POLICY, ECONOMIC DEVELOPMENT, AND AGRICULTURE COMMITTEE

October 19, 2018

Committee Report No. _____

Honorable Chair and Members of the County Council County of Maui Wailuku, Maui, Hawaii

Chair and Members:

Your Policy, Economic Development, and Agriculture Committee, having met on October 1, 2018, makes reference to County Communication 18-229, from the Chief of Police, transmitting a proposed resolution entitled "AUTHORIZING ACCEPTANCE OF THE DONATION OF TWO HUMMER H2's TO THE DEPARTMENT OF POLICE, PURSUANT TO CHAPTER 3.56, MAUI COUNTY CODE."

The purpose of the proposed resolution is to authorize the acceptance of the donation of two Hummer H2 vehicles to the Department of Police, valued at approximately \$30,000 each, from the Federal General Services Administration's Surplus Property Office.

At the request of the Chair of your Committee, the Department of the Corporation Counsel transmitted a revised proposed resolution, approved as to form and legality, correcting the donor's name to read "State of Hawaii Surplus Property Office, Department of Accounting and General Services," instead of "Federal General Services Administration's Surplus Property Office," and incorporating other nonsubstantive revisions.

Your Committee notes Section 3.56.030, Maui County Code, requires Council approval by resolution of any gift or donation to the County.

Your Committee further notes the State Surplus Property Management Office administers a State property disposal program and coordinates the re-utilization of State and Federal surplus property available through the Federal surplus property program. The donated

COUNCIL OF THE COUNTY OF MAUI POLICY, ECONOMIC DEVELOPMENT, AND AGRICULTURE COMMITTEE

Page 2

Committee Report No. _____

Hummer H2 vehicles are being offered to the County from the Department of Homeland Security.

A representative from the Department of Police ("Department") said one vehicle will be used by the Criminal Investigation Division to gather evidence from remote sites. The second vehicle will be outfitted as a DARE ("Drug Abuse Resistance Education") vehicle and used for community and public relations. The Department confirmed the intended uses of the vehicles are consistent with the conditions stated in the Certification and Agreement for Participation in the Federal Surplus Personal Property Program to include "educational or public health purposes, and including research for such purpose." The Deputy Corporation Counsel said public health purposes include law enforcement, crime investigation and response, and public outreach.

The Department's representative said the Department will be responsible for maintenance costs, including new batteries for the vehicles once acquired. The Department will also be responsible for shipping costs of approximately \$500 per vehicle.

The Department said County mechanics do not have the expertise to repair and maintain the vehicles, so they would need to seek outside resources. They anticipate being able to use the vehicles for another five to ten years with proper maintenance.

Your Committee lauded the Department for utilizing available Federal programs to obtain equipment. The Department said other local jurisdictions were offered the vehicles, but they turned down the donation because they had no use for them.

Your Committee voted 7-0 to recommend adoption of the revised proposed resolution and filing of the communication. Committee Chair Sugimura, Vice-Chair Crivello, and members Atay, Cochran, Guzman, Hokama, and King voted "aye." Committee members Carroll and White were excused.

COUNCIL OF THE COUNTY OF MAUI POLICY, ECONOMIC DEVELOPMENT, AND AGRICULTURE COMMITTEE

Page 3

Committee Report No.

Your Policy, Economic Development, and Agriculture Committee RECOMMENDS the following:

- 1. That Resolution ______, as revised herein and attached hereto, entitled "AUTHORIZING ACCEPTANCE OF THE DONATION OF TWO HUMMER H2's TO THE DEPARTMENT OF POLICE, PURSUANT TO CHAPTER 3.56, MAUI COUNTY CODE," be ADOPTED; and
- 2. That County Communication 18-229 be FILED.

This report is submitted in accordance with Rule 8 of the Rules of the Council.

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Resolution

No. _____

AUTHORIZING ACCEPTANCE OF THE DONATION OF TWO HUMMER H2'S TO THE DEPARTMENT OF POLICE, PURSUANT TO CHAPTER 3.56, MAUI COUNTY CODE

WHEREAS, the State of Hawaii Surplus Property Office, Department of Accounting and General Services, wishes to donate two Hummer H2 vehicles to the Department of Police, as reflected in Exhibit "1", attached hereto; and

WHEREAS, the estimated value of each Hummer H2 is approximately \$30,000.00, totaling a donation value of approximately \$60,000.00; and

WHEREAS, Chapter 3.56, Maui County Code, authorizes the Council to accept gifts and donations on behalf of the County; now, therefore,

BE IT RESOLVED by the Council of the County of Maui:

1. That it hereby expresses its appreciation and accepts the aforesaid donation on behalf of the County of Maui; and

2. That certified copies of this resolution be transmitted to the Mayor, the Director of Finance, the Chief of Police, and the State of Hawaii Surplus Property Office, Department of Accounting and General Services.

