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Item No. 11.1.2
Halifax Regional Council
April 14, 2015

TO: Mayor Savage and Members of Halifax Regional Council

Original signed by 

SUBMITTED BY:

Richard Butts, Chief Administrative Officer

Original Signed

Brad Anguish, Acting Deputy Chief Administrative Officer

DATE: March 31, 2015

SUBJECT: **Donation of Surplus Access-A-Bus Buses**

ORIGIN

Item 14.1 of the August 5, 2014 meeting of Council, Council requested a staff report on developing a process for donating buses, as they become surplus to Halifax Transit Fleet, to support non-profit transit systems in other municipalities and of N.S. and local community transit services at no additional cost or obligation to the Halifax Regional Municipality.

An information report dated December 9, 2014 described the processes and procedures for the disposal and donation of surplus assets focussed on transit buses including Access-A-Bus buses.

Strait Area Transit has made a request to HRM for donation of five end of life Access-A Bus buses.

LEGISLATIVE AUTHORITY

HRM's policy on the donation of Surplus Assets is contained in HRM Administrative Order # 35, the Procurement Policy, Section 13 (4) which states:

The disposal of surplus assets without competition to any not-for-profit corporation, association, or entity or any Municipality, Crown Corporation School Board, or any level of government shall be awarded by Halifax Regional Council.

This report complies with the above mentioned policy.

RECOMMENDATION

It is recommended that Halifax Regional Council approve the donation of two Access-A-Bus buses to Strait Area Transit.

BACKGROUND

Strait Area Transit is a non-profit, community based transit system providing transit services to the residents of the Strait Area. This organization has requested the donation of five Access-A-Bus buses in support of their operations.

HRM is in the position to only provide two buses. Of four buses originally planned for replacement in fiscal year 14/15 only two are potentially roadworthy.

DISCUSSION

The two Access-A-Bus buses are at end of life after eight years, and while more costly to maintain and operate for HRM, they still have some use for smaller jurisdictions that are trying to defer a large capital outlay for new buses. The buses require considerable maintenance prior to being put in service. The Strait Area would assume all costs of making the buses roadworthy.

In donating these buses, the Strait Area Transit would be accepting the buses “as is, where is” with no risk to the municipality with transfer of ownership.

FINANCIAL IMPLICATIONS

Although the buses are fully depreciated, the estimated market value in current condition as serviceable buses requiring maintenance is approximately \$2000 each, for a total of \$4,000. HRM would forego this amount with a donation of the Access-A-Bus buses to Strait Area Transit.

ENVIRONMENTAL IMPLICATIONS

Donating these buses will extend their life for several years and provide increased public transit support to the Strait Area.

ALTERNATIVES

Council could direct staff to sell the Access-A-Bus buses as serviceable buses requiring maintenance via public auction, however, there is no guarantee that the municipality would realize the estimated market value as a result. Proceeds from the sale of surplus vehicles are directed to a General Reserve.

ATTACHMENTS

None

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

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