

REQUEST FOR ACTION

Department Head

Phil Kern, City Administrator

City Council Date

April 20, 2010

Agenda Item

Approve sale of 1998 Ford Champion Van to Delano Public Schools for \$2,200.

ACTION REQUESTED

Staff recommends approval of sale of the 1998 Ford Champion Van to Delano Public Schools for \$2,200.

BACKGROUND

The City purchased the van from Senior Community Services in 2007 as a result of change in public transportation services at that time. In 2009, the City received a grant from the State of Minnesota to purchase a new van for senior transportation services. The new van is now in service and as a result the 1998 Ford Van has been taken out of service.

Last summer, the City allowed the School District to lease the van for \$1 for its programming and activities. The School has inquired about continuing that relationship, but since the City no longer is actively using the van, staff is recommending a its sale to the School. That will allow the School to use the van as it needs and keeps the City out of maintenance and insurance responsibilities.

Last fall, staff solicited opinions as to the value of the Van. Hoglund Bus Service, the firm that the City purchased its new van from, stated the van had a trade in value of \$2,200. Bob Larson, formerly owner of Rancher's Auto Sales, provided his opinion that the van was likely worth around \$4,500. The School is aware of these appraisals and has offered to purchase the van for \$2,200.

Staff recommends approval.

ATTACHMENTS

- Hogland and Rancher comments regarding van valuation