



Report No: 14-281
Meeting Date: November 12, 2014

Alameda-Contra Costa Transit District

STAFF REPORT

TO: Finance and Audit Committee
AC Transit Board of Directors

FROM: David J. Armijo, General Manager

SUBJECT: Fiscal Year 2014 – 2015 First Quarter Surplus and Obsolete Materials Report.

BRIEFING ITEM

RECOMMENDED ACTION(S):

Consider Receiving the FY 2014 – 2015 First Quarter Surplus and Obsolete Materials Report.

EXECUTIVE SUMMARY:

During the First Quarter of Fiscal Year 2014 – 2015, the District sold a total of 56 buses for a net return of \$96,500.00. The buses identified in Staff Report 14-027 and 14-080 had surpassed their useful life expectancy for the District's needs.

The buses purchased with federal funds have met or exceeded the Federal Transit Administration (FTA) lifecycle usage obligation of 12 years or 500,000 miles. The Van Hool buses were not purchased with Federal funds and are not required to meet FTA requirements for disposal. All buses were sold in compliance with District Board Policy 356.

BUDGETARY/FISCAL IMPACT:

The net return in the amount of \$96,500.00 for the sale of obsolete vehicles listed in Staff Report 14-080 and 14-027 was applied to the District's General Fund.

BACKGROUND/RATIONALE:

During the First Quarter of Fiscal Year 2014 – 2015, the District sold a total of 56 buses for a net return of \$96,500.00. In accordance with District Board Policy 356, on a quarterly basis the Materials department is required to report the sales of obsolete and surplus parts and equipment. Additionally, the Board of Directors has requested a quarterly report on obsolete and surplus sales.

The buses identified in Staff Reports 14-027 and 14-080 had surpassed their useful life expectancy, had a zero net book value, and have met all FTA requirements for disposal. The buses were sold for fair market value at the time of sale by means most advantageous to the District.

Qty.	Year	Model
2	1996	New Flyer 60 foot Articulated
6	2004	Van Hool 60 foot Articulated
1	1998	NABI 40 foot Second Series
3	1999	NABI 40 foot NABI Third Series
14	1999	NABI 40 foot Low Floor
30	2000	MCI 45 foot Suburban

ADVANTAGES/DISADVANTAGES:

This report does not recommend a course of action with notable advantages or disadvantages.

ALTERNATIVES ANALYSIS:

Staff found no practical alternatives to the course of action recommended in this report.

PRIOR RELEVANT BOARD ACTIONS/POLICIES:

SR 14-080: Equipment Disposal of Buses Based Upon Cost and Performance

SR 14-027: Equipment Disposal

Board Policy 356: Disposition of surplus equipment, supplies, and other tangible personal property of the District.

ATTACHMENTS:

There are no attachments for this report.

Executive Staff Approval: James D. Pachan, Interim Chief Financial Officer

Reviewed by: Denise C. Standridge, General Counsel
Jon Medwin, Procurement and Materials Director

Prepared by: Fred Walls, Acting Materials Superintendent