



Legislation Details (With Text)

File #: 16-0263 **Version:** 1 **Name:** 3/21/16 - Purchase Minivans from Galeana's Dodge
Type: Resolution **Status:** Passed
File created: 3/21/2016 **In control:** City Council
On agenda: 3/21/2016 **Final action:** 3/21/2016
Enactment date: 3/21/2016 **Enactment #:** R-16-092

Title: Resolution to Approve the Purchase of Vehicles from Galeana's Van Dyke Dodge (Macomb County Bid - \$41,774.00)

Sponsors:

Indexes:

Code sections:

Attachments: 1. Galeanas Minivan Bid Tab 2016.pdf

Date	Ver.	Action By	Action	Result
3/21/2016	1	City Council	Approved	Pass

Resolution to Approve the Purchase of Vehicles from Galeana's Van Dyke Dodge (Macomb County Bid - \$41,774.00)

The attached resolution authorizes the purchase of two 2016 Dodge Grand Caravan minivans at \$20,887.00 each for a total of \$41,774.00 from Galeana's Van Dyke Dodge, Warren, Michigan.

One of the primary objectives of the Fleet and Facilities Unit is to ensure that the City maintains a fleet that is reliable and affordable. One of the ways that we do this is by establishing a replacement schedule for each class of vehicle. This does not mean that once a vehicle hits the preset age that it is automatically replaced. When a vehicle comes up on the replacement schedule, we use a two step evaluation process. The first step looks at five categories, including the vehicle's age, miles/hours of use, type of service, reliability, maintenance and repair cost. The second step consists of the Fleet Service Supervisor's review of the vehicle repair history and general condition. Each category has point values that are assigned as follows:

- AGE** - one point for each year the vehicle is in service
- MILES/HOURS** - one point for each 10,000 miles or 330 hours of service
- TYPE of SERVICE** - one point for light duty use to five points for severe duty use
- RELIABILITY** - average # of work orders per month (1 <.25, 2 =.25 to .50, 3 =.50 to .75, 4=.75 to 1, and 5 = over 1 per month)
- MAINTENANCE COST** - repair cost as a percentage of purchase price (1 = 20 to 40%, 2 = 40% to 60%, 3 = 60% to 80%, 4 = 80% to 100%, and 5 = Over 100%)
- SUPERVISOR REVIEW** - based on a review of work order history and the Supervisor's experience (1 = very good condition to 5 = very poor condition)

Vehicles with a total score of 22 or below are considered to be in good condition and are not scheduled for replacement. When the total score is between 23 and 27 the vehicle must have a Supervisor rating of 4 or 5 before qualifying for replacement. A vehicle with a total score of 28 and above still needs a Supervisor rating of 3 or above to qualify for replacement. By weighting the

Supervisors score, we insure that vehicles that have been in service for a long time or that have had one exceeding high repair charge but are otherwise in very good condition, are not replaced.

The majority of the City's fleet usage is tracked by hours used instead of miles driven. By tracking hours we get a more accurate assessment of the wear and tear the engine and drive train receive in the "stop and go" city environment. We estimate that city driving accounts for 90 to 95 percent of the hours put on City vehicles. Some older vehicles, which were not originally serviced by Fleet Services, were not equipped with hour-meters and only mileage information is available on these units.

Of the thirty-six light vehicles scheduled for evaluation this year, nineteen have met the requirements for replacement. One of these vehicles is included in this resolution plus one vehicle assigned to the Police Department whose replacement is mandated by contract. The City's labor contracts with the Ann Arbor Police Officers Association and the Ann Arbor Police Supervisors require that vehicles used by their members will not be driven more than 80,000 miles or 6 years, whichever comes first.

The Parks and Recreation Unit of the Community Services Area uses truck # 6204, a 1996 GMC Sierra 2500, in its Natural Area Preservation (NAP) operations. The truck has been in service for 20 years and has 3,731 hours of operation. It averages 0.23 repair work orders per month and the cost of repairs has exceeded 132% of its purchase price. The Fleet Service Supervisor rated this vehicle a 5. This vehicle type no longer meets the needs of the Service Unit and will be replaced with a minivan to transport staff and volunteers to NAP's worksites.

This purchase follows the guidelines of the City's Green Fleet Policy to reduce the amount of fuel used and to pay a premium for "greener" vehicles if necessary.

The Fleet and Facilities Unit reviewed the bids of the Cooperative Purchasing Programs of the State of Michigan, Oakland County, and Macomb County. Galeana's Van Dyke Dodge was the lowest responsive bidder under the Macomb County bid.

Adequate funds for these purchases have been budgeted in the Fleet Services budget for fiscal year 2016.

Galeana's Van Dyke Dodge complies with the requirements of the City's non-discrimination ordinance.

Prepared by: Matthew J. Kulhanek, Fleet & Facilities Manager

Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Tom Crawford, Interim City Administrator

Whereas, The Fleet and Facilities Unit needs to purchase replacement vehicles for the City's fleet;

Whereas, Galeana's Van Dyke Dodge, Warren MI, is the lowest responsive bidder under the Macomb County Cooperative Bid program; and

Whereas, Galeana's Van Dyke Dodge complies with the requirements of the City's Non-Discrimination Ordinance;

RESOLVED, That City Council approve the issuance of a purchase order to Galeana's Van Dyke Dodge for the purchase of two 2016 Dodge Grand Caravan minivans at \$20,887.00 each for a total of \$41,774.00;

RESOLVED, That funds for the purchase of the two Dodge Grand Caravans come from the FY16 Fleet Services budget with funds to be available without regard to fiscal year;

RESOLVED, That the vehicles being replaced (nos. 0309 and 6204) be sold at the next City vehicle auction held after the vehicles are removed from service; and

RESOLVED, That the City Administrator be authorized to take the necessary actions to implement this resolution.