



March 15, 2000

Metropolitan
Transportation
Authority

One Gateway Plaza
Los Angeles, CA
90012-2932

(213) 922-2000

TO: BOARD OF DIRECTORS
FROM: THOMAS K. CONNER *Thomas Conner*
EXECUTIVE OFFICER, TRANSIT OPERATIONS
SUBJECT: DISPOSAL OF 54 SURPLUS/OBSOLETE BUSES

ISSUE

The sale of 54 obsolete buses last January and February 2000 generated \$58,710 of revenue via auction and informal bid. 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 buses 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 buses from service. The 54 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 January 2000, the MTA has approximately 945 buses that qualify for replacement in concert with FTA policy and the Accelerated Bus Procurement Plan. The 54 buses 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



**INTEROFFICE
MEMO**

Los Angeles County
Metropolitan
Transportation
Authority

DATE: March 6, 2000
TO: Distribution
FROM: Tej Kharbanda *TK*
SUBJECT: Active Fleet Records

The MTA has completed the disposal by auction of 46 each surplus/salvage coaches and sale of eight (8) coaches by informal bids. (See attached list).

Please delete these coaches from the active fleet list and place them in the disposed historical category, effective February 5, 2000, which was the date of the sale.

If further information is required, you may contact me at extension 2-7079.

cc: R. Bachman
L. Hill
C. Lee
G. Lowe
A. Marshall
H. Rojas
H. Saulter
M. Singer
I. Thatcher
C. Touchstone

LOS ANGELES COUNTY
METROPOLITAN TRANSPORTATION AUTHORITY

OFFICE OF PROCUREMENT

SALE ORDER

SALE ORDER

March 3, 2000

NO. 6788

TREASURER _____

P.O. _____

THE FOLLOWING DESCRIBED MATERIAL WAS SOLD TO:

RESALE # _____

NAME General Auction Co.

BID # _____

ADDRESS 13804 Shoemaker Ave.

CONTRACT # _____

Norwalk, CA 90650

BOARD APPROVAL _____

FTA APPROVAL _____

Prepaid Freight

Collect Freight

Sale of 46 Surplus Buses

Auction was conducted by the General Auction Co. on February 5, 2000.

Total Proceeds	=	\$80,800.00
Less 15% Commission	=	12,120.00
Less Towing Charges	=	9,200.00
(\$200.00 per bus)		
Less DMV title fee	=	2,070.00
Net Revenue		\$57,410.00

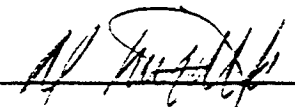
See attached list.

CREDIT ACCOUNT

40799/7050

FTA GRANT #

MTA FUNDED



 DIRECTOR, PROCUREMENT

IF TO BE BILLED,
CHECK HERE

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

CASH CHECK

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

CONSIGNER 422
 Tej Kharbanda
 MTA-Procurement Dept.
 One Gateway Plaza, 12th Floor
 Los Angeles CA 90012

