

JJ Kane Auction Services Revenue Contract Ratification Request

November 13, 2024



Auction Background

- Federal Transit Administration regulations require UTA to establish a fair market value for disposition of assets.
 - Applies to equipment and vehicles
 - Auction is UTA's preferred method for value determination
 - State of Utah contracted with TNT Auctions, now JJ Kane, to perform third-party auction activities
 - Real Estate and Real Property follow a different process
- JJ Kane conducts auctions, takes a percentage of the sales or pre-determined amount, and returns the rest to UTA



Status of 2024 Auction Activity

- Estimating a total of 139 items to be auctioned
 - Non-Revenue Vehicles
 - Revenue Vehicles
 - Special maintenance equipment
- 112 vehicles and equipment pieces have been auctioned in 2024
 - Consists of trailers, ATV's, buses, non-revenue service vehicles, and a switcher locomotive
 - Amounts received to date (2024 only): \$522,147.50



JJ Kane Auction History Contract Totals - 2023 To Date

Year	JJ Kane Total Sales	JJ Kane Revenue	UTA Revenue
2023	\$ 278,200.00	\$ 21,230.00	\$ 256,970.00
2024 to Date	\$ 549,825.00	\$ 27,677.51	\$ 522,147.49
Total	\$ 828,025.00	\$ 48,907.51	\$779,117.49



Projected Estimated Revenue

Category	Amount
Current Revenue (2023 & 2024 Year to Date)	\$779,117.49
Remaining Estimate	\$336,050
Total Sum	\$1,115,167.49
Total Contract Period Estimate (+10% Contingency)	\$1,227,000



Current Request and Moving Forward

- Seeking ratification of a State Contract AR3466 with JJ Kane which has provided auction proceeds to UTA since June 23, 2023 and continues until April 13, 2025
- Staff will bring future auction services contracts over \$200,000 for board approval
- Staff will provide annual update on auction revenues to Board of Trustees



Questions?



Contract: Auction Services for Disposal of UTA Equipment and Vehicles (JJ Kane Auctions)

Recommended Action (by acclamation)

Motion to approve the contract with JJ Kane Auctions for Auction Services for Disposal of UTA Equipment and Vehicles, as presented

