



CITY OF WAUKESHA

Administration

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Committee: Transit Commission	Date: 12/17/2015
Common Council Item Number: 15-3839	Date: 1/5/2016
Submitted By: Fred Abadi- Public Works	City Administrator Approval: Kevin Lahner, City Administrator KL
Finance Department Review: Rich Abbott, Finance Director RA	City Attorney's Office Review: Brian Running, City Attorney BER
Subject: Approval to Decommission Buses 604, 611 and 614	

Details:
 This item is to seek the approval of the decommission the 2002 fixed route buses Transit bought used from St. Cloud, MN in 2014. All three of these buses will be 14 years old in 2016 and have exceeded their useful life. These buses were bought to supplement the fixed route fleet as several buses in the existing fleet had far exceeded their useful life and were at high risks of failure. In 2014, it was anticipated that the high risk buses would not be replaced until 2016 due to the long lead time for new buses from the then manufacturer Gillig. Transit has switched manufacturers and the lead time has shrunk to 6-9 months and most of the high risk buses have already been replaced with new buses. The few remaining high risk buses will be replaced by May 2016 which will further reduce the need for these supplemental buses. This approval would allow staff to decommission these buses as new buses come on line or these buses have a major failure that would not be too expensive to repair. The buses would then be sold for scrap or via bid, whichever would result in the highest revenue. This approval gives staff the flexibility to dispose of the buses as needed. With this approval, Transit staff intends to sell Bus 604 to the Rockford Mass Transit District for \$2,000 in January 2016 which is about \$500 more than scrap. Bus 604 has engine issues and its transmission is being transferred to another bus that just had a transmission failure. The other two remaining buses will be disposed off when the need arises in the future.

Options & Alternatives:
 Given the age and mileage of these buses and reduced need for these buses, best alternative is to dispose of these buses as needed.

Financial Remarks:
 As stated above, Transit can sell bus 604 for \$2,000 which is about \$500 over current scrap value. In addition, the transmission from 604 will save Transit roughly \$10,000 vs. purchasing a reconditioned transmission. If the other two buses are in service ready condition at the time of disposal, it is anticipated that Transit should receive a minimum of \$3,000/bus. Proceeds from the sale of the buses (either bid or scrap) will offset City levy to operate the transit system.



Executive Recommendation:

Recommend approval.