



## MEMORANDUM

To: Administrative Control Board

From: Steve Anderson, CFO

Date: February 12, 2026

Subject: Surplus of Conex containers, sheds, and old transformer

### **Action Requested**

District management recommends the Administrative Control Board approve the surplus of three (3) Conex storage containers, three (3) sheds and the old transformer that has been replaced at Lost Canyon. The Conex containers and sheds are currently at the Signal Hill Treatment Plant and need to be disposed of before expansion of the treatment plant begins. The District is retaining one (1) Conex storage container that will continue to be used at the treatment plant or at another District location.

The Conex storage containers will be offered to employees with a starting bid price of \$1,250. The sheds will be offered to employees with a starting bid of \$500. The sheds will need to be disassembled and removed by the bid winners. This is labor intensive and reassembly is also difficult and not guaranteed, thus the low offering price.

The District received an offer from UTB Transformers of \$3,500 for the old transformer. Management recommends accepting the offer. Otherwise, it would become the responsibility of the District to drain the oil and transport the transformer offsite for disposal. The costs of doing so would quickly offset any payment for it as scrap metal. The new, larger transformer cost \$136,927.

## Policy for surplus equipment, machinery and vehicles

### **3.11- SURPLUS PROPERTY**

#### **3.11.1 – DEFINITIONS**

- A. *“Surplus Property” shall mean any property that is no longer needed for public use. It includes expendable property, supplies, scrap materials, and nonexpendable supplies that have completed their useful life cycle.*

#### **3.11.2 – REQUIRED DISPOSAL PROCESS**

- A. *Any surplus property over \$10,000 shall be reported to the Administrative Control Board. Surplus property shall not be sold to employees unless specifically authorized by the Administrative Control Board.*
- B. *The General Manager is authorized to dispose of District surplus equipment and machinery, except motor vehicles, when it appears that the equipment or machinery will not be required for future use and the replacement value of the equipment or machinery is equal to or less than \$10,000.*
  - (1) *The surplus property shall be disposed of in exchange for adequate consideration.*
  - (2) *After disposing of the surplus equipment or machinery, a description of the surplus equipment or machinery together with a statement that reflects the replacement value and consideration received for such surplus property shall be presented to the Administrative Control Board for ratification.*
- C. *Surplus equipment and machinery whose replacement value exceeds \$10,000 and surplus motor vehicles, shall be disposed of in a manner approved by the Administrative Control Board.*