



Los Angeles County
Metropolitan
Transportation
Authority

One Gateway Plaza
Los Angeles, CA
90012

213.922.6000

January 18, 2000

TO: BOARD OF DIRECTORS

FROM: THOMAS K. CONNER *Thomas Conner*
EXECUTIVE OFFICER, TRANSIT OPERATIONS

SUBJECT: DISPOSAL OF 60 SURPLUS/OBSOLETE BUSES

ISSUE

As previously reported to you on January 3, 2000 the sale of obsolete buses in November 1999 generated \$ 23, 667.50 of revenue. In addition, the MTA sold 60 obsolete buses in September 1999 which generated \$27,605.00 of revenue via auction. Disposal of obsolete buses which are excessively costly to maintain or have mechanical/structural issues which are non-economic to repair allows the MTA to avoid excessive maintenance costs, clears needed storage areas and reduces potential safety hazards.

BACKGROUND

The FTA permits the sale or disposal of coaches when the vehicles reach 500,000 life miles or 12 years of age. MTA 's Bus Fleet Management Plan calls for the sale of 50 buses per month in order to upgrade the bus fleet to a condition that is safe and reliable by removing obsolete, non-economic coaches from service. The 60 buses were sold because they exceeded the age and service criteria for replacement and have experienced excessive life cycle costs for maintenance. These same buses were evaluated, prior to sale and were found to have major defects; i.e., costly underbody structural damage and are in need of drive train repair and wheelchair replacement. Refurbishing these vehicles would have cost between \$30,000 and \$60,000 each to repair which far exceeds the value of the coach.

DISCUSSION

Disposal of the surplus/obsolete buses will result in increased revenue to the MTA and is consistent with established MTA policy regarding asset disposal. As of September 1999, the MTA has approximately 825 coaches that qualify for replacement in concert with FTA policy and the Accelerated Bus Procurement Plan. The 60 coaches involved in this sale were not needed nor are they suitable to meet the recent court order to expand Consent Decree service.

Attachment 1: Active Fleet Records.

Prepared by: Michael Singer
Manager, Fleet Management

METROPOLITAN TRANSPORTATION AUTHORITY

OFFICE OF PROCUREMENT

SALE ORDER

SALE ORDER

October 5, 19 99

NO. 6717

TREASURER

P.O. _____

THE FOLLOWING DESCRIBED MATERIAL WAS SOLD TO:

RESALE# _____

NAME The Nationwide Companies

BID# _____

ADDRESS 13005 E. Temple Avenue

CONTRACT# _____

City of Industry, CA 91746

BOARD APPROVAL _____

FTAAPPROVAL _____

Prepaid Freight

Collect Freight

Sale of 60 Surplus Buses

Auction was conducted by the Nationwide Auction Systems on September 18, 1999.

Total Proceeds =	\$37,900.00
Less 5% Commission =	1,895.00
Less Towing Charges	
(\$140.00 per bus) =	<u>8,400.00</u>
NET REVENUE =	\$27,605.00

See attached list.

CREDIT ACCOUNT

40799/7050

FTA GRANT #

MTA FUNDED

[Handwritten Signature]

DIRECTOR, PROCUREMENT

IF TO BE BILLED,
CHECK HERE

ORIGINAL
IF COLLECTED, CHECK HERE:
Show date forwarded to Cashier:

CASH CHECK 0841

PLEASE — NOTIFY DIRECTOR OF PROCUREMENT IF THIS BILL REMAINS UNPAID FOR 30 DAYS AFTER ORIGINAL BILLING.

