



### Administration

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Committee: Transit Commission	<b>Date</b> : 4/23/2015
Common Council Item Number: 15-2407	<b>Date:</b> 5/5/2015
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 of the Sale of Two Used 2004 Cummins ISL Engines to Midwest Bus Corporation

#### Details:

Transit has two used 2004 Cummins ISL Engines that were taken out of buses that had engines rebuilt in 2012. Transit was holding on to these engines in case the 1998 buses had engine issues and needed a replacement. Now that Transit has replaced half of the 1998 buses and Transit now has newer used spare engines available, there is no need to keep these old engines.

Transit has received a bid from Midwest Bus Corporation in Owosso, Michigan for \$1,000 each for the two Cummins ISL engines. No other bids have been received.

# **Options & Alternatives:**

Other transit systems don't have interest in engines this old especially ones that would need a lot of work to be reconditioned like these. Maintenance staff has had conversations with engine vendors but no bids have been offered. The other option would be to sell the engines for scrap which would generate far less revenue.

# **Financial Remarks:**

The Transit Commission will receive \$2,000 in revenue from the sale of the assets which will offset tax levy support. The alternative is to scrap the engines which would generate roughly \$300 given current scrap prices.

### **Executive Recommendation:**

Recommend approval.

### **Committee Recommendation:**

Transit Commission recommends approval.

