



Rural Municipality of Corman Park No. 344 Policy

Policy # FI-008

Policy Title: Disposal of Equipment

Policy Objective:

To define the methods by which used equipment is disposed of.
To demonstrate accountability, responsibility and transparency of Council to ratepayers.
To be fair and equitable to all parties involved.

Authority: (Bylaw#, Resolution date/#)

Council Resolution #53, October 19, 2015

Policy:

The following principles shall be taken into consideration regarding disposal of equipment:

1. Encouragement of open and effective competition.
2. Obtaining value for money including consideration of the following:
 - a. the contribution to Council's long term financial plan and strategic management plans;
 - b. any relevant direct and indirect benefits to Council, both tangible and intangible;
 - c. efficiency and effectiveness;
 - d. the costs of various disposal methods;
 - e. internal administration costs;
 - f. risk exposure; and
 - g. the value of any associated environmental benefits.
3. Ethical behaviour and fair dealing.
4. Probity, Accountability, Transparency and Reporting

Considerations Prior to Disposal of Equipment:

Any decision to dispose of equipment will be made after considering (where applicable):

1. the usefulness of the equipment;
2. the current market value of the equipment;
3. the annual cost of maintenance;
4. any alternative future use of the equipment;
5. the remaining useful life of the equipment.



Method of Disposal:

1. The Municipality will, where appropriate, dispose of equipment through one of the following methods:
 - a. trade-in – trading in equipment to suppliers;
 - b. open tender – openly seeking bids through tenders;
 - c. public auction – advertisement for auction through the local paper or procuring the services of an auctioneer.
2. Selection of a suitable method will include consideration of (where appropriate):
 - a. Legislative Requirements;
 - b. the public demand and interest in the equipment;
 - c. the method most likely to return the highest revenue;
 - d. the value of the equipment;
 - e. the cost of the disposal method compared to the expected returns.
3. Elected Members and employees of the Municipality will not be permitted to purchase equipment unless the purchase is via an open tender process or a public auction, and the tender submitted or bid made is the highest.
4. Purchasers of equipment must be required to agree in writing that before purchasing any equipment that no warranty is given by the Municipality in respect of the suitability and condition of the equipment for the purchaser and that the Municipality will not be responsible for the equipment in any respect following the sale. Equipment is sold as is, where is and with no representations or warranties.

Thresholds:

The R.M. is bound to follow the New West Partnership Trade Agreement (NWPTA) and that the procurement rules be applied to the sale of used equipment according to the New West Partnership (NWP) guidelines whereby:

"NWP facilitates procurement by municipalities, school boards, health regions and publicly-funded post-secondary institutions, as well as corporations or entities owned or controlled by one of the preceding. It requires open and non-discriminatory procurement where the anticipated costs are at or above the following thresholds:

- \$75,000 or greater for goods
- \$75,000 or greater for services
- \$200,000 or greater for construction"