



Date: 09/09/2020

To: Chair and Directors, Cariboo Regional District Board

And To: John MacLean, Chief Administrative Officer

From: Kevin Erickson, Chief Financial Officer

Date of Meeting: Cariboo Regional District Board_Oct2_2020

File: 340-50

Short Summary:

Procedure for Disposal of Fire Apparatus Replaced Due to Age

Voting:

Corporate Vote - Unweighted

Memorandum:

In the very near future, the Cariboo Regional District will replace a significant number of fire apparatus that have reached their maximum years of service. In talks with the Manager of Protective Services and the Manager of Procurement it is felt that disposal of these assets is the best course of action.

The current policy for disposal of assets is:

Where an asset has been identified for disposal, the function Manager responsible shall notify the Treasurer with the following information:

- Description of assets to be disposed of
- Normal location of asset
- Current location of asset
- Estimated value of asset
- Whether asset will be replaced

The Treasurer or designate will determine the method of disposal and ensure the highest rate of return to the District. Prior to external sale of assets, other functions within the Cariboo Regional District will be canvassed to ascertain if the assets can be utilized.

Assets not utilized elsewhere within the Cariboo Regional District valued in excess of \$500.00 must be made available for sale to the public by way of public notice, prior to disposal.

As the older apparatus are superfluous to the departments being able to perform their function, it has been determined that the best course of action is to dispose of the used equipment. Retaining the apparatus only imposes increased costs on the departments from

increased insurance, repairs and maintenance costs. Through their sale they can contribute something back to the service they came from.

To avoid any confusion, staff thought it important to make the Board aware of the procedure they intend to use in disposing of these assets.

First, as these assets are all past their age of service as a primary apparatus the determination has been made that they are of no use to other CRD services and should therefore be made available for public.

A first offer to the public will be made through Kijiji and Craigslist. If at the end of two weeks there have been no offers, the ads will be removed.

Following the removal of the ads, the Manager of Procurement will identify the most convenient equipment auction (i.e., Ritchie Brothers, Able Auctions) and arrange for the unit to be on the auction block.

Attachments:

None

Financial Implications:

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Policy Implications:

The procedure put forward is in conformity with the Disposal of Assets Policy. Furthermore, the procedures for disposal seek to attain maximum return on the assets disposition while limiting the holding costs experienced from retaining and maintaining an older asset.

Alignment with Strategic Plan:

- ☐ **Communication:** Facilitate communication strategies throughout the entire Cariboo Regional District that meet the needs of residents, community stakeholders, and other levels of government.
- ☐ **Planning:** Intentionally plan services and activities of the CRD to prepare for future needs of residents and community stakeholders.
- ☐ **Economic Sustainability:** Foster an environment to ensure the economic sustainability of CRD communities and the region.
- ☒ **Governance:** Ensure that CRD governance policy and practices are intentional, transparent, and respectful.

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CAO Comments:

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Options:

Receipt

Recommendation:

That the agenda item summary from Kevin Erickson, Chief Financial Officer, dated September 9th, 2020, regarding the procedure to dispose fire apparatus that is replaced due to age, be received.