APPROVED AS TO FORM AND LEGALITY:

NM

JERRIE L. SHEPPARD Deputy Corporation Counsel County of Maui 2018-0655/2017-0098 PEA-82 2018-09-10 Resolution Hummers

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STANDARD FORM 120 (REV. 10/2016) Prescribed by (41 CFR) FMR 102-36.215

EXHIBIT "____"

Surplus Property Office 729 Kakoi Street Honolulu, Hawaii 96819

CERTIFICATION AND AGREEMENT FOR PARTICIPATION IN THE FEDERAL SURPLUS PERSONAL PROPERTY PROGRAM

| We, Maui Police Department | 1 | the donee, |
|------------------------------|---|------------|
| (Legal Name of Organization) | | |

certify and agree to the following certifications, terms, and conditions governing the acquisition of federal surplus personal property from the Surplus Property Office, Department of Accounting and General Services, State of Hawaii (hereinafter referred to as the "State Agency").

- (a) THE DONEE CERTIFIES THAT:
 - (1) It is a public agency; or a nonprofit educational or public health institution or organization exempt from taxation under section 501 of the Internal Revenue Code of 1954; within the meaning of section 203(j) of the Federal Property and Administrative Services Act of 1949, as amended, and the regulations of the Administrator of General Services.
 - (2) If a public agency, the property is needed and will be used by the recipient for carrying out or promoting for the residents of a given political area one or more public purposes, or, if a nonprofit tax-exempt institution or organization, the property is needed for and will be used by the recipient for educational or public health purposes, and including research for such purpose. The property is not being acquired for any other use or purpose, or for sale or other distribution; or for permanent use outside the State, except with prior approval of the State Agency.
 - (3) Funds are available to pay all costs and charges incident to donation.
 - (4) This transaction shall be subject to the nondiscrimination regulations governing the donation of surplus personal property issued under Title VI of the Civil Rights Act of 1964, Title VI Section 606 of the Federal Property and Administrative Services Act of 1949, as amended, and Section 504 of the Rehabilitation Act of 1973, as amended, Title IX of the Education Amendments of 1972; as amended, and Section 303 of the Age Discrimination Act of 1975.

(b) THE DONEE AGREES TO THE FOLLOWING FEDERAL CONDITIONS:

- (1) All Items of property shall be placed in use for the purpose for which acquired within one year of receipt and shall be continued in use for such purposes for one year from the date the property was placed in use. In the event the property is not so placed in use, or continued in use, the donee shall immediately notify the State Agency, and at the donee's expense, return such property to the State Agency, or otherwise make the property available for transfer or other disposal by the State Agency, provided the property is still usable as determined by the State Agency.
- (2) Such special handling or use limitations as are imposed by General Services Administration (GSA) on any item(s) of property listed hereon.
- (3) In the event the property is not so used or handled as required by (b)(1) and (2), title and right to the possession of such property shall at the option of GSA revert to the United States of America and upon demand the done shall release such property to such person as GSA or its designee shall direct.

Page. 1

Page. 2

- (c) <u>THE DONEE AGREES TO THE FOLLOWING CONDITIONS IMPOSED BY THE STATE AGENCY.</u> <u>APPLICABLE TO ITEMS WITH A UNIT ACQUISITION COST OF \$5,000 OR MORE AND</u> <u>PASSENGER MOTOR VEHICLES, REGARDLESS OF ACQUISITION COST, EXCEPT VESSELS</u> 50 FEET OR MORE IN LENGTH AND AIRCRAFT:
 - (1) The property shall be used only for the purpose(s) for which acquired and for no other purpose(s).
 - (2) There shall be a period of restriction which will expire after such property has been used for the purpose(s) for which acquired for a period of 18 months from the date the property is placed in use. except that the period of restriction on passenger motor vehicles, regardless of acquisition cost, will expire after a period of 18 months of such use.
 - (3) In the event the property is not so used as required by (c)(1) and (2) and Federal restrictions (b)(1) and (2) have expired then title and right to the possession of such property shall at the option of the State Agency revert to the State of Hawaii and the donee shall release such property to such person as the State Agency shall direct.

