

**Manitoulin-Sudbury District Services Board
POLICY & PROCEDURES MANUAL**

Section: B. General Administration	Effective Date: July 1, 2010
Topic: 3. Finance	Replaces: Sept 26, 2002
Subject: 3.10. Disposal of Vehicles	
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POLICY

To ensure that the maximum utilization/value is received from a vehicle that is no longer required by the DSB, the following disposal procedure will be followed. Any net funding received from the disposal process will be applied to the program area in which the vehicle came from.

Ambulances will be made available to Emergency First Response Teams (EFRT) **at no cost** on the condition that the vehicles are in acceptable working order and that the new location can guarantee appropriate heated indoor storage.

PROCEDURE

*** For the purposes of this procedure, "member municipalities" will include Local Services Boards and Local Roads Boards within our jurisdiction.*

1. Program Manager, in conjunction with the CAO, will declare the vehicle surplus for their program area.
2. Program Manager will notify all DSB departments of the availability of the vehicle in question, along with the following information.
 - a. Year, type and mileage of vehicle
 - b. General condition of vehicle
 - c. Expected/anticipated repairs that may be required
 - d. Time frame in which they have to make a decision (generally one week)
 - e. That the DSB department will cease to be responsible for all future costs associated with the vehicle when it becomes another Department's vehicle.
3. If another DSB program wants the vehicle then complete responsibility for the vehicle will be passed to them. This includes transfers to any EFRT teams.
4. Preference will be given to assigning the vehicle to another in house department before it is made available to any external third party.
5. Program Manager, in conjunction with the Finance Manager will try and obtain a minimum of 2 quotes for selling the unit to a commercial buyer, with the highest of these being used as the "reserve amount".
6. DSB Finance Manager will notify all member municipalities of the availability of this vehicle through a closed tender reserve bid process, once it has not been assigned elsewhere within the DSB.
7. As part of this tender process, Member municipalities will be provided the following information.
 - a. Year, type and mileage of vehicle

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- b. General condition of vehicle
 - c. Date/time/location that they can view the vehicle.
 - d. Notification that the vehicle is being tendered/sold in an “unfit” condition, as is/where is, and that no warranty of any kind is provided.
 - e. Tender particulars such as closing date (two weeks from notification date), that there is a reserve bid amount, format of a bid submission, who to submit response to, along with the time period in which they will have to take possession of the vehicle if their bid is accepted.
8. After the tender closing date/time and if a member municipality, or municipalities, respond to the closed tender reserve bid process.
 - a. Accept bid that represents the highest dollar value that is equal to or above the reserve amount.
 - b. Notify all bidders of the successful municipality
 - c. In the case where there is no successful bidder based on the above and a municipality has made a bid that does not meet the reserve bid, the matter will be referred to the Board for consideration along with a letter from the municipality explaining their rationale for the bid.
 - d. Complete transaction with the successful municipality, ensuring that complete ownership of the vehicle is passed onto them.
9. If no municipal bid is equal to the reserve amount, Senior Management will determine if the reserve amount is to be accepted or if there is probability of obtaining a higher amount by way of a public tender. If there is a deemed merit in pursuing a public tender, the Reserved Bid tender process will be repeated and the vehicle’s availability advertised in the media.
10. DSB Finance Manager will place a newspaper ad notifying the public of the vehicle’s availability by way of a public tender. The ad will provide the following information.
 - a. Year, type and mileage of vehicle
 - b. Date/time/location that they can view the vehicle
 - c. Specify that only successful party will be notified
 - d. Specify that the highest bidder may not necessarily be the successful bidder
 - e. Notification that the vehicle is being tendered/sold in an “unfit” condition, as is/where is, and that no warranty of any kind is provided
 - f. Tender particulars such as closing date (two weeks from notification date), that there is a reserve bid amount, format of a bid submission, who to submit response to, along with the time period in which they will have to take possession of the vehicle if their bid is accepted.

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11. After the tender closing date/time and if we have a response(s) to the public tender process.
 - a. Accept bid that represents the highest dollar value that is equal to or above the reserve amount.
 - b. Notify successful party
 - c. Complete transaction with the successful party, ensuring that complete ownership of the vehicle is passed onto them.
12. Sell unit to highest of the two commercial quotes as identified earlier in step 4 of this process.
13. The Board reserves the right to accept any bid, and at any point, from a volunteer, charitable, or educational organization, where the Board deems, by resolution, that so doing would be a benefit to our jurisdiction's residents.
14. If all other efforts to dispose of the vehicle are unsuccessful, ads may be placed in an appropriate publication.

ADDITIONAL INFORMATION

1. If there are no commercial buyer quotes available or obtainable, the reserve bid will be estimated by Senior Management on the basis of previous sales and information available from other Service Managers and the automotive industry at large.
2. Emergency vehicles slated for resale or salvage will have any identifying markings and all emergency warning systems removed prior to sale.

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