

AGENDA ITEM 1 K
Consent Item

MEMORANDUM

DATE: April 6, 2017
TO: El Dorado County Transit Authority
FROM: Scott Ousley, Operations Manager
SUBJECT: Surplus Property Designation

REQUESTED ACTION:
BY MOTION,

1. **Approve early surplus of El Dorado County Transit Authority Vehicle #1201 due to high maintenance costs and remove from depreciation schedule with a value of \$92,714**
2. **Designate El Dorado County Transit Authority Vehicle #1101 as active fleet vehicle (rescinds surplus designation)**

BACKGROUND

Property identified, as surplus requires approved designation by the El Dorado County Transit Authority (El Dorado Transit) Board of Directors per El Dorado Transit Purchasing Procedures Section 3.12.150.

Vehicles recommended for depreciation that carry a value on the agency depreciation schedule require Board approval to “write-off” the value if surpluses.

DISCUSSION

On February 2, 2017, El Dorado Transit staff recommended approval of surplus designation for the following property:

<u>Quantity</u>	<u>Description</u>	<u>EDCTA Inventory Number</u>
1	2010 Dodge Caravan VIN #: 2D4RN4DE0AR463076 Miles: 125798 License #: 1368672	1010
1	2010 Dodge Caravan VIN #: 2D4RN4DE2AR463077 Miles: 139225 License #: 1368674	1011

1	2010	Dodge Caravan	1012
	VIN #:	2D4RN4DE4AR463078	
	Miles:	128434	
	License #:	1368673	
1	2010	Dodge Caravan	1013
	VIN #:	2D4RN4DE6AR463079	
	Miles:	86509	
	License #:	1368675	
1	2011	Dodge Caravan	1101
	VIN #:	2D4RN4DGXBR778986	
	Miles:	120906	
	License #:	1406390	
1	2012	INTERNATIONAL	1201
	VIN #:	5WEASSKMOCJ583594	
	Miles:	120439	
	License #:	1385780	

At the time of Board action to designate these vehicles as surplus, all replacement vehicles had been received however; there is additional information for the Board to consider.

The replacement vehicles for vehicles 1010, 1011, 1012, and 1013 are received but not in the active fleet at this time and will not be fully depreciated until July 1, 2017. The replacement vehicles have not yet been placed into service due to unforeseen delays in the installation of hardware for the Connect Card by a third party contractor. No action is requested, staff will remove these from the fleet after July 1, 2017 when the value will have depreciated to zero.

Vehicle 1101 is valued at \$2,668 on the depreciation schedule as of July 1, 2017 and will remain in backup revenue service until it is fully depreciated. Action requested is to remove 1101 from the surplus designation

Vehicle 1201 has a value of \$92,714 on the depreciation schedule as of July 1, 2017 however; the staff recommendation is to surplus the vehicle and “write-off” the value. There are significant operational and mechanical challenges with this fleet vehicle. This is the only International in the fleet; needs and engine re-build or replacement; cannot be used in revenue service due to the engine derating intermittently; poor turning radius and is not efficient on hills. Maintenance costs are excessive in this vehicle reaching \$89,547.91 from July 2012 through October 2016.

FISCAL IMPACT

Depreciation Schedule (\$92,714)