



# CITY OF MERCED

Merced Civic Center  
678 W. 18th Street  
Merced, CA 95340

## ADMINISTRATIVE REPORT

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**Agenda Item I.9.**

Meeting Date: 2/5/2018

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*Report Prepared by: Janet German, Secretary III, Fire Dept.*

**SUBJECT:** Disposal of Equipment Acquired Under Federal Emergency Management Agency Grant No. EMW-2002-FG-04005

### REPORT IN BRIEF

Dispose of equipment acquired under Federal Emergency Management Agency Grant No. EMW-2002-FG-04005.

### RECOMMENDATION

**City Council** - Adopt a motion authorizing the equipment to be transferred to Purchasing for sale as surplus equipment.

### ALTERNATIVES

1. Approve as recommended by staff; or,
2. Approve subject to amended conditions to be addressed in the City Council motion; or,
3. Deny; or,
4. Refer back to staff for reconsideration of specific items as requested by City Council; or,
5. Continue item to a future City Council meeting.

### AUTHORITY

Merced Municipal Code Chapter 3.04, Article IV, Section 3.04.370  
44 CFR 13.32 (e)

### CITY COUNCIL PRIORITIES

Public Safety as provided for in the 2017-18 Adopted Budget.

### DISCUSSION

#### Background

In 2002, the City of Merced Fire Department was awarded a \$33,898 one-year fire prevention grant under the Federal Emergency Management Agency's Assistance to Firefighters Grant Program for Fiscal Year 2002. The grant funds were used to purchase a public education fire and life safety trailer and a robotic fire hydrant. As the grant recipient, the City was required to pay a 30% cost match which amounted to \$14,527.00.

The equipment purchased through this grant enhanced the department's public education program

for many years by allowing staff to professionally deliver fire prevention and public education programs to the citizens of our community. For instance, it is estimated that during a one year time frame following the receipt of the trailer, the Fire Department delivered safety messages to more than 111,000 people. Likewise, the robotic fire hydrant was used to educate over 116,000 students.

At present time, the department has exceeded its training expectations of the intended target audience, satisfied all of the grant's requirement and is now focused on other fire prevention areas and means. Accordingly, we are requesting authorization to dispose of the equipment.

The disposition of equipment acquired under the grant is governed by 44 CFR 13.32, subsection (e). This section states:

- "(e) *Disposition.* When original or replacement equipment acquired under a grant or subgrant is no longer needed for the original project or program or for other activities currently or previously supported by a Federal agency, disposition of the equipment will be made as follows:
- (1) Items of equipment with a current per-unit fair market value of less than \$5,000 may be retained, sold or otherwise disposed of with no further obligation to the awarding agency.
  - (2) Items of equipment with a current per unit fair market value in excess of \$5,000 may be retained or sold and the awarding agency shall have a right to an amount calculated by multiplying the current market value or proceeds from sale by the awarding agency's share of the equipment.
  - (3) In cases where a grantee or subgrantee fails to take appropriate disposition actions, the awarding agency may direct the grantee or subgrantee to take excess and disposition actions."

The acquired equipment has exceeded its useful life and each piece of equipment currently has a value of less than \$5,000. Based upon estimates from the originating vendors, it is likely that they city will receive less than \$3,000 for the trailer and \$2,800 for the robotic fire hydrant. Accordingly, under 44 CFR 13.32 (e)(2), the City will not be required to return a portion of the proceeds to FEMA, when the items are sold.

On September 7, 2017, the City mailed FEMA a Tangible Personal Property Report/ Disposition request for the trailer and robotic fire hydrant via certified mail. The certified mailing was received on September 12, 2017, which triggered a 120-day period for FEMA to reply to the City's request with disposition instructions. The 120-day period has since passed which allows the City to sell the equipment at a surplus auction.

### **IMPACT ON CITY RESOURCES**

Equipment to be sold through the surplus auction. Based upon estimates from the originating vendors, it is likely that they city will receive less than \$3,000 for the trailer and \$2,800 for the robotic fire hydrant.