GENERAL AUCTION CO.
 13804 SHOEMAKER AVE.
 NORWALK, CA 90650
 (562) 483-0526

Sale Date 2/5/00
 Report Date 2/26/00
 Page 1

(213) 922-7079 Fax (213) 922-1006

FINAL SALE RESULT

SALES REP: GENE

LOT	UNIT #	YEAR	MAKE	VIN	TYPE	PROCEEDS	COMM FEE	COMM %	TRANS-DELOGO/ PARTS- DETAIL REPAIRS	DOC PREP	SMOG SAFETY MISC	DMV TITLE INQ	NET PROCEEDS
B001	9087	1981	GMC	1G0YT82J1BV811582	TRANSIT BUS, 6CYL, DSL, AT,	\$1,300.00	\$195.00	15	\$200.00	\$45.00			\$860.00
B002	8368	1981	GMC	1G0YT82J4BV810863	TRANSIT BUS, 6 CYL, DSL,	\$1,400.00	\$210.00	15	\$200.00	\$45.00			\$945.00
B003	9098	1981	GMC	1G0YT82J6BV811593	TRANSIT BUS, 6CYL, DSL, AT,	\$1,400.00	\$210.00	15	\$200.00	\$45.00			\$945.00
B004	8263	1981	GMC	1G0YT82J7BV810758	TRANSIT BUS, 6 CYL, DSL,	\$1,400.00	\$210.00	15	\$200.00	\$45.00			\$945.00
B005	8101	1981	GMC	1G0YT82J6BV810898	TRANSIT BUS, 6 CYL, DSL,	\$1,300.00	\$195.00	15	\$200.00	\$45.00			\$860.00
B006	8800	1981	GMC	1G0YT82J0BV811301	TRANSIT BUS, 6 CYL, DSL,	\$1,500.00	\$225.00	15	\$200.00	\$45.00			\$1,030.00
B007	8769	1981	GMC	1G0YT82J9BV811264	TRANSIT BUS, 6 CYL, DSL,	\$1,400.00	\$210.00	15	\$200.00	\$45.00			\$945.00
B008	8283	1981	GMC	1G0YT82J2BV810778	TRANSIT BUS, 6 CYL, DSL,	\$1,400.00	\$210.00	15	\$200.00	\$45.00			\$945.00
B009	3106	1981	NEOP	1N9TAS2AXE1013016	TRANSIT BUS, 6 CYL, DSL,	\$3,500.00	\$525.00	15	\$200.00	\$45.00			\$2,730.00
B010	8551	1981	GMC	1G0YT82JXBV811016	TRANSIT BUS, 6 CYL, AT, AC,	\$1,300.00	\$195.00	15	\$200.00	\$45.00			\$860.00
B011	8773	1981	GMC	1G0YT82J6BV811268	TRANSIT BUS, 6 CYL, DSL,	\$1,400.00	\$210.00	15	\$200.00	\$45.00			\$945.00
B012	8431	1981	GMC	1G0YT82JBV810929	TRANSIT BUS, 6 CYL, DSL,	\$1,300.00	\$195.00	15	\$200.00	\$45.00			\$860.00
B013	8867	1981	GMC	1G0YT82J9BV811362	TRANSIT BUS, 6 CYL, DSL,	\$1,500.00	\$225.00	15	\$200.00	\$45.00			\$1,030.00
B014	8502	1981	GMC	1G0YT82J3BV810997	TRANSIT BUS, 6 CYL, DSL,	\$1,700.00	\$255.00	15	\$200.00	\$45.00			\$1,200.00
B015	8937	1981	GMC	1G0YT82J4BV811432	TRANSIT BUS, 6 CYL, DSL,	\$1,300.00	\$195.00	15	\$200.00	\$45.00			\$860.00
B016	9095	1981	GMC	1G0YT82J0BV811590	TRANSIT BUS, 6 CYL, DSL,	\$1,400.00	\$210.00	15	\$200.00	\$45.00			\$945.00
B017	3114	1981	NEOP	1N9TAS2A9E1013024	TRANSIT BUS, 6 CYL, DSL,	\$3,500.00	\$525.00	15	\$200.00	\$45.00			\$2,730.00
B018	8468	1981	GMC	1G0YT82J8BV810963	TRANSIT BUS, 6 CYL, DSL,	\$1,100.00	\$165.00	15	\$200.00	\$45.00			\$690.00
B019	8982	1981	GMC	1G0YT82J9BV810857	TRANSIT BUS, 6 CYL, DSL,	\$1,200.00	\$180.00	15	\$200.00	\$45.00			\$775.00
B020	3702	1981	NEOP	1N9TAS2A3E1013312	TRANSIT BUS, 6 CYL, DSL,	\$3,600.00	\$540.00	15	\$200.00	\$45.00			\$2,815.00
B021	8763	1981	GMC	1G0YT82J3BV811258	TRANSIT BUS, 6 CYL, DSL,	\$1,300.00	\$195.00	15	\$200.00	\$45.00			\$860.00
B022	8273	1981	GMC	1G0YT82JXBV810768	TRANSIT BUS, 6 CYL, DSL,	\$1,300.00	\$195.00	15	\$200.00	\$45.00			\$860.00
B023	9114	1981	GMC	1G0YT82J6BV811609	TRANSIT BUS, 6 CYL, DSL,	\$1,300.00	\$195.00	15	\$200.00	\$45.00			\$860.00
B024	3321	1981	NEOP	1N9TAS2A6D1013788	TRANSIT BUS, 6 CYL, DSL,	\$3,500.00	\$525.00	15	\$200.00	\$45.00			\$2,730.00
B025	8797	1981	GMC	1G0YT82J3BV811292	TRANSIT BUS, 6 CYL, DSL,	\$1,700.00	\$255.00	15	\$200.00	\$45.00			\$1,200.00

CONSIGNER 422

Tej Kharbanda
 MTA-Procurement Dept.
 One Gateway Plaza, 12th Floor
 Los Angeles CA 90012

