

Disposal of Surplus Materials Policy



Section	Date	By-Law Number	Page	Of
Administration & Finance	April 16, 2024	45-2024	1	3
Subsection	Repeals By-Law Number		POLICY NO.	
Disposal of Materials	N/A		AF-3-1	

Policy Statement

This policy is intended to be a guide as to how the City repurposes or disposes of surplus material, equipment or parts including capitalized equipment.

Purpose

The purpose of this Policy is to ensure the City is continually maximizing investments and use of storage areas.

Definitions

1. *Branch*
Shall be defined as a business or service unit, led by a Manager or Supervisor. Examples of Branches are Roads, Underground Services or Solid Waste, etc.

2. *Excess Materials and Equipment*
Shall be defined as material, equipment, or parts including capitalized equipment which have reached end of life for a particular Branch, or no longer apply to a particular Branch's services, but, in the opinion of the item's current Manager or Supervisor, could still be put to use in another City of Kenora Branch.

3. *Surplus Materials and Equipment*
Shall be defined as material, equipment, or parts including capitalized equipment, which have reached end of life for the City of Kenora, or no longer apply to the City of Kenora's services, but are still in usable condition, as determined by the Branch Manager or Supervisor in consultation with their relevant Director (and/or General Manager).

4. *Obsolete Materials and Equipment*
Shall be defined as material, equipment, or parts, which are no longer useable in the service for which they were purchased, and which cannot be

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utilized safely or economically or for any other purpose, as determined by the Branch Manager or Supervisor.

Repurposing and Disposal

The Fleet Manager shall establish a central electronic filing location for records of Excess, Surplus or Obsolete Materials and Equipment. The location shall be shared with all City Branch Managers or Supervisors.

The Fleet Manager shall establish a fillable electronic template for the recording of items that are deemed Excess, Surplus or Obsolete Materials and Equipment. The template shall include the name of the item, a description of the item, a photograph of the item, the condition of the item and an approximate value.

Each Branch Manager or Supervisor (or their designee) shall, no later than June 1st of each year, review equipment, material and parts within their Branch to determine those items that are deemed Excess, Surplus or Obsolete. The Manager or Supervisor (or their designee) shall record each item onto an individual electronic template and shall save the record of each item to the electronic filing location.

Following June 1st of each year, the Fleet Manager or their designee shall then:

1. prepare a consolidated listing of the items deemed as Excess Materials and Equipment and distribute to all Branch Managers or Supervisors by June 20th. Managers or Supervisors can then lay claim to any items that they deem can be utilized within their department no later than June 30th. The claiming Branch shall be responsible for collecting the claimed items, with support from the Facilities Branch as needed. Items not claimed shall then be deemed Surplus Materials and Equipment.
2. Following the claiming of Excess Materials and Equipment, sell the items deemed as Surplus Materials and Equipment by either:
 - a. Public Online Auction or Vendor Trade-in (for light/medium/heavy fleet and trailers).
 - Items shall be posted for sale on a Public Online Auction. A listing of the items posted for Public Online Action shall be advertised in the City of Kenora by way of Municipal Memo and social media Posting. The listing shall provide the searchable listing number for all items in the Public Online Auction.

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- Simultaneously, the items may be offered for Trade-in to vendors supplying upcoming new City Equipment or Materials.
- The decision to sell shall be based on which method above yields the highest net value received by the City.

b. Community Auction (for all other items)

The community auction shall take place on a July/August Saturday morning, from 9am to 12pm, or as determined by the Fleet Supervisor, and shall be undertaken in the following manner:

- The event shall be advertised for a period of two weeks under a Municipal Memo and social media posting(s).
- All items listed with a value of \$100.00 or less shall be sold on a cash and carry basis. To the limits (if any) instructed by the Fleet Manager or their designate, the staff working the auction shall have the ability to accept negotiated price reductions presented by potential buyers.
- Those items having a value greater than \$100.00 shall be sold by way of sealed-bid auction. Bidders shall submit their contact information and maximum purchase price for an item into the sealed box for the item. All sealed boxes shall be opened following the auction and successful bidders shall be contacted. Any items not paid for and collected by a successful bidder within 1 week of being contacted shall be offered for sale to the next highest bidder. Items not collected by 2 bidders may, at the discretion of the Fleet Supervisor, be either posted for sale on the Public Online Auction or deemed as Obsolete Materials and Equipment.
- The proceeds of the community auction shall be distributed as follows:
 - First, offset all associated expenditures attributed to the disposal of surplus/obsolete items.
 - Then, all funds returned to the reserve account for the applicable Branch from which the item originated.

3. The Fleet and Solid Waste Managers shall then facilitate the disposal of all Obsolete Materials and Equipment.

All surplus/obsolete materials, equipment and parts remain the property of the City of Kenora and shall only be disposed of as per the conditions as set out in this policy.