

Report TR-TAPS-75-14

To: Chair Barfoot and Members of the Transportation and Public Safety Committee

From: M.J. Kelly, Director of Transportation Services

Meeting Date: October 23, 2014

Subject: Grader Disposal

Status: Report deferred by Committee per Resolution TAPS122-14 until costing information received on equipping the grader with winter maintenance equipment; Deferral endorsed by County Council per Resolution CC151-14 November 4, 2014; Committee endorsed Addendum to Report TR-TAPS-75-14 on December 18, 2014 per Resolution TAPS08-15; Endorsed by County Council January 6, 2015 per Resolution CC22-15;

Recommendation(s)

THAT Report TR-TAPS-75-14 regarding the disposal of a surplus Transportation Services Department grader 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.

When surplus equipment is identified, Grey 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 Grey 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 County owns a 2007 grader with less than 4,000 hours that has been used exclusively for “in house” construction projects. This grader is too large for shoulder maintenance and is not equipped for winter maintenance. There is no substantial work for the grader; therefore, it is recommended the grader be disposed.

Financial / Staffing / Legal / Information Technology

Considerations

It is anticipated that the County will receive approximately \$120,000 from the sale of the grader. These funds will provide additional revenue for the 2014 Equipment Capital budget.

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

Link to Strategic Goals / Priorities

Strategic Goal 6: Achieving Excellence in Governance and Service

Respectfully submitted by,

M.J. Kelly
Director of Transportation Services