RESOLUTION - ACTION REQUESTED 2016-382

MEETING: July 19, 2016

TO: The Board of Supervisors

FROM: Mary Hodson, CAO

RE: Authorize Auction of Surplus Office Furniture

RECOMMENDATION AND JUSTIFICATION:
Authorize the County Administrative Officer (CAO) or Designee to Enter into an Agreement with Public Surplus to Become a Seller on Their Website; and Authorize the CAO to Auction Office Furniture from the County’s Self-Storage Unit, Seven Couches from Human Services, and 800 Bronze and Silver Medallions on the Public Surplus Website as Surplus Property.

The County has maintained a storage unit at Mariposa Mini Storage for several years. The unit is currently occupied by furniture that may have come from the Courthouse. These items include at least two desks, two doors, glass panes, metal filing cabinets, a large wooden work station, a wooden storage cabinet, and miscellaneous other small pieces. The County has no further use for these items and the History Center is not interested in these pieces either. Additionally, there are seven couches now at Human Services that the department wishes to surplus.

Besides the miscellaneous furniture items, there are also 500 bronze and 300 silver commemorative medallions from the County’s Sesquicentennial celebration. A Board agenda item requesting authorization to sell these medallions (#5483) was ultimately withdrawn due to concerns about sales tax requirements. With some additional research, staff has discovered that the requirements of concern would not apply so long as the medallions are sold together as a single item. As with the furniture, the County has no further use for these medallions.

Staff recommends the items be auctioned online using the Public Surplus government auction site. The site, which is used by several neighboring counties including Merced, Madera and Fresno, allows items to be listed at no cost but charges a nominal percentage as a transaction fee. The transaction fee is based on a number of variables and will not be known until the County is a registered seller on the site, but the County will be under no obligation to list or sell items should the fee be determined to be unacceptable. The auction would be advertised locally per normal advertising requirements.
Attached is a sample of an auction listing from San Joaquin County, and similar wording regarding selling the item as is, release of liability, and picking up the item will be included in the County's posting. Other County departments will also be able to use the auction site to sell surplus property after receiving approval from the Board to sell the surplus property. Use of the auction site will be coordinated through County Administration.

Staff believes this option will be less expensive, put fewer demands on staff time and provide greater exposure for these items than hosting an auction ourselves or contracting an auctioneer. Buyers would be required to pick items up in Mariposa County at a specified date and site to be determined. Furniture items that are not sold will be donated or discarded. If the medallions are not sold at auction, the silver medallions will be sold to Avenue Coin, Inc. For the quoted price of one dollar less than current market silver spot price and the bronze medallions, which have little or no financial value, will be used as good will tokens to be utilized similar to the County pins.

Funds from the sale of the items will be deposited as general purpose revenue for Fiscal Year 2016-2017.

BACKGROUND AND HISTORY OF BOARD ACTIONS:
The Board has approved auctioning surplus items from time to time in the past.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:
Do not authorize the CAO to auction these items. The County will continue paying $50 per month for storage and items to be sold may lose value.

ATTACHMENTS:
Public Surplus Seller Agreement (DOCX)
Public Surplus Processing Agreement (DOCX)
2004 Quote and Purchase Order (PDF)
Silver Medallion (PDF)
Bronze Medallion (PDF)
Appraisal - Offer to Buy from Avenue Coin (PDF)
Sample Public Surplus Post (PDF)

CAO RECOMMENDATION
Requested Action Recommended

Mary Hodson
Mary Hodson, CAO 7/13/2016
RESULT: ADOPTED BY CONSENT VOTE [UNANIMOUS]
MOVER: Rosemarie Smallcombe, District I Supervisor
SECONDER: Marshall Long, District III Supervisor
AYES: Smallcombe, Jones, Long, Cann, Carrier