GENERAL AUCTION CO.
 13804 SHOEMAKER AVE.
 NORWALK, CA 90650
 (562) 483-0526

Sale Date 2/5/00
 Report Date 2/26/00
 Page 2

(213) 922-7079 Fax (213) 922-1006

FINAL SALE RESULT

SALES REP: GENE

LQT	UNIT #	YEAR	MAKE	VIN	TYPE	PROCEEDS	COMM FEE:	COMM %	TRANS-DELOGO/ PARTS- DETAIL REPAIRS	DOC PREP	SMOG SAFETY MISC	DMV TITLE INQ	NET PROCEEDS
B026	3707	1984	NEOP	1N9TAS2A2E1013317	TRANSIT BUS, 6 CYL, DSL,	\$4,100.00	\$615.00	15	\$200.00	\$45.00			\$3,240.00
B027	0006	1981	GMC	1G0Y182JXBV811581	TRANSIT BUS, 6 CYL, DSL,	\$1,000.00	\$150.00	15	\$200.00	\$45.00			\$605.00
B028	0244	1981	GMC	1G0YT82J3BV810739	TRANSIT BUS, 6 CYL, DSL,	\$700.00	\$105.00	15	\$200.00	\$45.00			\$350.00
B029	0891	1981	GMC	1G0Y182J1BV811386	TRANSIT BUS, 6 CYL, DSL,	\$1,400.00	\$210.00	15	\$200.00	\$45.00			\$945.00
B030	3316	1983	NEOP	1N91AS2A7D1013781	TRANSIT BUS, 6 CYL, DSL,	\$3,000.00	\$450.00	15	\$200.00	\$45.00			\$2,305.00
B031	3586	1984	NEOP	1N9TAS2A5E1013196	TRANSIT BUS, 6 CYL, DSL,	\$3,100.00	\$465.00	15	\$200.00	\$45.00			\$2,390.00
B032	0009	1981	GMC	1G0Y182J8BV811594	TRANSIT BUS, 6 CYL, DSL,	\$1,300.00	\$195.00	15	\$200.00	\$45.00			\$860.00
B033	0562	1980	GMC	1G0YT82J4BV811057	TRANSIT BUS, 6 CYL, DSL,	\$1,200.00	\$180.00	15	\$200.00	\$45.00			\$775.00
B034	0400	1981	GMC	1G0Y182J1BV810898	TRANSIT BUS, 6 CYL, DSL,	\$1,500.00	\$225.00	15	\$200.00	\$45.00			\$1,030.00
B035	0707	1981	GMC	1G0YT82J0BV811202	TRANSIT BUS, 6 CYL, DSL,	\$1,800.00	\$270.00	15	\$200.00	\$45.00			\$1,285.00
B036	0685	1981	GMC	1G0Y182J3BV811180	TRANSIT BUS, 6 CYL, DSL,	\$1,700.00	\$255.00	15	\$200.00	\$45.00			\$1,200.00
B037	0070	1981	GMC	1G0YT82J1BV811565	TRANSIT BUS, 6 CYL, DSL,	\$1,400.00	\$210.00	15	\$200.00	\$45.00			\$945.00
B038	0701	1981	GMC	1G0YT82J7BV811196	TRANSIT BUS, 6 CYL, DSL,	\$1,300.00	\$195.00	15	\$200.00	\$45.00			\$860.00
B039	35144	1984	NEOP	1N9TAS2A2E1013124	TRANSIT BUS, 6 CYL, DSL,	\$3,500.00	\$525.00	15	\$200.00	\$45.00			\$2,730.00
B040	3312	1983	NEOP	1N9TAS2A5D1013777	TRANSIT BUS, 6 CYL, DSL,	\$3,100.00	\$465.00	15	\$200.00	\$45.00			\$2,390.00
B041	0118	1981	GMC	1G0YT82J4BV810913	TRANSIT BUS, 6 CYL, DSL,	\$1,200.00	\$180.00	15	\$200.00	\$45.00			\$775.00
B042	0233	1981	GMC	1G0YT82J9BV810728	TRANSIT BUS, 6 CYL, DSL,	\$1,400.00	\$210.00	15	\$200.00	\$45.00			\$945.00
B043	0390	1981	GMC	1G0YT82J4BV810894	TRANSIT BUS, 6 CYL, DSL,	\$1,300.00	\$195.00	15	\$200.00	\$45.00			\$860.00
B044	0010	1981	GMC	1G0Y182J5BV811505	TRANSIT BUS, 6 CYL, DSL,	\$000.00	\$120.00	15	\$200.00	\$45.00			\$435.00
B045	0011	1981	GMC	1G0YT82J7BV811506	TRANSIT BUS, 6 CYL, DSL,	\$1,600.00	\$240.00	15	\$200.00	\$45.00			\$1,115.00
B046	0723	1981	GMC	1G0Y182J2BV811218	TRANSIT BUS, 6 CYL, DSL,	\$1,400.00	\$210.00	15	\$200.00	\$45.00			\$945.00

CONSIGNER 422

Tej Kharbanda
MTA-Procurement Dept.
One Gateway Plaza, 12th Floor
Los Angeles CA 90012

