



ALABAMA DEPARTMENT OF TRANSPORTATION

1409 Coliseum Boulevard, Montgomery, Alabama 36110

Local Transportation Bureau



Kay Ivey
Governor

June 7, 2019

John R. Cooper
Transportation Director

Mr. Matthew Brown
Director of Transportation
Baldwin Rural Area Transportation System
P.O. Box 907
Robertsdale, Alabama 36567

Subject: Vehicle Disposal

Dear Mr. Brown:

Reference is made to earlier correspondence requesting authorization to dispose of the following listed vehicles:

Vehicle Type	Vehicle Identification No.
2007 Ford	1FDWE35L87DB36567
2007 Ford	1FDWE35L17DB36569
2007 Freightliner	4UZAACBW07CY89116

Your request is approved. The vehicles may be disposed after determining fair market value. This may be accomplished by any of three methods. The first is by obtaining three quotes, the highest of which will establish fair market value; a second is by advertising in a newspaper of local circulation or other medium requesting bids; a third is by public auction. A copy of a Vehicle Quote/Bid Sheet is enclosed for your use. You may deduct a handling fee in the amount of \$500.00 or ten percent (10%) of the proceeds, whichever is less, of any vehicle valued at more than \$5,000.00, to defray expenses associated with this activity (see enclosed sample calculations form). After you have subtracted the handling fee, reference the attached "Transit Vehicle Disposition Replacement Policy" for guidance in handling the remaining balance of funds.

The titles for the vehicles listed above are enclosed. The liens are released for the purpose of disposition.

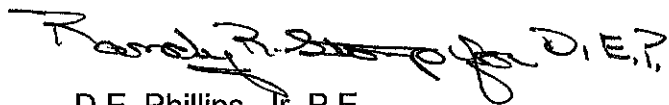
Mr. Matthew Brown
June 7, 2019
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The enclosed "Disposition of Project Equipment Form" should be completed and submitted to this Department along with payment and copies of any/all bids or quotes within 45 days of the date of this letter. Also, please include a copy of the back portion of each title that shows the "Assignment of Title by Registered Owner." This will serve as ALDOT's assurance that this equipment has been removed from public transportation service.

Please ensure that all transit markings are removed prior to the completion of this activity.

If you have any questions, please contact Robert Echols at (334) 242-6780.

Sincerely,

A handwritten signature in black ink, appearing to read "D.E. Phillips, Jr.", written in a cursive style.

D.E. Phillips, Jr. P.E.
State Local Transportation Engineer

RRS:RE
Enclosures

Transit Vehicle Disposition Replacement Policy

The Transit Vehicle Disposition Replacement Policy is intended to provide Transit Agencies the latest guidance regarding ALDOT's procedures for vehicle disposition and replacement.

1. Official request to dispose of vehicle/s
 - a. The provider shall submit a formal written vehicle disposal request on provider letterhead to ALDOT. At a minimum, the request will include the information below:
 - Vehicle identification number
 - Make and model
 - Mileage
 - Is the vehicle to be replaced
 - Condition of vehicle
 - Federal Program that provided funding for the vehicle and funding ratio (80/20)
 - Has the vehicle exceeded the useful life threshold for age
 - b. ALDOT will review the providers request and transmit a letter approving or declining the vehicle disposition request
 - c. If approved, the provider may dispose of the transit vehicle(s) after determining fair market value. Fair market value may be established by any of three methods noted below:
 - First method is by obtaining three bids, with the highest bid establishing fair market value;
 - Second method is by advertising in a newspaper of local circulation or other medium requesting bids, with the highest bid establishing fair market value;
 - Third method is by public auction, with the highest bid establishing fair market value;
2. After determining fair market value of the transit vehicle by one of the methods noted in 1.c.
 - a. Vehicles valued at less than \$5000.00 and past the useful life threshold, as determined by ALDOT and FTA guidelines, may be disposed. All proceeds from the transit vehicle disposition may remain with the agency and should be used to reduce the costs associated with the purchase of new transit vehicles, or other operating expenses, as determined to be in the best interest of the transit provider.
 - b. Vehicles valued at more than \$5000.00 and past the useful life threshold, as determined by ALDOT and FTA guidelines, may be disposed. Also, you may deduct a handling fee in the amount of \$500.00 or ten percent (10%) of the proceeds, whichever is less, to defray expenses associated with this activity (see enclosed sample calculations form). After you have subtracted the handling fee, you must submit a check to the ALDOT for eighty percent (80%) of any balance exceeding the handling fee.
 - c. Vehicles of any value within the useful life threshold, as determined by ALDOT and FTA guidelines, shall be returned to ALDOT for the facilitation of reassignment to other transit providers. Upon agreement for reassignment, ALDOT will solicit valuations for the specific vehicle from bus manufactures and assign the fair market value based upon the highest quote received. Both agencies will meet

