



Legislation Details (With Text)

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**Title:** Resolution to Approve the Purchase of One Cab & Chassis with Four Wheel Drive, One Cab & Chassis Two Wheel Drive, and Five Pickup Trucks from Red Holman GMC-Buick (Oakland County \$155,538.00)

**Sponsors:**

**Indexes:**

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**Attachments:** 1. Red Holman Bid Tabs.pdf

Date	Ver.	Action By	Action	Result
4/20/2015	1	City Council	Approved	Pass

Resolution to Approve the Purchase of One Cab & Chassis with Four Wheel Drive, One Cab & Chassis Two Wheel Drive, and Five Pickup Trucks from Red Holman GMC-Buick (Oakland County \$155,538.00)

The attached resolution authorizes the purchase of one 2015 GMC Sierra 3500 Cab & Chassis with four wheel drive at \$26,654.00, one 2015 GMC Sierra 3500 Cab & Chassis with two wheel drive at \$23,849.00 and five 2015 GMC Sierra 1500 pickup trucks at \$21,007.00 each for a total of \$155,538.00 from Red Holman GMC-Buick, Westland, 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 a point value that is 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 seventy-eight light vehicles scheduled for evaluation this year, fifty-one have met the requirements for replacement. Seven of these vehicles are included on this resolution.

The Field Operations Unit of the Public Services Area uses truck # 2287, a 2005 Ford F-150 pickup truck as the supervisor vehicle for storm water system. The truck has been in service for 9 years and has 4,545 hours of operation. It averages 0.35 repair work orders per month and the cost of repairs has exceeded 138% of its purchase price. The Fleet Service Supervisor rated this vehicle a 3.

The Field Operations Unit of the Public Services Area uses truck # 2288, a 2005 Ford F-350 truck with service body to service the water utility system and to plow city streets. The truck has been in service for 9 years and has 6,750 hours of operation. It averages 0.38 repair work orders per month and the cost of repairs has exceeded 135% of its purchase price. The Fleet Service Supervisor rated this vehicle a 5. Once this cab & chassis is received, a service body will be installed with an estimated cost of \$10,000.00 making the total cost of this vehicle \$36,654.00

The Field Operations Unit of the Public Services Area uses truck # 2289, a 2006 Ford F-150 pickup truck to service the sanitary sewer system. The truck has been in service for 7 years and has 5,200 hours of operation. It averages 0.38 repair work orders per month and the cost of repairs has exceeded 127% of its purchase price. The Fleet Service Supervisor rated this vehicle a 3.

The Field Operations Unit of the Public Services Area uses truck # 3266, a 2006 Ford F-150 pickup truck to service the water utility system. The truck has been in service for 9 years and has 7,415 hours of operation. It averages 0.32 repair work orders per month and the cost of repairs has exceeded 123% of its purchase price. The Fleet Service Supervisor rated this vehicle a 5.

The Field Operations Unit of the Public Services Area uses truck # 3268, a 2005 Ford F-150 pickup truck to service the water utility system. The truck has been in service for 7 years and has 7,233 hours of operation. It averages 0.29 repair work orders per month and the cost of repairs has exceeded 84% of its purchase price. The Fleet Service Supervisor rated this vehicle a 4.

The Field Operations Unit of the Public Services Area uses truck # 3616, a 2000 Ford F-450 flat-bed truck with a mounted gate turning machine to exercise valves in the water utility system. The truck has been in service for 14 years and has 11,278 hours of operation. It averages 0.40 repair work orders per month and the cost of repairs has exceeded 92% of its purchase price. The Fleet Service Supervisor rated this vehicle a 3. Once this cab & chassis is received, a flat-bed body will be installed and the gate turner remounted at an estimated cost of \$5,000.00 making the total cost of this vehicle

\$28,849.00

The Field Operations Unit of the Public Services Area uses truck # 8268, a 2007 Ford F-150 pickup truck for cart delivery and customer service in the solid waste operation. The truck has been in service for 7 years and has 8,786 hours of operation. It averages 0.35 repair work orders per month and the cost of repairs has exceeded 123% of its purchase price. The Fleet Service Supervisor rated this vehicle a 3.

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. Red Holman GMC-Buick was the lowest responsive bidder to Oakland County.

Adequate funds for these purchases have been budgeted in the Water Fund O&M budget, Sanitary Sewer O&M budget, and Fleet Services budget for FY15.

Red Holman GMC-Buick complies with the requirements of the City's non-discrimination ordinances.

Prepared by: Thomas A Gibbons, Financial Analyst Fleet & Facility Unit

Reviewed by: Matthew J. Kulhanek, Fleet & Facilities Manager and Craig Hupy, Public Services Area Administrator

Approved by: Steven D. Powers, City Administrator

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

Whereas, Red Holman GMC-Buick, Westland, MI, is the lowest responsive bidder to Oakland Counties Cooperative Bid program; and

Whereas, Red Holman GMC-Buick complies with the requirements of the City's Non-Discrimination Ordinances;

RESOLVED, That City Council approve the issuance of a purchase order to Red Holman GMC-Buick for the purchase of one 2015 GMC Sierra 3500 Cab & Chassis with four wheel drive at \$26,654.00, one 2015 GMC Sierra 3500 Cab & Chassis with two wheel drive at \$23,849.00 and five 2015 GMC Sierra 1500 pickup trucks at \$21,007.00 each for a total amount of \$155,538.00;

RESOLVED, That funds for the purchase of the two GMC Sierra 1500 pickup truck come from the FY15 Fleet Services budget with funds to be available without regard to fiscal year;

RESOLVED, That funds for the purchase of one GMC Sierra 3500 Cab & Chassis with four wheel drive, one GMC Sierra 3500 Cab & Chassis with two wheel drive, and two GMC Sierra 1500 pickup trucks come from the 2015 Water Fund O&M budget with funds to be available without regard to fiscal year;

RESOLVED, That funds for the purchase of one GMC Sierra 1500 pickup truck come from the 2015 Sanitary Sewer Fund O&M budget with funds to be available without regard to fiscal year;

RESOLVED, That the vehicles being replaced (nos. 2287, 2288, 2289, 3266, 3268, 3616 and 8268) be sold at the next City vehicle auction; and

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