GENERAL AUCTION CO.
13804 SHOEMAKER AVE.
NORWALK, CA 90650
(562) 483-0526

Sale Date 2/5/00
Report Date 2/26/00
Page 3

(213) 922-7079 Fax (213) 922-1006

FINAL SALE RESULT

SALES REP: GENE

LOT	UNIT #	YEAR	MAKE	VIN	TYPE	PROCEEDS	COMM FEE	COMM %	TRANS. DELOGO/ PARTS- % PORT	DETAIL REPAIRS	ROC PREP	SMOG SAETY MISC	DMV TITLE INQ	NET PROCEEDS
Totals						\$80,800.00	\$12,120.00		\$9,200.00		\$2,070.00			\$57,410.00

CONSIGNER GROSS	\$80,800.00
CONSIGNER FEE	\$23,390.00
CONSIGNER NET	\$57,410.00



DATE: January 24, 2000
TO: Richard Bachman
FROM: Tej Kharbanda *JK*
SUBJECT: Sale of Eight (8) Scrap Buses

**INTEROFFICE
MEMO**

Los Angeles County
Metropolitan
Transportation
Authority

RECOMMENDATION

It is recommended that awards be made to:

- A. Zacher's Bus Leasing and Refurbishing, Inc. for the sale of seven (7) buses for \$1,050; and,
- B. Cinedyne, Inc. for the sale of one (1) bus for a total revenue of \$250.

RATIONALE

As the MTA replaces the bus fleet with new buses, the Fleet Management Department declared subject eight buses as obsolete. The power plants (engines/transmissions) and various other parts were removed and installed on other buses.

FINANCIAL IMPACT

Positive. The sale of scrap buses will generate a total revenue of \$1,300.

ALTERNATIVES CONSIDERED

The alternative would be to dispose of these buses at public auction. However, this is not recommended because the MTA will incur costs of \$1,600 for towing, (\$200/bus), an estimated \$120 for auctioneer commission (15% based on a revenue of \$800) and \$360.00 for DMV processing fees for a total cost of \$2,080. As a result, the MTA would end up paying an estimated \$1,280 more than the revenue generated from selling at public auction after all fees are considered.

SALES SUMMARY

On January 20, 2000, informal quotes were solicited from six (6) potential buyers. Three (3) bids were received.

It is in the best interest of the MTA to proceed with the recommendation.

Concur:



Richard Bachman, Director
Procurement

LOS ANGELES COUNTY
METROPOLITAN TRANSPORTATION AUTHORITY

OFFICE OF PROCUREMENT

SALE ORDER

SALE ORDER

January 24, 2000

NO. 6771

TREASURER

P.O. _____

THE FOLLOWING DESCRIBED MATERIAL WAS SOLD TO:

RESALE # _____

NAME Cinedyne, Inc.

BID # Informal

ADDRESS 8711 Tamarack Ave.

CONTRACT # _____

Sun Valley, CA 91352

BOARD APPROVAL _____

FTA APPROVAL _____

Prepaid Freight

Collect Freight

Sale of bus #8644 without power pack (engine/transmission)

<u>Bus #</u>	<u>Make/Model</u>	<u>Yr</u>	<u>Bid Price</u>
8644	GMC/RISII	1981	\$250.00

Sold on "as is, where is" basis.
No warranty expressed or implied.
All sales are final.

Fund 1111
Account 40795

CREDIT ACCOUNT

40799/7050

FTA GRANT #

MTA FUNDED

DIRECTOR, PROCUREMENT

IF TO BE BILLED, CHECK HERE

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

CASH CHECK

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

LOS ANGELES COUNTY
METROPOLITAN TRANSPORTATION AUTHORITY

OFFICE OF PROCUREMENT

SALE ORDER

SALE ORDER

January 24, 2000 NO.6770

TREASURER

P.O. _____

THE FOLLOWING DESCRIBED MATERIAL WAS SOLD TO:

RESALE # _____

NAME Zachers Bus Leasing &
Refurbishing, Inc.

BID # Informal

ADDRESS 25222 South Vermont Avenue
Harbor City, CA 90710

CONTRACT # _____

BOARD APPROVAL _____

FTA APPROVAL _____

Prepaid Freight

Collect Freight

Sale of seven (7) surplus GMC, RTSII, 1981 buses without power pack
(engine/transmission) = \$1,050.00

Sold on "as is, where is" basis.
No warranty expressed or implied.
All sales are final.
See attached list.

Fund 1111
Account 40795

CREDIT ACCOUNT

40799/7050

FTA GRANT #

MTA FUNDED



DIRECTOR, PROCUREMENT

IF TO BE BILLED,
CHECK HERE

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

CASH CHECK

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

ZACHERS BUS LEASING

<u>BUS</u>	<u>BID PRICE</u>
1. 8557	\$150.00
2. 9012	150.00
3. 8895	150.00
4. 8643	150.00
5. 8990	150.00
6. 8492	150.00
7. 8672	<u>150.00</u>

TOTAL \$1,050.00