SALE DATE: 9/18/99
 CONSIGNOR NUMBER: 576
 LA CO METROPOLITAN TRANSPORTATION
 ONE GATEWAY PLAZA 12 FLOOR
 LOS ANGELES CA 90012

DH
 REPORT DATE: 9/28/99

LOT	MAKE	SERIAL NUMBER	UNIT NUMBER	LICENSE	T-T	PROCEEDS	COMMISSION	TRANS	DELOGO	DETAIL	SMOG	MISC.
B239	GMC	1G0YT82J1BV810755			IN	\$700.00	\$35.00	\$140.00	\$0.00	\$0.00	\$0.00	\$0.00
B240	GMC	1G0YT82J1BV811629			IN	\$1000.00	\$50.00	\$140.00	\$0.00	\$0.00	\$0.00	\$0.00
B241	GMC	1G0YT82J8BV810848			IN	\$700.00	\$35.00	\$140.00	\$0.00	\$0.00	\$0.00	\$0.00
B242	GMC	1G0YT82J2BV810912			IN	\$700.00	\$35.00	\$140.00	\$0.00	\$0.00	\$0.00	\$0.00
B243	GMC	1G0YT82J8BV810879			IN	\$700.00	\$35.00	\$140.00	\$0.00	\$0.00	\$0.00	\$0.00
B244	GMC	1G0YT82J7BV811439			IN	\$100.00	\$5.00	\$140.00	\$0.00	\$0.00	\$0.00	\$0.00
B245	GMC	1G0YT82JXBV810804			IN	\$700.00	\$35.00	\$140.00	\$0.00	\$0.00	\$0.00	\$0.00
B246	GMC	1G0YT82J5BV811309			IN	\$700.00	\$35.00	\$140.00	\$0.00	\$0.00	\$0.00	\$0.00
B247	GMC	1G0YT82J6BV811562			IN	\$700.00	\$35.00	\$140.00	\$0.00	\$0.00	\$0.00	\$0.00
B248	GMC	1G0YT82J4BV811110			IN	\$800.00	\$40.00	\$140.00	\$0.00	\$0.00	\$0.00	\$0.00
B249	GMC	1G0YT82J9BV810891			IN	\$300.00	\$15.00	\$140.00	\$0.00	\$0.00	\$0.00	\$0.00
B250	GMC	1N9TAS2A5EL013229			IN	\$700.00	\$35.00	\$140.00	\$0.00	\$0.00	\$0.00	\$0.00
B251	GMC	1G0YT82J3BV810935			IN	\$300.00	\$15.00	\$140.00	\$0.00	\$0.00	\$0.00	\$0.00
B252	GMC	1G0YT82J3BV811194			IN	\$300.00	\$15.00	\$140.00	\$0.00	\$0.00	\$0.00	\$0.00
B253	GMC	1G0YT82J9BV811247			IN	\$100.00	\$5.00	\$140.00	\$0.00	\$0.00	\$0.00	\$0.00
B254	GMC	1G0YT82J7BV811280			IN	\$700.00	\$35.00	\$140.00	\$0.00	\$0.00	\$0.00	\$0.00
B255	GMC	1G0YT86J8EV822321			IN	\$1300.00	\$65.00	\$140.00	\$0.00	\$0.00	\$0.00	\$0.00
B256	GMC	1G0YT82J9BV810714			IN	\$100.00	\$5.00	\$140.00	\$0.00	\$0.00	\$0.00	\$0.00
B276	GMC	1G0YT82J8BV810820			IN	\$700.00	\$35.00	\$140.00	\$0.00	\$0.00	\$0.00	\$0.00
B277	GMC	1G0YT82J3BV810899			IN	\$500.00	\$25.00	\$140.00	\$0.00	\$0.00	\$0.00	\$0.00
B279	GMC	1G0YT82J4BV810880			IN	\$700.00	\$35.00	\$140.00	\$0.00	\$0.00	\$0.00	\$0.00

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\$8400.00	\$0.00	\$0.00	\$0.00	\$0.00
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<u>TOTAL PROCEEDS</u>	<u>COMMISSION</u>	<u>TOTAL CHARGES</u>
\$37900.00	\$1895.00	\$8400.00
<u>CONSIGNOR NET</u>		
\$27605.00		