

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Public Works

BOARD AGENDA # *C-2

Urgent

Routine

AGENDA DATE September 1, 2015

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval to Declare Three Forty-foot Buses as Surplus and Retroactively Authorize the Disposal and Sale

STAFF RECOMMENDATIONS:

1. Declare the attached list of three forty-foot Orion V Series buses as surplus and retroactively authorize these assets to be sold to Transit Sales International aka Complete Coach Works.
2. Direct the Auditor-Controller to deposit all receipts from the sale of these assets to the Public Works Transit fund.

FISCAL IMPACT:

The cost to sell the buses was borne by the buyer. The Transit Division received \$13,050 from the sale of the buses, which was deposited in the Public Works Transit Department fund and in the sale of fixed assets account.

BOARD ACTION AS FOLLOWS:

No. 2015-413

On motion of Supervisor Monteith, Seconded by Supervisor O'Brien
and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Monteith, DeMartini, and Chairman Withrow

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2) _____ Denied

3) _____ Approved as amended

4) _____ Other:

MOTION:

ATTEST:


CHRISTINE FERRARO TALLMAN, Clerk

File No.

Approval to Declare Three Forty-foot Buses as Surplus and Retroactively Authorize the Disposal and Sale

DISCUSSION:

In March 2015, the Public Works Department determined the need to dispose of three forty (40') foot Orion Series V buses purchased by the Public Works Transit Division in 2003. These buses were used for providing fixed route service in the County's service area. The three buses had met their useful lives, based on the Federal Transit Administration threshold of 12 years and mileage, and were beyond economical repair. Two of the buses exceeded 500,000 miles and the third had 499,691 miles. Additionally, the buses were costly to operate due to persistent break-downs of the buses while in service. Continued repairs and/or rehabilitation of these vehicles would not have been cost effective and the buses were no longer of use to any county department. Moreover, the cost to repair these buses exceeded the value which had a combined market value of \$13,050 for all three buses.

The Transit staff conducted a survey of other transit agencies with the same bus make/model to determine a market sale price for the buses to be sold. Our findings show that two transit agencies in Southern California also sold similar buses with the same make/model for less than \$2,000. In June 2010, OmniTrans in San Bernardino sold fifteen Orion V buses and received \$1,655 each for thirteen of the buses sold. The remaining two buses were sold for \$1,255 and \$1,855 respectively. In addition, SunLine Transit Agency in Thousand Palms sold thirty-nine Orion V buses in 2009 for \$1,000 per each bus. To determine if the County would incur any cost to dispose of the buses, staff contacted two companies specializing in selling used transit buses. The two companies contacted were Transit Sales International and the Public Group, both of which are located outside Stanislaus County. Of the two companies, the Public Group indicated they would charge the County a fee to dispose of the buses.

County Ordinance 2.24.065 allows the sale of surplus property with a residual value greater than one thousand dollars upon approval by the by the Board of Supervisors.

2.24.065 Sale of personal property:

The purchasing agent is authorized to sell, trade, trade in, lease, exchange, or otherwise dispose of any personal property belonging to the county which is deemed to be surplus and not required for public use by the county and which has a value of less than one thousand dollars per individual item without prior approval by the board of supervisors. Notwithstanding any other provision of this code, such disposition of surplus property may be made without securing bids or advertising. For disposition of personal property exceeding one thousand dollars per individual item, prior approval from the board of supervisors must be obtained. All proceeds from such sales shall be paid into the county treasury for the use of the county. (Ord. CS 475 §3, 1992).

The transit division failed to follow County policy in the disposal of these buses; however steps were taken to contact various transit companies to minimize the disposal cost of these assets, and research was conducted to determine the appropriate market value for the sale.

Approval to Declare Three Forty-foot Buses as Surplus and Retroactively Authorize the Disposal and Sale

It is recommended that the Board of Supervisors retroactively approve the disposal and sale of the three transit buses that were disposed of through release of the vehicles to Transit Sales International. This request is intended to inform the Board of Supervisors of the sale of the transit buses without prior approval as noted in County Ordinances pertaining to the disposition of surplus property. Staff has been properly trained to ensure that they adhere to the County's Salvage Policy. All future transit bus disposal and sale will comply with the established salvage policy with staff seeking approval from the Board of Supervisors prior to disposing of County property.

POLICY ISSUES:

The recommended action is consistent with the Board's priority of Efficient Delivery of Public Services by disposing of equipment no longer in use.

STAFFING IMPACT:

The transfer of the buses and associated paperwork was completed by Public Works staff.

CONTACT PERSON:

Matt Machado, Public Works Director. Telephone: 209-525-4153.

ATTACHMENT:

Inventory of Three Transit Buses Declared as Surplus

EL:dm

H:\Eunice Lovi\BOS\FY 15-16\Bus Disposal\Bus Disposal Approval_BOS 8.18.15



STANISLAUS COUNTY – PUBLIC WORKS
INVENTORY OF VEHICLES AND MISCELLANEOUS HEAVY EQUIPMENT
DECLARED SURPLUS AND SOLD

QTY	YEAR/MAKE/MODEL	DESCRIPTION	SERIAL #	TAG #	ASSET #	BOOK VALUE
1	2003/ORION/V Series	Transit Bus	1VHBH3C2436502225	410	19326	\$4,350
1	2003/ORION/V Series	Transit Bus	1VHBH3C2336502247	430	19347	\$4,350
1	2003/ORION/V Series	Transit Bus	1VHBH3C2536502248	440	19348	\$4,350
Total All Equipment						\$13,050