(d) THE DONEE AGREES TO THE FOLLOWING TERMS, RESERVATIONS AND RESTRICTIONS:

- (1) From the date it receives the property listed hereon and through the period(s) of time the conditions imposed by (b) and (c) above remain in effect, the donee shall not sell, trade, lease, lend, ball, cannibalize, encumber, or otherwise dispose of such property, or remove it permanently, for use outside the State, without the prior approval of GSA under (b) or the State Agency under (c). The proceeds from any sale, trade, lease, loan, bailment, encumbrance or other disposal of the property, when such action is authorized by GSA or by the State Agency, shall be remitted promptly by the donee to GSA or the State Agency, as the case may be.
- (2) In the event any of the property listed hereon is sold, traded, leased, loaned, bailed, cannibalized, encumbered, or otherwise disposed of by the donee from the date it receives the property through the period(s) of time the conditions imposed by (b) and (c) remain in effect, without the prior approval of GSA or other State Agency, the donee, at the option of GSA or the State Agency shall pay to GSA or the State Agency, as the case may be, the proceeds of the disposal or for the fair market value or the fair rental value of the property at the time of such disposal, as determined by GSA or the State Agency.
- (3) If at any time, from the date it receives the property through the period(s) of time the conditions imposed by (b) and (c) remain in effect, any of the property listed hereon is no longer suitable, usable, or further needed by the donee for the purpose(s) for which acquired, the donee shall promptly notify the State Agency, and shall, as directed by the State Agency, return the property to the State Agency, release the property to another donee or another State Agency, a department or agency of the United States, sell or otherwise dispose of the property. The proceeds from any sale shall be remitted promptly by the donee to the State Agency.
- (4) The donee shall make reports to the State Agency on the use, condition, and location of the property listed here on, and on other pertinent matters as may be required from time to time by the State Agency.
- (5) At the option of the State Agency, the donee may abrogate the conditions set forth in (c) and the terms, reservations and restrictions pertinent thereto in (d) by payment of an amount as determined by the State Agency.

(e) <u>THE DONEE AGREES TO THE FOLLOWING CONDITIONS, APPLICABLE TO ALL ITEMS OF PROPERTY</u> LISTED HEREON:

- (1) The property acquired by the donee is on an "as is," "where is" basis, without warranty of any kind.
- (2) Where a donee carries insurance against damages to or loss of property due to fire or other hazards and where loss of or damage to donated property with unexpired terms, conditions, reservations, or restrictions, occurs, the State Agency will be entitled to reimbursement from the donee out of the insurance proceeds, of an amount equal to the unamortized portion of the fair value of the damaged or destroyed donated items.

Page. 3

| (f) | TERMS AND CONDITIONS APPLICABLE TO THE DONATION OF AIRCRAFT. | AND VESSELS (50 FEET OR |
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| ., | MORE IN LENGTH) HAVING AN ACQUISITION COST OF \$5,000 OR MORE, F | REGARDLESS OF THE |
| | PURPOSE FOR WHICH ACQUIRED: | |

- (1) The donation shall be subject to the terms, conditions, reservations, and restrictions set forth in the conditional Transfer Document executed by the authorized donee representative.
- (g) THE DONEE AGREES TO THE FOLLOWING TERMS AND CONDITIONS IMPOSED BY THE STATE AGENCY APPLICABLE TO ITEMS WITH A UNIT ACQUISITION COST OF UNDER \$5,000:
 - (1) The State Agency may at its discretion, and when considered appropriate, impose reasonable terms, conditions, reservations, and restrictions on the use of donable property items other than those with a unit acquisition cost of \$5,000 or more, and passenger motor vehicles.
 - (2) The State Agency will impose on the donation of any surplus item of property, regardless of acquisition cost, such conditions involving special handling or use limitations as General Services Administration may determine necessary because of the characteristics of the property.

| NAME OF DONEE AGENCY | MAUI POLICE DEPARTMENT | TELEPHONE (808)244-6400 |
|--|--------------------------------|-------------------------|
| ADDRESS 55 MAHALAN | NI STREET | |
| CITY WAILUKU | | ZIP 96793 |
| NAME OF AUTHORIZED REP (PLEASE PRINT) | | |
| DATE APRIL 16, 2018 | War & Manumer | |
| | SIGNATURE OF AUTAORIZED REPRES | ENTATIVE TITLE |