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DISPOSAL OF OBSOLETE DAMAGED OR SURPLUS PROPERTY

The Finance and Administration Committee recommends the adoption of the recommendation contained in the following report, January 12, 2007, from the Commissioner of Finance:

1. RECOMMENDATION

It is recommended that this report is received for information.

2. PURPOSE

The purpose of this report is to advise Regional Council of action taken by the Commissioner of Finance and Treasurer through the Supplies and Services Branch of the Finance Department in the disposal of surplus goods and equipment during the term of January 1, 2006 to December 31, 2006, as provided for under Purchasing By-law #A0353-2004-089.

3. BACKGROUND

On November 18, 2004 Regional Council amended the purchasing by-law to enhance the authority given to Regional Staff with the purpose of ensuring that the capital construction program is carried out in an efficient and timely manner. In addition, the by-law also addresses under Section 19 the disposal of obsolete, damaged or surplus property as follows:

- 19.1 Commissioners shall submit to the Director of Supplies and Services reports of surplus stock including furniture, vehicles, equipment, supplies, and other goods which are no longer used or which have become damaged or obsolete.

- 19.2 The Director of Supplies and Services shall have the authority to transfer such surplus stock from one department to another department, or to an area municipality, and shall have the authority to sell or dispose of such surplus stock or to exchange or trade the same for replacement goods.

- 19.3 Where surplus stock is offered to but not required by any Regional department or area municipality, it shall be disposed of by means of public auction or advertised for public tender and sold to the bidder submitting the highest priced bid.

- 19.4 A report shall be submitted annually to Council to advise of the sale or disposition of surplus stock under this section.

4. ANALYSIS AND OPTIONS

The procedures required in the purchasing by-law that the Commissioner of Finance and Treasurer shall report to Council annually on the property disposed of pursuant to Section 19. A summary of obsolete, damaged or surplus property is identified in this report as noted in Table 1.

Table 1

Obsolete, Damaged or Surplus Equipment

January 1, 2006 to December 31, 2006

Description	Department	Method of Disposal	Amount $
March 2006 Decommissioned Buses (3)	Transportation and Works (Transit)	Public Sale Call (Thornhill Salvage Corporation)	$ 5,252.44
Decommissioned Buses (7)	Transportation and Works (Transit)	Public Sale Call (Beeton Truck & Auto Wreckers)	5,248.35
June 2006 Decommissioned Buses (3)	Transportation and Works (Transit)	Public Sale Call (Beeton Truck & Auto Wreckers)	1,640.31
Decommissioned Buses (2)	Transportation and Works (Transit)	Public Sale Call (Canada's Pride)	2,587.50
Decommissioned Buses (12)	Transportation and Works (Transit)	Public Sale Call (Thornhill Salvage Corporation)	16,017.20
Nov. 2006 Decommissioned Buses (1)	Transportation and Works (Transit)	Public Sale Call (Beeton Truck & Auto Wreckers)	541.66

Decommissioned Buses (3)	Transportation and Works (Transit)	Public Sales Call (Tomakjian Inc.)	1,961.00
Dec. 2006 Decommissioned Ambulances (4)	Health Services (EMS)	Public Auction	16,900.00
July 2006 Decommissioned Pickup Trucks (2)	Transportation and Works (Roads)	Public Auction	3,048.50
Total Value of Disposed Goods			**53,196.96**

5. FINANCIAL IMPLICATIONS

Items 1 to 7 – Decommissioned buses were credited to G.L. # 75520-03-3800-80830 (Sale of Equipment).

Item 8 – Decommissioned Ambulances were credited to G.L. #75060-03-5699-54520 (Capital Revenue Account for Sale of Vehicles).

Item 9 – Pickup Trucks were credited to G.L. #75520-04-3900-99910
(Capital Fleet Replacement Account).

6. LOCAL MUNICIPAL IMPACT

There are no local municipal implications associated with this report.

7. CONCLUSION

The Commissioner of Finance and Treasurer has been provided with the authority to dispose of obsolete, damaged or surplus equipment under Purchasing By-law No. #A0353-2004-089.

The Senior Management Group has reviewed this report.