



CITY OF DURHAM | NORTH CAROLINA

Date: October 15, 2012

To: Thomas J. Bonfield, City Manager

Through: Wanda S. Page, Deputy City Manager

From: David Boyd, Finance Director

Subject: Donation of Surplus Equipment to the Durham Public Schools Board of Education

Executive Summary

On September 20, 2012, Riverside High School Principal L. Jackie Tobias requested through the Finance Department that the City of Durham donate surplus equipment to the Durham Public Schools Board of Education. Upon further discussion with Ms. Tobias, the specific items being requested are one (1) Mower and one (1) Sand Pro.

These items were turned in to Fleet Management from the Parks and Recreation Department because they were not being utilized enough to justify ownership by the Department. Due to the specialized nature of the equipment, Fleet Management was not able to re-market the equipment to another City department. The items were slated to be sold at the next auction.

Absent a request such as this, the administration would normally dispose of surplus equipment by public auctions according to GS 160A, Article 12. The City has adopted a resolution that allows disposal of items valued at less than \$30,000 routinely. Individual items valued over \$30,000 require City Council adoption of a resolution to allow for sale via public auction, electronic auction or sealed bids.

Recommendation

To authorize the City Manager to donate One (1) Toro 3 Gang Reel Mower and One (1) Toro Sand Pro to the Durham Public Schools Board of Education. The items being donated are listed below:

<u>Description</u>	<u>Date of Purchase</u>	<u>Purchase Price</u>
Toro 3 Gang Reel Mower (City Equipment #24611)	August 17, 1998	\$18,745.00
Toro Sand Pro (City Equipment #24957)	July 23, 2007	less than \$5,000.00

Background

This equipment was originally purchased for the Parks and Recreation Department to be used for field maintenance. The Sand Pro is a motorized infield rake and the mower puts a fine cut on ball fields. Because the Sand Pro had an acquisition cost of less than \$5,000.00, below the City’s capitalization threshold, the original purchase price is not available in our records.

Should the City Council affirmatively respond to the request from the Durham Public Schools Board of Education, a motion to donate the equipment would be required. GS 160A-274 (b) governs the transfer of governmental property to another governmental unit. “Any governmental unit may, upon such terms and conditions as it deems wise, with or without consideration, exchange with, lease to, lease from, sell to, or purchase from any other governmental unit any interest in real or personal property.” The Durham Public Schools Board of Education’s request is to receive the surplus property without consideration.

Issues/Analysis

Surplus property is generally disposed of through an auction process. The revenues received are deposited back into the respective funds from which the equipment was originally purchased from.

Alternatives

The City could choose not to donate the equipment to Riverside High School and dispose of the equipment through an auction process.

Financial Impact

The City normally disposes of surplus equipment through auctions. A donation of equipment would result in a loss of potential revenue. Based on previous auctions, the City would normally expect to receive approximately \$3,000 in sales revenue for similar equipment.

SDBE Summary

This item does not require a review for compliance with the City’s Ordinance to Promote Equal Opportunity in City Contracting.