



■ Review of Options Related to
Sale of CDOT-owned FREX
Buses

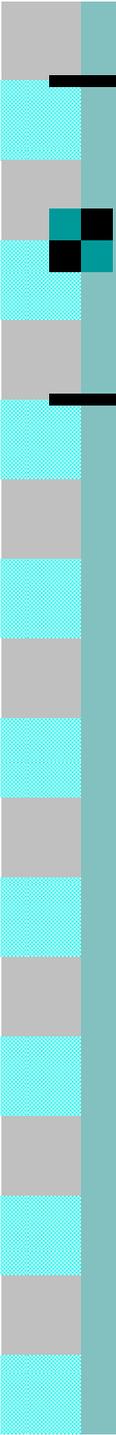
Transit and Intermodal Committee

June 20, 2012



Background

- Colorado Springs was awarded SB 1 funds for 19 FRET buses in 2006
- TC approved selling of 9 buses, use of proceeds for operating expenses and escrow
- City relinquished its 20% local interest

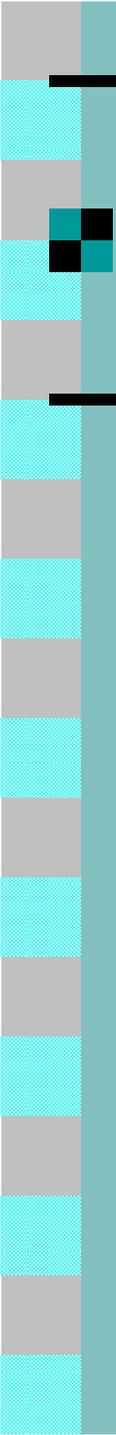


Current Status

- Mayor proposed to discontinue local funding for FRET in August
- CDOT will have to dispose of the ten CDOT-owned buses
- DTR making plans to dispose of them in advance

Review of the Buses





Review of the Buses

- 40-foot buses, minimum useful life of 12 years or 500,000 miles
- Bought in 2007, avg. of 267,000 miles ea
- Neither a city coach nor an over-the-road
- Only one passenger door, low floor, no bathroom
- Meant for commuter service



Disposal Prospects

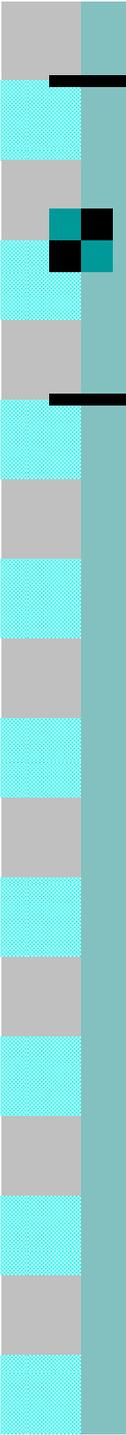
- There is interest in Colorado
- Purchased for \$376,755 each in 2007
- The 9 sold for \$155,000 per unit
- Estimated value is approx. \$120,000 per unit

Review of Options - #1

- **(1) Offer to Colorado transit operators, require 20% match**
- + would likely be less timely and expensive
- + provide benefit to Colorado operators
- + likely easier than transferring out of state
- - some operators might balk at match for used bus

■ Review of Options - #2

- **(2) Offer to Colorado public operators with no local match**
- + Same advantages as above
- + No local match an easier sell



Review of Options - #3

- - might have to sell to more than one operator
- - more time, effort and advertising
- -/+ could sell all to private vendor, but would get less
- wouldn't be available to Colorado operators

Other Considerations

- Need City assistance in selling buses
- Still lots of paperwork for CDOT
- In-state transfer would be least burdensome

Other Considerations (2)

- If buses transferred to Colorado operators:
 - would place a lien on the vehicles
 - take physical possession of titles
 - would place some general requirements on use
 - would require buses to be re-painted
 - buses come “as-is”

■ Other Considerations (3)

- Potential criteria for prioritizing selection:
 - Higher priority to regional or statewide use
 - Higher to replacement use than expansion or backup
 - If requests exceed availability, consider geographical equity

Questions?

