



Subject: Disposal of Town Vehicles
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Department: Operational Services
Date: June 19, 2018

In accordance with the Procedure By-law, any Member of Council may request that this Information Report be placed on an upcoming General Committee or Council meeting agenda for discussion.

Executive Summary

The purpose of this report is to provide Council with information on the disposal of vehicles:

- Interest by community and user groups to purchase surplus Town vehicles
- Administration of vehicle disposal could prove difficult
- Procurement By-law clearly defines protocol for disposal of property
- Town can provide a fair and equitable solution for users groups to purchase vehicles

Background

The Financial Services Department, Procurement Division has had a By-law defining procurement policies and procedures for many years, including a section on the disposal of public property.

By-law Number 6076-18 defines the procurement policies and procedures for the Corporation of the Town of Aurora and was recently updated and approved by Council May 8, 2018.

Analysis

Interest by community and user groups to purchase surplus Town vehicles

There are many user groups within the Town of Aurora and some of these groups require vehicles to support their needs. As many of them are run by volunteers and on limited budgets, the groups are always looking for the best viable and economical options to assist them in delivering service.

Through Council, staff was asked to explore the feasibility of offering up vehicles to user groups when they had been deemed surplus by Fleet Services.

Administration of vehicle disposal could prove difficult

The administration of the disposal of vehicles to users could prove difficult as many factors may come into play and would need extensive consideration.

Staff would need to determine the value of the vehicle based on its age, mileage and condition. Utilizing the industry Black Book value would be most effective. One would also need to define how user groups were selected for the purchase of a vehicle, first come first serve, lottery or petition. For instance, if Fleet Services had two (2) trucks of the same year and model up for disposal and two (2) users looking for vehicles but one (1) of the trucks required mechanical repair, how would we determine which user would get which truck? It would be difficult for the Town to dispose of the vehicles in an equitable manner without appearing to show bias.

There are many other scenarios that could complicate the process, placing staff in a difficult position and users with possible unexpected expenses in repairs.

Procurement By-law clearly defines protocol for disposal of property

By-law Number 6076-18, Part 5: Personal Property, Section 20, Disposal of Personal Property, clearly outlines the methods in which staff are to carry out the disposal of property utilizing the following process:

- (a) The Department Head shall first offer surplus Personal Property to other Departments.
- (b) Should any Personal Property remain available after the provisions of paragraph (a) have been carried out, the Department Head shall dispose

of such items by one of following methods, which method is selected by the Procurement Manager according to the potential for the highest monetary return for the Personal Property and the resources available to engage such a process:

- (i) Sale: A Sale Solicitation shall be issued and advertised on an Electronic Bidding System, daily newspaper, or through the York Purchasing Cooperative. Offers shall be received by facsimile, electronically, or by sealed Bid, as determined by the Procurement Manager;
 - (ii) Public auction: The Procurement Manager shall arrange for the Personal Property to be sold at a public auction, either a digital auction site or a selected reputable live auction establishment. A minimum bid may or may not be set and shall be determined by the Procurement Manager with input from other Town staff as appropriate; or
 - (iii) Sale or return/trade-in to a Vendor: Sale or trade-in of the Personal Property directly to a Vendor or Contractor in the applicable line of business.
- (c) Any Personal Property still available after the provisions of paragraphs (a) and (b) have been carried out shall be disposed of by one of the following methods:
- (i) The Procurement Manager shall notify community and/or non-profit agencies, as applicable, of the Town's intent of disposal and negotiate such disposal with any groups or individuals that indicate interest in a manner that is in the best interest of the Town; or
 - (ii) Any other reasonable manner, including disposal as waste, at the discretion of the Procurement Manager.
- (d) Where an item or a group of similar items has been declared surplus and has a value of less than two hundred dollars (\$200.00), all as determined by the Procurement Manager, the Department Head responsible for such item(s) may dispose of such item(s) in a manner alternative to, and not in

accordance with, the methods set out under paragraphs (a), (b), and (c), at the discretion of the applicable Department Head.

Town can provide a fair and equitable solution for users groups to purchase vehicles

Following the Procurement By-law procedures, staff primarily dispose of vehicles through public auction, utilizing www.govdeals.ca. This process has proven very effective, efficient and fair for both the Town and purchasers. It has optimized the value to the Town, while staying independent of the purchasers.

Staff recommend that we continue to utilize this process and moving forward can provide any interested groups with a link to www.govdeals.ca, that will list all vehicles that the Town has deemed surplus and a timeline for when vehicles will be active on the website for bid.

This would prove to be the most fair and equitable process for all parties involved, as we value the relationships we have developed with our community and user groups.

Advisory Committee Review

None.

Legal Considerations

None.

Financial Implications

Not applicable.

Communications Considerations

There is no external communication required.

Link to Strategic Plan

Option around the disposal of Town-owned vehicles for the Town of Aurora supports the Strategic Plan Goal of **Investing in Sustainable Infrastructure** by maintaining infrastructure to support forecasted population growth through technology, waste management, roads, emergency services and accessibility.

Alternative(s) to the Recommendation

Not applicable.

Conclusions

That staff continue to follow the procedures defined in the Bylaw Number 6076-18 for the disposal of public property and extend information to interested community or user groups regarding the website, surplus vehicles to be posted for bid and timelines.

Attachments

None.

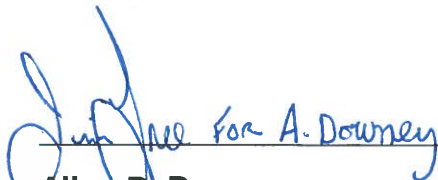
Previous Reports

None.

Pre-submission Review

Agenda Management Team review on May 31, 2018

Departmental Approval



Allan D. Downey
Director
Operational Services

Approved for Agenda



Doug Nadorozny
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