



MOUNTAINS RECREATION & CONSERVATION AUTHORITY

Los Angeles River Center & Gardens
570 West Avenue Twenty-six, Suite 100
Los Angeles, California 90065
Phone (323) 221-9944

MEMORANDUM

TO: The Governing Board

FROM:  Joseph T. Edmiston, FAICP, Hon. ASLA, Executive Officer

DATE: July 19, 2012

SUBJECT: **Agenda Item XI: Consideration of resolution authorizing disposal of vehicles.**

Staff Recommendation: That the Governing Board adopt the attached resolution authorizing disposal of vehicles.

Background: The Mountains Recreation and Conservation Authority (MRCA) operates a fleet of vehicles for agency use. The condition of fleet vehicles is constantly monitored, and periodically vehicles are decommissioned when they reach the end of their useful life. In many cases, this does not occur until vehicles have over 200,000 miles and require major maintenance services in order to be safely operated.

In 1993 the Governing Board adopted a policy for the disposal of agency owned personal property. This policy included a provision allowing the sale of property by auction or bid process only. There is no legal requirement that mandates the use of only an auction or bid process.

Given the age and condition of vehicles by the time they are decommissioned, the number of interested parties for an auction or bid process can be very low, with little incentive to buyers to increase their bids. Neither process guarantees a reasonable amount of proceeds. Furthermore, these processes can require substantial staff time and advertising costs to be effective. Due to these drawbacks, in certain cases a direct sale can be an appropriate alternative.

The proposed action would modify the disposal policy to authorize direct sales to parties who pay the published Kelley Blue Book value. The Kelley Blue Book (KBB) provides a widely-accepted standard for the value of used automobiles. Use of KBB value ensures that MRCA will receive reasonable compensation for decommissioned vehicles.