

AGENDA REPORT

Resolution: Designating Property as Inadequate, Obsolete or Worn-out, and Approving and Authorizing Disposition of Such Property. **Finance & Administration**

MEETING DATE: 6/13/2019

AMOUNT: \$67,550 (Estimated Gross Value)
\$55,000 (Estimated Net Proceeds After Sales, Donations, Commissions and Disposal Costs)

PARTIES INVOLVED: Oakland Technology Exchange West, Oakland, CA
Seth Hubbert, Executive Director

GovDeals, Montgomery, AL
JD Daunt, President

SUBMITTED BY: Sara Lee, Chief Financial Officer

APPROVED BY: J. Christopher Lytle, Executive Director

ACTION TYPE: Resolution

EXECUTIVE SUMMARY

The Port seeks approval to designate the property listed in Attachment A to this Agenda Report, which is inadequate, obsolete, and worn-out, as surplus and authorize the Executive Director to dispose of such property by selling, donating, scrapping, recycling, destroying and/or abandoning it. Port staff estimates the gross value of the surplus property at \$67,550, but it is not possible to accurately predict the net proceeds to the Port from disposal of this property until after taking into account the selling prices, auction fees, listing fees, hauling fees, and disposal fees.

BACKGROUND

On an annual basis, the Port identifies inadequate, obsolete, worn-out, and unneeded property to dispose of by selling, donating, scrapping, recycling, destroying, and/or abandoning it. This fiscal year, the Port has an assortment of miscellaneous items ranging from obsolete computers (from upgrading various computers at the ticket counters and gates at OAK), network switches, old tandem sling seating from OAK, to broken and worn-out facilities equipment such as, portable generators, electric golf carts, an air-cooled chiller unit, old vehicles, trash cans, message boards, public announcement system hardware, obsolete radio equipment, obsolete lockers, broken machinery, parking lot attendant booths, storage

containers, old office trailer, bus shelters, obsolete electric meters, and other miscellaneous equipment, which Port staff would like to designate as surplus and dispose of. An itemized list of this property, including the property's asset tag number (if available), divisions from which this property came from, proposed disposition method, and estimated value is included as Attachment A to this Agenda Report.

ANALYSIS

Upon the Board's designation of the subject property as surplus, the Executive Director shall have the authority to dispose of the property which has become unsuitable for Port use, through a variety of means, including but not limited to sale, donation, or destruction. By designating this property as surplus and allowing Port staff to dispose of it, various Port divisions will be able clear out some of the clutter stored at their divisions. The continued handling and storage cost of this property warrants the disposal of the property.

Attachment A of this Agenda Report itemizes each piece of property, and generally describes the disposal method for each piece of property and any estimated value. Port staff would like to dispose of the property as follows:

1) Sale of Property:

- The Port has contracted with GovDeals to list any saleable surplus property on the on-line auction site GovDeals. GovDeals specializes in selling government surplus property. Only the tandem sling airport seating (Attachment A--line item 223), which was expensive new, may have any real value. The Port hopes it will be able to sell these seats, but given that the Port is selling approximately 1500 seats (Southwest Airlines is doing a refresh of seating in Terminal 2), it is unknown what value the Port will receive for these seats until we list them. The remainder of the property has virtually no value. Any property that cannot be sold will be donated or recycled/abandoned.

2) Donation of Property:

- The Port typically donates all its computer and related peripheral equipment to the Oakland Technology Exchange West (OTXWest), a local non-profit that refurbishes old computer equipment and donates it to local Oakland families who cannot afford computers. This solution is better for the environment and for Oakland residents as OTXWest has given free computers and one year's worth of computer technical training and assistance to any Oakland resident or student who requests a computer. However, because this equipment is so old, OTXWest may not be able to take the equipment, and the Port may have to pay to recycle it. Any computer and electronic equipment not taken by OTXWest will be recycled at a local electronic waste recycling site.
- Upon request by public organizations, charitable, civic and non-profit organizations, the Port will consider donating select surplus property to them. Typically, from the time the Port posts its Agenda Report to the actual disposal of the property, local organizations have a chance to submit requests for donations. Any entities seeking a donation must submit a Port Community Investment application. The Port's SRD division evaluates

each donation request and the Executive Director will make a determination on donating the property or disposing of it by some other means.

