

# REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
10	05/23/16	Open	Action	05/10/16

Subject: Authorizing Staff to Dispose of 66 Surplus Revenue Vehicles in Accordance with the Sacramento Emergency Clean Air and Transportation (SECAT) Program Agreement

## ISSUE

Whether or not to authorize staff to dispose of 66 surplus revenue vehicles in accordance with the Sacramento Emergency Clean Air and Transportation (SECAT) Program Agreement

## RECOMMENDED ACTION

Adopt Resolution 16-05-\_\_\_\_, Authorizing Staff to Dispose of 66 Surplus Revenue Vehicles in Accordance with the Sacramento Emergency Clean Air and Transportation (SECAT) Program Agreement

## FISCAL IMPACT

RT will receive up to \$2,203,213 from the SECAT Program based on surrendering 66 surplus revenue vehicles for destruction at a rate of up to \$33,382 per vehicle. Proceeds from disposal of the vehicles will be used to fund replacement buses, replacing currently-budgeted RT Revenue Bonds. The Revenue Bonds would then be available to fund other priority RT projects.

## DISCUSSION

RT has entered into a Sacramento Emergency Clean Air and Transportation (SECAT) Program Agreement with Sacramento Area Council of Governments (SACOG) and Sacramento Metropolitan Air Quality Management District (SMAQMD). One of the air quality improvement methods identified in the SECAT Program, which was established by the state legislature, is the development of a Fleet Modernization Program to promote the advance purchase and use of low-NOx on-road heavy-duty vehicle and engine technology. The objective of the Program is to accelerate the modernization of the existing heavy-duty vehicles in the Sacramento Federal Ozone Nonattainment Area through finance incentives that will encourage the voluntary purchase of heavy-duty vehicles using newer, lower emitting technology or alternative fuels, and the retrofitting of existing heavy-duty vehicle engines with technology that lowers engine emissions. Under the Program, SMAQMD and SACOG provide financial incentives to vehicle owners that agree to surrender their vehicles for destruction.

RT Procurement Ordinance, Sections 2.102 and 2.103 set out the procedure for disposal of surplus property. Staff is requesting Board approval to waive the requirements of RT Procurement Ordinance, Sections 2.102 and 2.103, to participate in the SECAT Program for disposal of 66 surplus revenue vehicles.

The list below identifies the 66 revenue vehicles that are included in the SECAT Program Agreement. The disposal value is based on calculating the "Anticipated Annual NOx Reduction."

Approved:

Presented:

Final 05/18/16

General Manager/CEO

Director, Bus Maintenance (Acting)

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This calculation was based on the previous 12 months of accumulated mileage, for the buses being retired, multiplied out for the anticipated mileage in the next five years. RT should meet the required mileage as its current fleet of 2015 Gillig buses is averaging close to 40,000 miles per year.

	COACH	MAKE	MODEL	SERIAL NUMBER	YEAR	LICENSE
1	2301	ORION	07.501	1VHGH3T2026700109	2002	1176395
2	2302	ORION	07.501	1VHGH3T2126700197	2002	1182365
3	2305	ORION	07.501	1VHGH3T2026700207	2002	1182368
4	2306	ORION	07.501	1VHGH3T2226700208	2002	1176352
5	2308	ORION	07.501	1VHGH3T2826700214	2002	1162669
6	2309	ORION	07.501	1VHGH3T2X26700215	2002	1162632
7	2310	ORION	07.501	1VHGH3T2126700216	2002	1176381
8	2311	ORION	07.501	1VHGH3T2326700217	2002	1168289
9	2314	ORION	07.501	1VHGH3T2026700224	2002	1182370
10	2316	ORION	07.501	1VHGH3T2426700226	2002	1176385
11	2317	ORION	07.501	1VHGH3T2626700227	2002	1176386
12	2320	ORION	07.501	1VHGH3T2326700234	2002	1176412
13	2322	ORION	07.501	1VHGH3T2726700236	2002	1162624
14	2324	ORION	07.501	1VHGH3T2426700243	2002	1176354
15	2325	ORION	07.501	1VHGH3T2626700244	2002	1168290
16	2327	ORION	07.501	1VHGH3T2X26700246	2002	1162643
17	2331	ORION	07.501	1VHGH3T2426700260	2002	1168291
18	2333	ORION	07.501	1VHGH3T2826700262	2002	1168298
19	2335	ORION	07.501	1VHGH3T2126700264	2002	1162622
20	2338	ORION	07.501	1VHGH3T2426700274	2002	1168285
21	2341	ORION	07.501	1VHGH3T2326700279	2002	1162634
22	2344	ORION	07.501	1VHGH3T2826700293	2002	1162636
23	2345	ORION	07.501	1VHGH3T2X26700294	2002	1162642
24	2347	ORION	07.501	1VHGH3T2326700296	2002	1168342
25	2348	ORION	07.501	1VHGH3T2526700297	2002	1162647
26	2352	ORION	07.501	1VHGH3T2326700315	2002	1168345
27	2356	ORION	07.501	1VHGH3T2026700319	2002	1162668
28	2357	ORION	07.501	1VHGH3T2726700320	2002	1162671
29	2359	ORION	07.501	1VHGH3T2026700322	2002	1162676
30	2360	ORION	07.501	1VHGH3T2226700323	2002	1168307
31	2361	ORION	07.501	1VHGH3T2426700324	2002	1162675

