

**Agenda**  
Sacramento Suburban Water District  
**Special Board Meeting**

3701 Marconi Avenue, Suite 100  
Sacramento, California 95821

Tuesday, January 19, 2010  
5:30 p.m.

Where appropriate or deemed necessary, the Board may take action on any item listed on the agenda, including items listed as information items. Public documents relating to any open session item listed on this agenda that are distributed to all or a majority of the members of the Board of Directors less than 72 hours before the meeting are available for public inspection in the customer service area of the District's Administrative Office at the address listed above.

The public may address the Board concerning an agenda item either before or during the Board's consideration of that agenda item. Persons who wish to comment on either agenda or non-agenda items should fill out a Comment Card and give it to the General Manager. The President will call for comments at the appropriate time. Comments will be subject to reasonable time limits (3 minutes).

In compliance with the Americans with Disabilities Act, if you have a disability, and you need a disability-related modification or accommodation to participate in this meeting, then please contact Sacramento Suburban Water District Human Resources at 679.3972. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

**Call to Order**

**Roll Call**

**Public Comment**

**Items for Discussion and Action**

1. Resolution No. 10-01 Providing Variance from District's Surplus Property Disposal Policy and Authorizing General Manager to Donate Surplus Diesel Generators to Haitian Relief Effort  
*Consider the subject resolution.*

**Adjournment**

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SSWD Special Board Meeting Agenda

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I certify that the foregoing agenda for the January 19, 2010 special meeting of the Sacramento Suburban Water District Board of Directors was posted by January 15, 2010 at the Sacramento Suburban Water District office, 3701 Marconi Avenue, Suite 100, Sacramento, California, and was made available to the public during normal business hours.

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Robert S. Roscoe  
General Manager/Secretary  
Sacramento Suburban Water District



## **Agenda Item: 1**

**Date:** January 15, 2010

**Subject:** Resolution No. 10-01 Providing Variance from District's Surplus Property Disposal Policy and Authorizing General Manager to Donate Surplus Diesel Generators to Haitian Relief Effort

**Staff Contact:** Ed Formosa, Assistant General Manager

### **Recommended Board Action:**

Approve District Resolution No. 10-01 authorizing the General Manager to deviate from District procedures for the disposal of surplus property to allow transfer of emergency generators in support of relief efforts to the Haiti earthquake disaster.

### **Discussion:**

As has been reported to the Board over the past year, the District has ten emergency portable generators which do not meet 2010 air quality regulations and are unable to be economically retrofit with the best available technology that would upgrade them to a legal status with the permitting agency. These emergency generator units have been taken out of service. In early 2009, staff proposed a capital improvement project to replace these units with five generators which could be permitted through the Sacramento Regional Air Quality Control Board. This project is nearing completion as of the date of this report.

It is staff's understanding that, due to air quality regulations, the surplus units can not be permitted for operation anywhere in California. It may be possible to sell these units to a buyer in another state or county. At the time of this staff report, staff was attempting to get estimates of value for each generator and will be able to provide this information at the Special Board meeting. The cost of transporting them to the buyer would also be an issue to address. However, staff also believes the District's Sustainability Policy brings into question the commercial use of these units even in locations outside California.

With the tragic January 5<sup>th</sup> earthquake in Haiti, a situation where the District could provide much needed emergency support to this devastated county by transferring these units to relief efforts has presented itself. Staff believes that the use of these units to support the relief of human suffering in this catastrophic situation would outweigh the environmental concerns related to the sustainability issue.

Staff recommends that the Board approve the resolution to allow the General Manager to transfer the ownership of these surplus units to a not-for-profit organization that will use them for the relief effort in Haiti.

**Fiscal Impact:**

As of the date of this staff report, staff was attempting to acquire value estimates for each generator unit and trying to determine if there was a market for the sale of them outside California.

Staff estimates that the revenue received for the sale of the surplus generator units as scrap would metal would be offset by the cost to decommission each unit.

**Strategic Plan Alignment:**

Leadership – 5.D. Interact with the Community in a positive and progressive manner for the mutual benefit of the area. By assisting the rest of the nation in providing aid to the country of Haiti, SSWD is stepping forward and providing an excellent example of leadership.

