# STAFF REPORT

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| **MEETING DATE:** | **October 31, 2024** |
| **SUBJECT:** | **Approve Transferring Ownership of Three State of Good Repair (SGR) Vehicles to Redding Area Bus Authority (RABA)** |
| **AGENDA ITEM:** | **7-9** |
| **STAFF CONTACT:** | **Jennifer Pollom, AICP, Senior Transportation Planner** |


**SUMMARY:**

Staff seeks to transfer three vehicles to the Redding Area Bus Authority (RABA). The three Ford Transit Vans were purchased in 2019 with State of Good Repair (SGR) funds for operation of ShastaConnect regional transit services. SGR projects must be owned by a government entity, so SRTA purchased the vehicles and leases them to Dignity Health Connected Living (DHCL). RABA and DHCL are working on a regional transit coordination Memorandum of Understanding that includes shared use of vehicles. For efficiency, staff recommends transferring ownership of the vehicles to RABA, and then RABA will lease the vehicles to DHCL.


**STAFF RECOMMENDATION:**

It is recommended that the board of directors:

1. Approve transferring ownership of three State of Good (SGR) vehicles to RABA; and
2. Authorize the executive director to perform administrative actions as appropriate to transfer the vehicles, including any agreements with RABA and DHCL, and coordination with state agencies.

**DISCUSSION:**

As part of regional efforts to consolidate public transportation services under RABA, SRTA staff recommend transferring ownership of three SGR-funded SRTA-owned Ford Transit Vans to RABA. The vehicles were purchased in 2019 with SGR funds, have reached their five-year end-of-useful life, and are currently used in operation of ShastaConnect transit services by DHCL. Capital assets purchased with SGR funds must be owned by a government entity, so SRTA purchased the vehicles in 2019 to replace and add vehicles to DHCL's fleet and leases them to DHCL at $1 per vehicle annually.

RABA and DHCL are working on a regional transit coordination Memorandum of Understanding that includes shared use of vehicles. For efficiency, SRTA wants to transfer ownership of the vehicles to RABA, and then RABA will lease the vehicles to DHCL. All items attached to the vehicles including tablet mounts, rearview mirrors, tablet chargers, bike racks, etc. that were also purchased with SGR funds would be included in the transfer. Vehicle information is provided on the next page, and images are provided by attachment.

If the transfer is approved, RABA staff will add an agenda item to the next scheduled meeting of the Redding Area Bus Authority to accept the vehicles. Once approved by both the SRTA and RABA Boards of Directors, staff from SRTA, DHCL, and RABA will coordinate on the transfer of vehicles to RABA.

**Table 1: Summary Specifications of SGR-Funded Vehicles Owned by SRTA**

| DHCL Vehicle # | Engine Liter | Fuel Type | VIN | License | Size (ft) | Seats | Wheelchair Positions | Mileage |
|---|---|---|---|---|---|---|---|---|
| 11 | 3.5 | Gas | 1FBVU4XG8KKA70894 | 1577356 | 21 | 9 or 5 | 2 | 136,863 |
| 12 | 3.5 | Gas | 1FBVU4XG8KKA38849 | 1577354 | 21 | 9 or 5 | 2 | 108,315 |
| 13 | 3.5 | Gas | 1FDVU4XG4KKB12291 | 1577360 | 21 | 9 or 5 | 2 | 140,325 |

**ALTERNATIVES:**

The board of directors may choose to maintain ownership, and no action will be taken. SRTA would eventually need to take steps to replace the vehicles in order to ensure ShastaConnect services provided by DHCL have an adequate number of vehicles. The board of directors may request more information and continue this item to a future board meeting.

**OTHER AGENCY INVOLVEMENT:**

SRTA, RABA, and DHCL are working together to consolidate public transportation under RABA. RABA would lease the three vehicles to DHCL, as SRTA has done for ShastaConnect contracted services. */// The Technical Advisory Committee (TAC) met on October 14, 2024, to review and discuss the vehicle transfer and to vote on the matter. ///*

**FISCAL & POLICY COMMITTEE REVIEW:**

*/// The Fiscal & Policy Committee met on October 22, 2024, to review and discuss the vehicle transfer and to vote on the matter. ///*

**FISCAL IMPACT:**

The three vehicles and attached equipment were acquired in 2019 and purchased 100 percent with SGR funds totaling $212,286. All three vehicles will be fully depreciated by November 1, 2024, whereby the purchase price will equal the accumulated depreciation of the vehicles, and the book value will be $0.00. When the three vehicles are transferred, the capital asset account for Furniture and Equipment will be reduced, and accumulated depreciation will be adjusted, to remove the asset from SRTA's books. SRTA will not be losing any cash value with the transfer of the vehicles. A reduction to SRTA's future insurance rates is not expected as the vehicles are insured, per contract, by DHCL. If SRTA maintains the vehicles, the expenses to maintain and replace the existing vehicles would be incurred by SRTA and transit funds (e.g., SGR, SB 125 transit funds, Low Carbon Transit Operations Program (LCTOP)) would need to be identified in the future to cover these costs.

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**Sean Tiedgen, AICP, Executive Director**

**Attachment:** September 2024 Images of Three SGR-funded Ford Transit Vans

Attachment: September 2024

Images of Three Ford Transit Vans Purchased with SGR funds

**DHCL Vehicle #11**


**DHCL Vehicle #12**


**DHCL Vehicle #13**