution 2016-12 declaring certain items as surplus.
- 2) Provide alternate direction to staff regarding the disposition of the property.

Respectfully Submitted,

Laura Fischer,
General Manager

Attachments: Resolution 2016-12

RESOLUTION NO. 2016-12

A RESOLUTION OF THE HEBER PUBLIC UTILITY DISTRICT DECLARING CERTAIN ITEMS AS SURPLUS PROPERTY

WHEREAS, the Public Utility Code Section 16431 provides for the Heber Public Utility District Board of Directors to declare items surplus to the need of the District under certain qualifying conditions.

“A district may take by grant, purchase, gift, devise, or lease, or otherwise acquire, hold and enjoy, and lease or dispose of, real and personal property of every kind within or without the district, when in the judgment of the board it is for the best interests of the district so to do.”

(Public Utilities Code Section 16431)

NOW, THEREFORE, THE HEBER PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS HEREBY DECLARES THE FOLLOWING PROPERTY AS SURPLUS TO THE NEEDS OF THE DISTRICT AND DIRECTS THE GENERAL MANAGER TO OFFER THE ITEMS AT PUBLIC AUCTION AND/OR NEGOTIATED SEALED BID OR OTHERWISE AT THE GENERAL MANAGER’S DISCRETION:

Description

1Caterpillar 3456DIT Generator

Make Year: 2003

Serial Number: 3PG00668

PIN Number: CAT00000JCBX00532

Number of Hours of Service: 213 Hours

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Heber Public Utility District held on the 17th day of November, 2016.

AYES:

NOES:

ABSENT:

HEBER PUBLIC UTILITY DISTRICT

Tony Sandoval, Board President

APPROVED AS TO FORM:

Steven M. Walker, General Counsel

ATTEST:

I, Raquel R. Carrillo, Secretary to the Board of the Heber Public Utility District, County of Imperial, State of California, DO HEREBY CERTIFY that the foregoing resolution was dully passed, approved and adopted by the Board of Directors of the Heber Public Utility District at its regularly scheduled meeting held on the 17th of November 2016.

Raquel Carrillo, Secretary of the Heber Public Utility District Board