

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 5/27/2026

Staff Report No. 26-238

TO: AC Transit Board of Directors
FROM: Salvador Llamas, General Manager/Chief Executive Officer
SUBJECT: Vehicle Disposal

ACTION ITEM

AGENDA PLANNING REQUEST:

RECOMMENDED ACTION(S):

Consider approving the disposal of 60 surplus revenue vehicles identified in Attachment 1 through one or more disposition methods authorized under Board Policy No. 461, Disposition of District-Owned Surplus Equipment, Supplies, and Other Tangible District Property.

Staff Contact:

Aaron Vogel, Chief Operating Officer

STRATEGIC IMPORTANCE:

Goal - Financial Stability and Resiliency

Initiative - Financial Efficiency and Revenue Maximization

Depending on the disposal method, surplus revenue vehicles may provide the District with an opportunity to recover value through the sale of assets that have reached the end of their useful life.

BUDGETARY/FISCAL IMPACT:

Based on the current fair market value, staff anticipates a resale value of approximately \$2,500 per vehicle. If all 60 vehicles are sold at the estimated value, the District could recover approximately \$150,000.

Actual recovery may vary depending on the final disposition method, market demand, vehicle condition, and whether each vehicle is sold, transferred, traded in, negotiated for sale, auctioned, disposed of through sealed bid, or scrapped. Some disposal methods may generate less direct revenue than resale but may still be advantageous to the District by reducing storage impacts, avoiding additional handling or repair costs, supporting a future procurement, or allowing timely removal of vehicles that are no longer economical to retain.

BACKGROUND/RATIONALE:

The 60 vehicles identified in Attachment 1 have exceeded the useful life requirements by the Federal Transit Administration and the District's Transit Asset Management Plan. Staff recommends disposing of these

vehicles in accordance with Board Policy No. 461 - Disposition of District Owned Surplus Equipment, Supplies and Other Tangible District Property, including sale, transfer, trade-in, negotiated sale, public auction, sealed bid, or scrapping, based on the method determined to be most advantageous to the District.

The applicable policy language provides:

“Approved methods for the disposition of surplus or obsolete tangible property shall include: (1) trade-in as part of a new procurement; (2) transfer or sale to other public agencies within the United States; (3) transfer to non-profit agencies or organizations within the United States consistent with established legal parameters; (4) sale by auction open to the public; (5) solicitation of sealed bids or negotiated sale; whichever maximizes the disposal value to the District; or (6) disposal through scrapping. The District’s name, logos and services marks shall be removed from all property prior to disposition.”

Board approval would authorize staff to dispose of the vehicles using one or more of the methods permitted by Board Policy No. 461. Staff will determine the appropriate method based on vehicle condition, marketability, disposal value, timing, and the overall advantage to the District.

ADVANTAGES/DISADVANTAGES:

Approving this action will allow the District to dispose of revenue vehicles that have reached the end of their useful life, recover potential residual value, avoid additional storage and handling impacts, and make space available for incoming replacement vehicles.

There are no disadvantages to disposing of these vehicles through an approved surplus property process.

ALTERNATIVES ANALYSIS:

There are no practical alternatives to the recommended action. Retaining the vehicles would require continued storage space and could result in additional costs for vehicles that are no longer economical to repair, rehabilitate, or return to revenue service. Board Policy No. 461 provides the authorized disposition methods for surplus District property, and staff recommends using the method or combination of methods that provides the greatest overall benefit to the District.

PRIOR RELEVANT BOARD ACTION/POLICIES:

Board Policy No. 461 - Disposition of District Owned Surplus Equipment, Supplies and Other Tangible District Property.

Staff Report No. 24-442 - Vehicle Disposal

ATTACHMENTS:

1. Vehicle Disposal List

Prepared by:

Ron Lee, Technical Services Manager

In Collaboration with:

Chris Durant, Assistant Director of Maintenance

Approved/Reviewed by:

Michael Silk, Assistant Director of Procurement & Materials

Cecil Blandon, Director of Maintenance

Aaron Vogel, Chief Operating Officer