3) Recycling/Abandonment of Property:

- The Port will dispose of any property not sold or donated in an environmentally sustainable way. Steel or aluminum equipment components will be recycled for scrap steel/aluminum, computer components that can't be re-used by OTXWest will be recycled at a local electronic waste recycling site, and any remaining material will be disposed of by abandonment at a local landfill.

BUDGET & STAFFING

Port staff estimates the gross value of the surplus property at approximately \$67,550. It is not possible to accurately predict the net proceeds to the Port from disposal of this property, but after taking into account the estimated selling price, auction fees, listing/consultant fees, hauling fees, and disposal fees associated with the disposition of this property, it is estimated that the Port may receive \$55,000 in net proceeds. The continued handling and storage cost of this property warrants the disposal of the property.

There will be no impact to Port staffing as a result of the proposed actions.

MARITIME AVIATION PROJECT LABOR AGREEMENT (MAPLA)

The matters included in this Agenda Report do not fall within the scope of the Port of Oakland Maritime and Aviation Project Labor Agreement (MAPLA) and the provisions of the MAPLA do not apply.

STRATEGIC PLAN

The action described herein would help the Port achieve the following goals and objectives in the Port's Strategic Plan (2018-2022).

<https://www.portofoakland.com/wp-content/uploads/Port-of-Oakland-Strategic-Plan.pdf>

- Goal: Care for Our Environment

LIVING WAGE

Living wage requirements, in accordance with the Port's Rules and Regulations for the Implementation and Enforcement of the Port of Oakland Living Wage Requirements (the "Living Wage Regulations"), do not apply because the requested action is not an agreement, contract, lease, or request to provide financial assistance within the meaning of the Living Wage Regulations.

SUSTAINABILITY

Port staff will strive to eliminate or reduce waste by donating its computers and select electronic equipment to OTXWest for reuse. The Port will dispose of any property not sold or donated in an environmentally sustainable way. Steel or aluminum equipment components will be recycled for scrap steel/aluminum, computer components that can't be re-used by

OTXWest will be recycled at a local electronic waste recycling site. The assorted color paper products listed in Attachment A will be donated to an Oakland school.

ENVIRONMENTAL

This action was reviewed in accordance with the requirements of the California Environmental Quality Act (CEQA). The CEQA Guidelines, Section 15061(b)(3) (“the general rule”) states that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Designating property as inadequate, obsolete, or worn-out and approving and authorizing disposal of such property will not have a significant effect on the environment and therefore is not a project under CEQA. No further environmental review is required.

GENERAL PLAN

This action does not change the use of any existing facility, make alterations to an existing facility, or create a new facility; therefore, a General Plan conformity determination pursuant to Section 727 of the City of Oakland Charter is not required.

OWNER-CONTROLLED INSURANCE PROGRAM (OCIP)

The Owner Controlled Insurance Program (OCIP) does not apply to the matters addressed by this Agenda Report as they are not capital improvement construction projects.

OPTIONS

1. Designate the property listed in Attachment A of this Agenda Report as inadequate, obsolete or worn-out, and authorize the Executive Director to dispose of such property through a variety of means, including sale, donation, scrapping, recycling, destruction and abandonment. The property is to be disposed as generally described in this Agenda Report. The Port will dispose of any property not sold or donated in an environmentally sustainable way. This is the recommended option.
2. Do not designate the property listed in Attachment A of this Agenda Report as inadequate, obsolete or worn-out and have the Port continue to store this property until a better use for this property is determined.

RECOMMENDATION

Adopt a resolution designating the property listed in Attachment A of this Agenda Report as inadequate, obsolete or worn-out, and authorizing the Executive Director to dispose of such property through a variety of means, including sale, donation, scrapping, recycling, destruction and abandonment. The property is to be disposed as generally described in this Agenda Report. The Port will dispose of any property not donated or sold in an environmentally sustainable way.