



CITY OF BANNING STAFF REPORT

TO: CITY COUNCIL

FROM: Elizabeth Gibbs, City Manager

PREPARED BY: Ellen Clifford, Purchasing Manger
Kenneth Louie, Interim Finance Director

MEETING DATE: April 28, 2026

SUBJECT: Declaration of Eight (8) Scrap Pole-Mount Transformers as Surplus Property and Authorization for Disposal Through Public Auction in Accordance with Purchasing Policy B-30.

RECOMMENDATION:

Declare eight (8) pole mount transformers as surplus, non operational or scrap equipment. Authorize staff to dispose of the surplus items via the City's online auction platform, in accordance with the Purchasing Policy B-30, Section 18-102 as stated:

18-102 Disposal of Surplus City Property

(1) The method used by departments to dispose of Surplus City Property must be approved and coordinated with the City Purchasing Officer. Internal reuse of Surplus City Property by City departments is the preferred method of disposal.

(2) Disposition Methods – Surplus City Property shall be disposed of in one of the following preferred methods:

- a. Internal transfer to a claiming department;
- b. Sale by City Purchasing Officer;
- c. Documented donation of technology and related equipment with a fair market value less than \$5,000 per lot to the Department of Education and non-profit organizations;
- d. Auction (material value);
- e. Recycling; and
- f. Waste.

BACKGROUND:

The Electric Department is requesting authority to sell a group of eight (8) pole mount transformers through the City's online auction platform. The items are identified as scrap/non working and are to be auctioned as surplus. The Transformers have reached end of life and are no longer operational.

JUSTIFICATION:

Staff evaluated the condition and usability of the transformers and have deemed them used, non working and scrap. Retaining them provides no operational value; repair or refurbishment is not economically relative to replacement, and the units are obsolete for current system needs. Auctioning as surplus allows recovery of value and reduces yard/storage congestion. Disposal through competitive public auction complies with Purchasing Policy B-30 by ensuring transparency and best value. Prior to pickup, the Electric Department will ensure all oil handling, labeling, and manifests conform to federal/state requirements. Any remaining fluids will be managed per standard utility procedures, and buyers will be advised that items are sold strictly as is, where is, non operational scrap.

FISCAL IMPACT:

Proceeds from the auction will be deposited into the City's Electric Fund or other appropriate fund based on original asset assignment.

ATTACHMENTS:

1. [Request_to_Sell_City_Surplus_Items_8_Pole_Transformers_-_signed.docx](#)
2. [Screenshots.pdf](#)