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April 30, 1997

Los Angeles County
Metropolitan
Transportation
Authority

One Gateway Plaza
Los Angeles, CA
90012

213.922.6000

Mailing Address:

P.O. Box 194
Los Angeles, CA 90053

TO: BOARD OF DIRECTORS

FROM: LINDA BOHLINGER *Linda Bohlinger*
INTERIM CHIEF EXECUTIVE OFFICER

SUBJECT: DISPOSAL OF THIRTY SURPLUS/OBSOLETE BUSES

RECOMMENDATION

Consider the Interim Chief Executive Officer's recommendation to dispose of 30 surplus/obsolete buses by off-site auction for a total estimated revenue of \$15,000, less towing fees of approximately \$3,000.

ORGANIZATIONAL IMPACT

Disposal of the surplus/obsolete buses will result in increased revenue to the MTA and is consistent with established MTA policy regarding asset disposal. This action will also clear the storage areas used for surplus equipment, removing potential safety hazards.

BUDGET IMPACT

The sale of these buses will generate revenue conforming with the MTA's goal to maximize revenue from the disposal of its assets.

ALTERNATIVES CONSIDERED

An alternative to the sale of the buses is to donate the buses according to the MTA's donation policy. Staff does not recommend this alternative because the buses are no longer operable and have limited useful life.

BACKGROUND/DISCUSSION

Consistent with the MTA's commitment to achieve compliance with Federal Transit Administration spare ratio guidelines, it is necessary to continue to dispose of buses as they are replaced by new buses. With the exception of one, the buses listed in Attachment 2 are over both the FTA's threshold standards for disposal of twelve years or have exceeded 500K miles. They are no longer economically feasible to repair, maintain or operate.

Bus 2575, a Flix-Metro bus, has been included as one of the sale vehicles due to extensive damage from a fire. Although there is currently FTA value of \$25,594 remaining, the estimated cost of repair to the vehicle is \$71,092. To repair the vehicle would be cost prohibitive. We will deduct the remaining FTA equity from the next allocation of buses purchased with FTA grant money.

Pursuant to the LACMTA's Rules and Regulations, the MTA is allowed to dispose of surplus buses by bid or auction. In this particular case, sale of buses would be by auction rather than a formal, sealed bid. Past experience has shown that a sealed bid type of sale generates a lesser amount of monetary return than an auction. An auctioneer will be selected through the informal bid process.

The auctioneer will be required to tow the buses to one centralized location where they can be inspected, and to handle the paperwork regarding transfer of title and registration. The auctioneer also assumes responsibility and liability for the buses and is responsible for collecting the proceeds of the sale. The auctioneer's premium is paid by the buyer.

DBE PARTICIPATION

With a revenue-generating sale such as this, there are no subcontracting opportunities that would create a DBE requirement.

ATTACHMENTS

Attachment 1 -- Application for Authority to Sell or Trade-in Surplus Property
Attachment 2 -- Bus Sales List

Prepared by: Everett C. Wooden



for Ellen G. Levine
Executive Officer, Transit Operations

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY
**APPLICATION FOR AUTHORITY TO
SELL OR TRADE-IN SURPLUS PROPERTY**

FROM Operations - Fleet Management DEPT. NO. 3230 DATE 4/30/97

TO: **DIRECTOR OF PROCUREMENT**

It is requested that articles listed below, for which we have no further use, be transferred, sold, traded in or otherwise disposed of.

Approved by: *D. Ibarra* Title DIRECTOR, OPERATIONS SUPPORT SERVICES
Dan Ibarra

TO BE FILLED IN COMPLETELY

ITEM	ARTICLE-DESCRIPTION	QUANTITY	BAR CODE #	REASON FOR DISPOSAL
1	CA - 03 - 0132	6		Surplus
2	CA - 00 - 0000	6		"
3	CA - 23 - 2013	1		"
4	CA - 05 - 0043	6		"
5	CA - 03 - 0178	10		"
6	CA - 90 - X222	1		"
7				
8				
9				
10				
11				

FTA GRANT #: See Above

CHECK OPERATION :

