

COUNCIL COMMUNICATION

To:	THE CITY COUNCIL	COUNCIL MEETING DATE	NO.
FROM:	THE CITY MANAGER'S OFFICE	AUGUST 15, 1990	
SUBJECT:	SALE OF CITY PROPERTY		

RECOMMENDED ACTION: That the City Council approve the sale of City property as described below to the high bidder, Richard Junio of Tipton, California, in the amount of \$2,868.75.

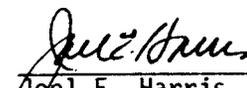
BACKGROUND INFORMATION: Lodi Municipal Code Section 2.12.120 requires the approval of the City Council for the sale of City property having a value exceeding \$2,000.

The property, an hydraulic derrick assembly manufactured by Utility Body Company in June, 1979, was removed from the Electric Utility Department's Truck #42 earlier this year when it was determined that it may no longer qualify for State safety certification. Further, Utility Body Company went out business in March, 1989, leaving few sources of spare parts.

Initial research of the market for obsolete and uncertified derrick assemblies indicated its estimated value to be well under \$2,000. Therefore the Notice Inviting Bids was published on July 25, 1990, and two bids were opened on August 6, 1990:

Richard Junio, Tipton, CA	\$2,868.75
John Moses, Stockton, CA	812.81

The City Attorney drafted a "Hold Harmless" clause which was included in both the Notice Inviting Bids and the bidder's proposal form stating that the equipment is being sold with the understanding that it is useful only for dismantling and spare parts, and is not intended nor recommended for reinstallation and use as an integral unit. Both bidders agreed to the terms of the clause.



Joel E. Harris
Purchasing Officer

cc: Finance Director
Electric Utility Director
Assistant Electric Utility Director