## **RESOLUTION NO. 10-01**

### **A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SACRAMENTO SUBURBAN WATER DISTRICT PROVIDING VARIANCE FROM DISTRICT'S SURPLUS PROPERTY DISPOSAL POLICY AND AUTHORIZING GENERAL MANAGER TO DONATE SURPLUS DIESEL GENERATORS TO HAITIAN RELIEF EFFORT**

WHEREAS, the Board of Directors of the Sacramento Suburban Water District has authorized staff to carry out the Engine Generator Replacement Project, which replaces nine existing portable diesel engine generators located at various groundwater wells to provide backup power (the "Generators") with five new permanent standby engine generators that will significantly reduce the District's impacts on air quality;

WHEREAS, the Generators are prohibited from operating after January 1, 2010 due to new state air quality protection regulations and the Generators, which all burn diesel fuel, cannot be retrofitted to be brought into compliance with applicable state clean air regulations;

WHEREAS, the Generators also are prohibited from being used in many other states and as a result, it is uncertain what the actual fair market value of the generators may be or if the generators can be sold at any price due to a potential glut in the market because of California's current phase-out of non-clean burning diesel generators;

WHEREAS, the Board has adopted a surplus property disposal policy that requires large equipment such as the Generators to be sold by advertised sealed bid or at public auction;

WHEREAS, District staff also has researched the value of the Generators if sold for scrap, and staff has determined that the net scrap value of the Generators is negative because of the costs of decommissioning and transportation are more than the value of the recyclable parts;

WHEREAS, on January 12, 2010, the nation of Haiti was struck by a magnitude-7 earthquake that devastated its capital and major city, Port-au-Prince, and surrounding communities, and such devastation has destroyed municipal infrastructure, including water production, delivery and transmission facilities, and made the delivery of essential municipal services extremely difficult or impossible; and

WHEREAS, District staff has been approached and asked if the District would be willing to donate the Generators to a non-profit group providing emergency relief services to victims of the earthquake in Haiti.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Sacramento Suburban Water District as follows:

1. The Board hereby finds as follows:

- a. The Generators are surplus to the District's needs.
- b. If the Generators cannot be sold and cannot be scrapped for a net gain, then their fair market value would be zero.
- c. The Board's surplus property disposal policy does not address circumstances where large equipment such as the Generators cannot be sold for any amount and therefore have no fair market value.
- d. If the Generators were donated to a qualified non-profit organization for use in Haiti, the generators would assist in ameliorating emergency conditions by providing power to operate essential municipal and health and welfare services.
- e. By donating the Generators to Haiti, the District and its ratepayers would benefit because they would obtain valuable knowledge from the experiences of the donee organization about how to restore and deliver essential municipal services after a major catastrophe, which in this flood prone community would be of invaluable assistance to the District and its ratepayers in improving the District's emergency planning and response preparations.

2. The Board directs the General Manager or his designee to dispose of the Generators, if possible, for fair market value in accordance with the procedures set forth in Section 400.00 of the District's Disposal of Surplus District Real Property, Vehicles and Large Equipment and Other Personal Property Policy.

3. If the General Manager is unable to dispose of the Generators in accordance with the procedures in the Disposal of Surplus District Real Property, Vehicles and Large Equipment and Other Personal Property Policy, the Board hereby authorizes the General Manager to donate the Generators to a qualified non-profit organization providing earthquake relief efforts in Haiti and to consult with such organization about its relevant earthquake relief activities and to incorporate any such information into the District's emergency response planning and preparation efforts.

PASSED AND ADOPTED by the Board of Directors of Sacramento Suburban Water District, Sacramento County, California at a special meeting on the \_\_ day of January 2010 by the following vote:

AYES:  
 NOES:  
 ABSTAIN:  
 ABSENT:

By: \_\_\_\_\_  
 Thomas C. Fellenz  
 President, Board of Directors  
 Sacramento Suburban Water District

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I hereby certify that the foregoing resolution was duly and regularly adopted and passed by the Board of Directors of Sacramento Suburban Water District at a special meeting thereof held on the \_\_\_ day of January 2010.

By: \_\_\_\_\_  
Robert S. Roscoe  
General Manager/Secretary  
Sacramento Suburban Water District