

# Municipality of East Ferris

## Report to Council

Report No.: R-2021-07

Date: August 10, 2021

Originator: Antoine C. Boucher, Municipal Engineer

Subject: Declaration of Surplus Equipment and Sale - 2000 John Deere 310 SE Backhoe

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### RECOMMENDATION

1. THAT Council for the Corporation of the Municipality of East Ferris declare the 2000 John Deere 310 SE backhoe as surplus equipment;
  2. AND THAT Council authorize staff to dispose of the surplus equipment as follows:
    - a) Auction via GovDeals on-line auction service with a seller's commission of 7.5% and a buyer's premium of 5%, and a minimum asking price of \$8,000.
    - b) If the initial auction is not successful, re-post the auction with a lower asking price.
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### BACKGROUND

The 2000 John Deere 310 SE backhoe was replaced by the 2014 John Deere 524K loader purchased in 2021. The backhoe is being decommissioned due to its age as it is past its useful life.

Prior to disposal, the vehicle will be stripped of the radio, GPS, and other articles that should remain in the possession of the Municipality.

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### DECLARATION OF SURPLUS

The backhoe should be declared surplus as we have purchased a used loader to replace this unit and we no longer have any use for the backhoe.

Over the past few years, we have disposed of surplus equipment using GovDeals. GovDeals is an online auction service for disposing of surplus assets.

The recommended disposal option is to post the backhoe on GovDeals and sell the equipment to the highest bidder. The program sets a seller's commission of 7.5% (municipal cost netted against proceeds of sale), and a 5% buyer's premium (added to the sale and charged to the buyer).

A minimum reserve of \$ 8,000 will be set indicating that the Municipality expects to receive a minimum bid for this item. In the event that the minimum reserve is not obtained, the auction may be re-posted with a different reserve value and the process can be re-initiated.

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**RECOMMENDATION**

That Council declares the 2000 John Deere 310 SE backhoe as surplus equipment and authorize staff to dispose of the surplus equipment as follows:

- a) Auction via GovDeals on-line auction service with a seller's commission of 7.5% and a buyer's premium of 5%, and a minimum asking price of \$8,000.
- b) If the initial auction is not successful, re-post the auction with a lower asking price.

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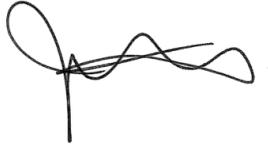
Respectfully Submitted,



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Antoine C. Boucher, P. Eng.  
Municipal Engineer

I concur with this report and recommendation.



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Jason H. Trottier, BBA, CPA, CMA  
CAO/Treasurer