Transit Vehicle Disposition Replacement Policy

in Montgomery to execute the transfer of the vehicle. The receiving transit provider shall reimburse the disposing transit provider 20% of the determined fair market value and is responsible for any work related to retitling the vehicle.

3. All Transit markings are to be removed from the vehicle prior to the completion of the sale.
4. Required forms to be completed by the provider upon disposal of vehicle and returned to ALDOT within 45 days of the date of the vehicle disposition approval letter;
 - a. "Vehicle Bid Sheet"
 - b. "Disposition of Project Equipment"
 - c. A copy of the back portion of the title that shows the "Assignment of Title by Registered Owner." (This will serve as ALDOT's assurance that this equipment has been removed from public transportation service).
 - d. Provider Check (if applicable) for 80% of proceeds after subtracting handling fee.

The intent of this revised process is to allow transit providers to retain maximum allowable proceeds from the sale of applicable transit vehicles to offset future vehicle procurement expenses or operating expenses and hopefully allow the continued and/or expansion of public transportation services to the citizens of Alabama, while complying with all applicable FTA and ALDOT requirements. If you should have any questions or comments, please contact Mr. Robert Echols at (334) 353-6422.

**TRANSIT VEHICLE DISPOSITION REPLACEMENT POLICY
SAMPLE CALCULATIONS**

VEHICLE #1 (EXAMPLE 2.a.)		
Sale Price	(< \$5,000.00)	\$4,999.00
*Less Handling Fee		\$ 0.00
Net Proceeds		\$4,999.00
Federal Share		0.00
Local Share		\$4,999.00
AMOUNT REMITTED TO ALDOT		\$ 0.00
VEHICLE #2 (EXAMPLE 2.b.)		
Sale Price	(≥ \$5,000.00)	\$5,000.00
*Less Handling Fee		\$ 500.00
Net Proceeds		\$4,500.00
Federal Share (80%)		\$3,600.00
Local Share (20%)		\$ 900.00
AMOUNT REMITTED TO ALDOT		\$3,600.00
TOTAL PROCEEDS REMITTED TO ALDOT		\$3,600.00

***NOTE: Handling fees are to be calculated for each vehicle prior to calculating the Federal shares.
\$500.00 or 10% of proceeds, whichever is less.**

ALABAMA DEPARTMENT OF TRANSPORTATION
VEHICLE QUOTE/BID SHEET

AGENCY INFORMATION

LEGAL NAME OF CURRENT VEHICLE OWNER: _____

NAME OF AGENCY REPRESENTATIVE: _____

TELEPHONE NUMBER: _____

VEHICLE INFORMATION

MANUFACTURER OF VEHICLE BODY: _____

MODEL YEAR: _____ DESIGNED SEATING CAPACITY: _____

ADA ACCESSIBILITY FEATURES: YES _____ NO _____ CURRENT MILEAGE: _____

COMPLETE VEHICLE ID NUMBER: _____

BID OR QUOTE

NAME OF PERSON OR AGENCY: _____
TYPE OR PRINT

AMOUNT OF BID/QUOTE: \$ _____

Signature of person submitting bid/quote

Date

**ALABAMA DEPARTMENT OF TRANSPORTATION
BUREAU OF MULTIMODAL TRANSPORTATION**

DISPOSITION OF PROJECT EQUIPMENT FORM

AGENCY: _____ **DATE OF DISPOSAL REQUEST:** _____

AUTHORIZATION DATE: _____ **COMPLETION DATE:** _____

VEHICLE TYPE	SEATING CAPACITY	SOURCE GRANT	VEHICLE ID NO.	LIFT EQUIP	ACTION D-DISP/T-TRANS	MILEAGE	CONDITION OF PROPERTY	CURRENT FAIR MKT VALUE

Signature of Person Completing Form

DATE