

Report TR-TAPS-58-14

To: Chair Barfoot and Members of the Transportation and Public Safety Committee
From: M.J. Kelly, Director of Transportation Services
Meeting Date: July 24, 2014
Subject: Equipment Disposal
Status: Recommendation adopted as amended per Resolution TAPS94-14; Endorsed by County Council August 5, 2014 per Resolution CC110-14;

Recommendation(s)

THAT Report TR-TAPS-58-14 regarding the disposal of surplus Transportation Services Department equipment be received for information purposes.

Background

When Grey County Transportation Services has equipment that has exceeded its defined useful life or is no longer required, the equipment is disposed of.

When surplus equipment is identified, the County's Purchasing Department utilizes an online auction (GovDeals) to liquidate these assets. This system provides notification to the lower tiers within Grey County that surplus equipment is now available for bid and provides them with the opportunity to submit a bid price for each unit. A minimum price per unit is identified to ensure the County receives a fair price for each piece of equipment. The Transportation Services Department establishes these minimums. If no bids are received at or above the minimum from the lower tier municipalities, this equipment is then offered to the general public for purchase through the auction process on GovDeals.

By disposing of this equipment, it eliminates the need for the mechanics to constantly service the units; inactivity of the equipment also results in more repairs. A more reasonable price will be obtained when newer units are offered.

The following is a list of equipment the Transportation Services Department is planning to dispose in the near future:

- Two Tandems Trucks
- Two Packers
- Vermeer Wood Chipper
- Float Tractor
- Float Trailer
- Live Bottom Trailer

Tandem Trucks

In 2013 the County purchased two tandem trucks and it plans on disposing of the tandem trucks that these units were intended to replace.

Packers

As the County is not completing construction work, packers are no longer required. If there is the occasional need for a packer, a unit can be rented.

Wood Chipper

With the recent purchase of a wood chipper, the County does not require a complement of three wood chippers.

Float Tractor/ Trailer /Live Bottom

With the elimination of in-house construction there is minimal need for this equipment. If there is a need to float equipment the necessary units can be rented.

Financial / Staffing / Legal / Information Technology

Considerations

It is anticipated that the County will receive approximately \$275,000 from the sale of the equipment identified. These funds will provide additional revenue to the 2014 Equipment Capital budget.

By prolonging the sale of this equipment, the estimated compensation may be reduced and the County would need to continue servicing the equipment.

Link to Strategic Goals / Priorities

Strategic Goal 6: Achieving Excellence in Governance and Service

Respectfully submitted by,
TR-TAPS-58-14

M.J. Kelly
Director of Transportation Services