BUS RED LINE BLUE LINE GREEN LINE
RCC CONSULTANT OTHER

LOCATION OF PROPERTY Various locations

CONTACT PERSON Byron Lee PHONE # 2-4407

DIRECTOR OF PROCUREMENT

DATE

OPERATIONS - FLEET MANAGEMENT

BUS SALES LIST 97-02

BUS NUMBER	GRANT	VIN	LIFE MILES	IN SERVICE	COST	FTA VALUE	STATUS
2575	CA-90-X222	1GF5ACEK5JD099748	333196	10/20/88	182809	\$ 25,594.00	INOPERABLE
8206	CA-03-0132	1GOYT82J0BV810701	731300	12/15/80	147904	\$0.00	INOPERABLE
8209	CA-03-0132	1GOYT82J6BV810704	742500	12/17/80	147925	\$0.00	INOPERABLE
8259	CA-03-0132	1GOYT82JXBV810754	712700	1/6/81	147887	\$0.00	INOPERABLE
8313	CA-03-0132	1GOYT82J7BV810808	609800	12/29/80	147947	\$0.00	INOPERABLE
8333	CA-03-0132	1GOYT82J2BV810828	603800	12/23/80	147862	\$0.00	INOPERABLE
8415	CA-00-0000	1GOYT82J9BV810910	682000	1/2/81	147737	\$0.00	INOPERABLE
8435	CA-00-0000	1GOYT82J4BV810930	643800	1/21/81	147801	\$0.00	INOPERABLE
8452	CA-23-2013	1GOYT82JXBV810947	599700	1/16/81	147823	\$0.00	INOPERABLE
8582	CA-05-0043	1GOYT82JXBV811077	641700	2/6/81	147780	\$0.00	INOPERABLE
8623	CA-03-0178	1GOYT82J9BV811118	701800	2/6/81	147342	\$0.00	INOPERABLE
8629	CA-05-0043	1GOYT82J4BV811124	689600	5/25/81	147930	\$0.00	INOPERABLE
8671	CA-05-0043	1GOYT82J9BV811166	666800	4/7/81	147887	\$0.00	INOPERABLE
8694	CA-03-0178	1GOYT82JXBV811189	552600	3/12/81	147951	\$0.00	INOPERABLE
8695	CA-00-0000	1GOYT82J6BV811190	679200	3/5/81	147908	\$0.00	INOPERABLE
8711	CA-03-0178	1GOYT82J6BV811206	685100	3/10/81	147823	\$0.00	INOPERABLE
8718	CA-03-0178	1GOYT82J3BV811213	584700	3/25/81	147908	\$0.00	INOPERABLE
8719	CA-03-0178	1GOYT82J5BV811214	595100	3/14/81	147801	\$0.00	INOPERABLE
8767	CA-03-0178	1GOYT82J5BV811262	608700	3/15/81	147844	\$0.00	INOPERABLE
8776	CA-03-0178	1GOYT82J6BV811271	576400	3/26/81	147801	\$0.00	INOPERABLE
8781	CA-03-0178	1GOYT82J5BV811276	573600	4/6/81	147801	\$0.00	INOPERABLE
8800	CA-00-0000	1GOYT82J9BV811295	638800	4/7/81	147865	\$0.00	INOPERABLE
8827	CA-03-0178	1GOYT82J8BV811322	703400	4/1/81	147780	\$0.00	INOPERABLE
8836	CA-03-0178	1GOYT82J9BV811331	578440	3/31/81	147844	\$0.00	INOPERABLE
8850	CA-00-0000	1GOYT82J9BV811345	688700	4/16/81	147844	\$0.00	INOPERABLE
8869	CA-05-0043	1GOYT82J2BV811364	662500	4/9/81	147865	\$0.00	INOPERABLE
8884	CA-05-0043	1GOYT82J4BV811379	563500	4/26/81	147823	\$0.00	INOPERABLE
9022	CA-03-0132	1GOYT82J1BV811517	470100	5/7/81	147313	\$0.00	INOPERABLE
9076	CA-05-0043	1GOYT82J7BV811571	660600	5/19/81	147342	\$0.00	INOPERABLE
9115	CA-00-0000	1GOYT82J2BV811610	671600	5/28/81	148015	\$0.00	INOPERABLE