

REPORT OF THE CHIEF LEGISLATIVE ANALYST

November 9, 2006

TO: Honorable Members,
Budget and Finance Committee

FROM: Gerry F. Miller *G. Miller*
Chief Legislative Analyst

C. F.: 06-1137-S1
WAS: 06-11-1855

Sale of surplus Mobile Data Terminals to Various Government Agencies

RECOMMENDATION: APPROVE the Motion (Zine-Parks) authorizing the sale of 148 surplus Mobile Data Terminals to various government agencies throughout California, for the below market price of \$1.00 per equipment item.

SUMMARY:

The Office of Council District 3 has received requests to sell Mobile Data Terminals (MDTs) to various government agencies throughout California. MDTs are computerized devices used in emergency vehicles to communicate with a central dispatch office. The City has recently declared 148 MDTs surplus items that will fulfill the request of these organizations. In an effort to support the public safety needs of fellow law enforcement agencies, the City should sell 148 surplus MDTs to the following organizations for the below market sale price of \$1.00 per equipment item:

1.	California State Parks Angeles District, Malibu Sector	20
2.	Rio Vista Police Department	30
3.	Auburn Police Department	50
4.	Solano County Administration Center	15
5.	Stockton Unified School District Police Department	15
6.	Baldwin Park School Police Department	18
		<u>148</u>
		148 total MDTs

On April 19, 2005, the City Council adopted a policy requiring all surplus equipment and vehicles to be sold at current market rate to both profit and non-profit entities. An exception was instituted for non-profit organizations located in the City of Los Angeles which have been established exclusively to further the services provided by the City and its departments. The policy was later amended to include a provision stating that "any individual, organization or government may purchase surplus equipment at less than market value, if discarding, recycling or transporting the surplus equipment produces a net financial cost to the City which can be documented."

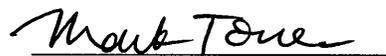
The City has previously experienced a negative fiscal impact when discarding or recycling certain surplus equipment. GSD staff reports that MDTs are classified as electronic waste, and recycling them would be more costly than actually donating the MDTs for \$1.00 each. Hence, it would benefit the City to allow the donation of surplus MDTs to the abovementioned organizations.

Based upon the criteria established in Los Angeles Administrative Code Section 22.547, the abovementioned organizations are eligible to receive this donation and there are no other unfilled

requests waiting ahead of these organizations for this type of equipment. Approval of the Motion (Zine-Parks) will result in the sale of 148 surplus Mobile Data Terminals to the abovementioned organizations for the less than market value of \$1.00 per equipment item.

FISCAL IMPACT:

The sale of the equipment at a below market value price is consistent with the City's Financial Policies since discarding, recycling or transporting the equipment produces a net financial cost to the City. This below market sale will increase the General Fund by \$148.00.



Mark J. Torres

Analyst