

## **Disposal of Surplus and Obsolete Goods, Property**

### **Purpose:**

To define and describe the steps to be taken by Algoma District Services Administration Board to dispose of surplus and obsolete goods and property. (Real estate/property not included in this policy)

### **General:**

1. Subject to # 2, any equipment or materials belonging to the Algoma District Services Administration Board declared surplus by the CAO/Director/Manager shall be disposed of only by means of yard sale, auction, tender or quotation. A list of these surplus goods will first be distributed to participating Municipalities who would be required to respond by a predetermined date to purchase any items on this list.
2. If it is determined that a higher return, net of disposal costs, can be achieved by sale of obsolete or surplus equipment to the original vendor or vendors in that line of business, the Director of Operations shall sell such goods at the highest return after first obtaining the approval of the CAO.
3. Where it is deemed appropriate by the CAO/Director/Manager, a reserve price may be established and in the case of disposal by tender, published and disclosed, and the case of auction or quotation shall be used as an internal estimate and not disclosed.
4. The disposal of all property belonging to the Algoma District Services Administration Board shall only be made through the Director of Operations with the approval of the CAO.
5. It shall be the responsibility of each unit to make known in writing to the Support Services Manager any surplus or obsolete equipment which require to be disposed of.
6. A request to all units to provide a listing of surplus or obsolete goods does not:
  - a) ensure that the goods will be sold by auction (if a more advantageous method would be more appropriate)

- b) ensure that the goods will not be sold to another public agency at perhaps a lesser than market value
- c) ensure that goods, once inspected, may be considered unsuitable because of condition and therefore disposed of by garbage pick up ( exception- salvageable goods or bonafide scrap)

**Procedure: (after offering to participating Municipalities as per General # 1 above)**

### **Disposal of Surplus and Obsolete Goods and Property by Yard Sale**

**(for situations where the value of goods and property and the anticipated revenue is nominal)**

1. The Support Services Manager shall determine and affix a fair and reasonable price for the surplus and obsolete goods and property.
2. Determine a date and time of yard sale. (Location will be at the Algoma District Services Administration Board head office in Thessalon unless otherwise agreed upon by the CAO.
3. Prepare advertising for circulation- ie) newspaper, posters, other municipalities, etc.
4. Prepare yard sale site and arrange for items to be displayed.

#### **Day of Yard Sale:**

1. Ensure there are staff to handle sale.
2. Check layout and do final preparations.

### **Disposal of Surplus and Obsolete Goods and Property by Auction**

#### **Before the Auction:**

1. Circulate a memo to all units requesting a listing of all surplus goods and property.
2. Prepare request for quotation for auctioneering services.
3. Determine Auctioneer and terms of agreement
4. Determine date, time and site for auction

5. Prepare advertising for circulation ie) newspapers, radio and television, other municipalities, etc
6. Prepare auction site and arrange for items to be delivered to auction sale
7. Obtain operating conditions lists on equipment
8. Ensure final auction list is ready to be handed out to the general public. (Note: list should be prepared by Auctioneer)
9. Ensure adequate Liability Insurance (public and property) on auction date.

### **Day of Auction**

1. Ensure there are staff to record bids
2. Check general layout and do final preparations
3. Ensure auctioneer conducts sale in accordance with the terms of agreement.

### **Disposal of Surplus and Obsolete Goods and Property by Tender**

**(For situations where the anticipated revenue is in excess of \$ 10,000)**

1. The disposal of surplus and obsolete goods and property by public tender shall be through the Director of Operations and generally follows the regular tendering procedures for the purchase of goods and services. The award will be to the highest acceptable bidder and will be approved by the CAO.

### **D. Disposal of Surplus and Obsolete Goods and Property by Quotation**

(For situations where the anticipated revenue is less

than \$ 10,000)

1. The disposal of surplus and obsolete goods and property by quotation shall be through the Director of Operations and will generally follow the regular quotation procedures for the purchase of goods and services. The award shall be made to the highest acceptable bidder.

### **E. Loan of Goods and Materials**

The Board recognizes that the members of the Board and the members of the Management Group will need some support in performing their roles outside of the Board's offices. The Board will provide, on a loan basis, surplus office equipment such as chairs, desks, computer related supports and other supports as they are available.

Any identified surplus equipment will be listed and Board members will be advised. The Support Services Manager will retain a master list of all loaned equipment and ensure an equipment load agreement has been signed. When a Board Member ceases to be a Board member, the loaned equipment must be returned to the Board. When a member of the Management Group ceases to be a member of that group, the loaned equipment must be returned to the Board.