

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 9/25/2019

Staff Report No. 19-300

TO: AC Transit Board of Directors
FROM: Michael A. Hursh, General Manager
SUBJECT: State of the District's Non-Revenue Fleet

BRIEFING ITEM

RECOMMENDED ACTION(S):

Consider receiving a report on the State of the District's Non-Revenue Fleet. [Requested by Director Shaw - 6/26/19]

BUDGETARY/FISCAL IMPACT:

There are no direct fiscal impacts related to the State of the District's Non-Revenue Fleet Report.

BACKGROUND/RATIONALE:

The State of the District's Non-Revenue Fleet Report provides an overview of the current status of the vehicles. The District operates a fleet of non-revenue vehicles to support the entire operation, including on street supervision, parts delivery, emergency road service (response), facilities maintenance, equipment maintenance, bus stop maintenance, operator relief, mail delivery, meeting attendance, and other various administrative functions.

On February 14, 2018, the District adopted Board Policy No. 463 (Transit Asset Management Policy), which communicates the District's commitment to maintain its system in a State of Good Repair (SGR); and foster a culture of continuous improvement in asset management planning and performance. In March of 2018, the District released its Transit Asset Management (TAM) Plan, which outlines the management of District Transit Assets as defined by the Federal Transit Administration (FTA) and completing the directive in Board Policy No 463. The TAM Plan established Useful Life Benchmarks (ULB) for District assets to include non-revenue vehicles. The ULB is the expected lifecycle of a capital asset for a transit agency's operating environment. A multi-year goal to achieve the ULB target rate of 25% within five years was established by staff.

Non-Revenue Vehicle Types

The District currently has 144 non-revenue vehicles in operation as displayed in Attachment 1, Chart 1 - Non-Revenue Vehicle Types. Non-revenue vehicles are classified as an automobile or other rubber tire vehicle as defined by the FTA in the 2018 National Transit Database (NTD) Policy Manual. Model year of non-revenue vehicles range from 1998 through 2019 as displayed in Attachment 1, Chart 2 - Non-Revenue Vehicles Count by Year.

Currently, there are 27 automobiles and 16 other rubber tire vehicles that exceed the ULB established in the TAM Plan. Each respective fleet is displayed by quantities and year model on Attachment 1, Chart 3 - Automobiles Exceeding ULB by Year and Attachment 1, Chart 4 - Other Rubber Tire Vehicles Exceeding ULB by Year. The quantity of vehicles exceeding the ULB will continue to rise during the five-year goal from the current 43 to 68 if the District doesn't purchase new non-revenue vehicles to replace the aging fleet. Attachment 1, Chart 5 - Non-Revenue Vehicles Exceeding ULB in the Next Five Years depicts the total quantity by year of those 68 vehicles.

To achieve the goal of 25% of the non-revenue vehicles not exceeding the ULB by year 2023, the District must replace a minimum of 32 vehicles in the next three years. For FY20, the District allocated \$1 million in SGR funds to replace higher cost maintenance service trucks and vehicles older than 2001. This will provide a great step forward toward reaching the target goal. Working with the Capital Improvement Plan (CIP) Committee, funding has been programmed in the five-year CIP at \$450,000 per year which will help achieve the established target year of 2023, if these funding levels are maintained.

ADVANTAGES/DISADVANTAGES:

The advantage with proceeding with the established goal is that the District will replace older vehicles with newer cleaner burning engines resulting in lower pollution and potentially reduced maintenance costs due to warranty coverage.

The disadvantage is the lost opportunity to fund other SGR projects.

ALTERNATIVES ANALYSIS:

The District may decide to change the established TAM Plan goals and target. This would increase the length of time older vehicles will remain in the fleet. This may lead to higher maintenance cost, higher polluting vehicles, and lower morale by employees assigned to older vehicles.

An alternative option is to replace all older non-revenue vehicles to where no vehicles exceed the ULB by 2023. This will require the purchase of 32 automobiles and 36 other tire vehicles over the next three years for an estimated cost of \$1 million per year and a total cost of \$3 million dollars.

PRIOR RELEVANT BOARD ACTION/POLICIES:

Board Policy No. 314 Capital Plan and Projects Policy
Board Policy No. 463 Transit Asset Management Policy

ATTACHMENTS:

1. State of the District's Non-Revenue Fleet Charts

Approved by:

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