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32	2362	ORION	07.501	1VHGH3T2126700331	2002	1162679
33	2363	ORION	07.501	1VHGH3T2326700332	2002	1162673
34	2364	ORION	07.501	1VHGH3T2526700333	2002	1162674
35	2366	ORION	07.501	1VHGH3T2926700335	2002	1162696
36	2367	ORION	07.501	1VHGH3T2426700341	2002	1162608
37	2368	ORION	07.501	1VHGH3T2626700342	2002	1162609
38	2369	ORION	07.501	1VHGH3T2826700343	2002	1162610
39	2370	ORION	07.501	1VHGH3T2X26700344	2002	1162698
40	2372	ORION	07.501	1VHGH3T2726700351	2002	1162697
41	2373	ORION	07.501	1VHGH3T2926700352	2002	1162699
42	2374	ORION	07.501	1VHGH3T2026700353	2002	1168300
43	2375	ORION	07.501	1VHGH3T2226700354	2002	1168301
44	2377	ORION	07.501	1VHGH3T2126700359	2002	1168304
45	2379	ORION	07.501	1VHGH3T2X26700361	2002	1168309
46	2381	ORION	07.501	1VHGH3T2136700377	2003	1168315
47	2383	ORION	07.501	1VHGH3T2536700379	2003	1168319
48	2385	ORION	07.501	1VHGH3T2336700381	2003	1168317
49	2386	ORION	07.501	1VHGH3T2236700386	2003	1168321
50	2388	ORION	07.501	1VHGH3T2636700388	2003	1162619
51	2389	ORION	07.501	1VHGH3T2836700389	2003	1162618
52	2390	ORION	07.501	1VHGH3T2436700390	2003	1162626
53	2391	ORION	07.501	1VHGH3T2836700800	2003	1182416
54	2392	ORION	07.501	1VHGH3T2X36700801	2003	1182417
55	2393	ORION	07.501	1VHGH3T2136700802	2003	1182418
56	2394	ORION	07.501	1VHGH3T2336700803	2003	1182419
57	2395	ORION	07.501	1VHGH3T2536700804	2003	1182420
58	2396	ORION	07.501	1VHGH3T2936700823	2003	1190717
59	2397	ORION	07.501	1VHGH3T2X36700846	2003	1197176
60	2398	ORION	07.501	1VHGH3T2136700847	2003	1190718
61	2401	ORION	07.501	1VHGH3T2626700177	2002	1176350
62	2403	ORION	07.501	1VHGH3T2126700183	2002	1176363
63	2404	ORION	07.501	1VHGH3T2326700184	2002	1162625
64	2405	ORION	07.501	1VHGH3T2426700193	2002	1176364
65	2406	ORION	07.501	1VHGH3T2626700194	2002	1176396
66	2408	ORION	07.501	1VHGH3T2X26700196	2002	1176380

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Selling the vehicles, as required by RT Procurement Ordinance, Section 2.102, would result in total revenue of \$46,200 based on a sales price of approximately \$700 per vehicle. The \$700 price estimate is from a recent sale of surplus revenue vehicles. The resulting revenue for all 66 vehicles would be \$2,157,013 less than the revenue that would result from participation in the SECAT Program.

Therefore, staff recommends the Board's authorization for staff to dispose of 66 surplus revenue vehicles, as they reach the end of their serviceable life, in accordance with the SECAT Program.

RESOLUTION NO. 16-05-\_\_\_\_\_

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

May 23, 2016

**AUTHORIZING STAFF TO DISPOSE OF 66 SURPLUS REVENUE VEHICLES IN  
ACCORDANCE WITH THE SACRAMENTO EMERGENCY CLEAN AIR AND  
TRANSPORTATION (SECAT) PROGRAM AGREEMENT**

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE  
SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, the Board hereby authorizes RT to declare 66 revenue vehicles surplus as they reach the end of their serviceable life; and

THAT, the Board hereby waives the requirements of the RT Procurement Ordinance, Sections 2.102 and 2.103, to participate in the SECAT Program for disposal of 66 surplus revenue vehicles.

\_\_\_\_\_  
JAY SCHENIRER, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: \_\_\_\_\_  
Cindy Brooks, Assistant Secretary