



Legislation Details (With Text)

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Title: Resolution to Approve the Purchase of Four Vehicles from Signature Ford (Macomb County Bid - \$102,957.00)

Sponsors:

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Attachments: 1. Signature Bid Tab 2018.pdf

Date	Ver.	Action By	Action	Result
2/5/2018	1	City Council	Approved	Pass

Resolution to Approve the Purchase of Four Vehicles from Signature Ford (Macomb County Bid - \$102,957.00)

The attached resolution authorizes the purchase of one 2018 Ford Taurus SEL sedan for \$21,548.00, one 2018 Ford Fusion SE sedan for \$19,220.00, one 2018 Ford F-450 dual rear wheel 4x4 pickup truck (cab & chassis) for \$35,566.00, and one 2018 Ford F-250 regular cab 4x4 (box deleted) pickup truck for \$26,623.00 from Signature Ford, Owosso, Michigan, for a total of \$102,957.00. These vehicles will be police-detective vehicles and will replace those set to reach their 80,000-miles service limit next year, which arises from the City's labor contracts with the Ann Arbor Police Officers Association and the Ann Arbor Police Supervisors.

As background, the Police Unit of the Safety Services Area requires the fleet of detective vehicles to consist of a variety of makes, models, and body styles. As such, the fleet includes cars, pickups, and SUVs. To maintain this diversity, the Fleet and Facilities Unit develops a list of vehicles awarded a contract under one or more of the cooperative purchasing programs from the State of Michigan, Macomb County, and Oakland County. The Police Department then selects suitable vehicles from the list. Although greenhouse-gas emissions and fuel economy are factors, a diverse fleet is the overriding factor in choosing vehicles for this operation.

One of the primary objectives of the Fleet and Facilities Unit is ensuring the City's fleet is reliable and affordable. The Unit does this by establishing a replacement schedule for each class of vehicle. When a vehicle comes up on the replacement schedule, we use a two step evaluation process. The first step assesses five criteria: age, miles/hours of use, type of service, reliability, maintenance and repair cost. The second step is the Fleet Service Supervisor's review of repair history and general condition.

Point values are assigned as follows:

AGE - one point for each year 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 up 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 score of 22 or below are in good condition and not scheduled for replacement. Those whose scores are 23 through 27 require a Supervisor rating of 4 or 5 before qualifying for replacement. Finally, those with a score of 28 or more require 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. This furnishes 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.

Of the twenty-one light vehicles scheduled for evaluation this year, six have met the requirements for replacement. Two are being replaced by the vehicles authorized by this resolution.

The Public Works Unit of the Public Services Area uses truck # 2508, a 2009 Ford F-450 4x4 dump, for its storm water utility maintenance operations. The truck has been in service for 8 years and has 6,930 hours of operation. It averages 0.87 repair work orders per month and the cost of repairs has exceeded 194% of its purchase price. The Fleet Service Supervisor rated this vehicle a 5. A different vendor will add a dump body after the cab and chassis is received.

The Public Works Unit of the Public Services Area uses truck # 6294, a 2010 GMC Sierra 2500, for its parks maintenance operations. The truck has been in service for 7 years and has 4,219 hours of operation. It averages 0.33 repair work orders per month and the cost of repairs has exceeded 71% of its purchase price. The Fleet Service Supervisor rated this vehicle a 4. A different vendor will add a utility body after the truck is received.

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. Signature Ford was the lowest responsive bidder to the Macomb County bid.

Budget and Fiscal Impact: Funds for these purchases are available in the FY 18 approved Fleet Services operation and maintenance budget.

Signature Ford complies with the requirements of the City's non-discrimination ordinances.

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

Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Howard S. Lazarus, City Administrator

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

Whereas, Signature Ford, Owosso MI, is the lowest responsive bidder to the Macomb County Cooperative Bid program; and

Whereas, Signature Ford complies with the requirements of the City's Non-Discrimination Ordinances;

RESOLVED, That City Council approve the issuance of a purchase order to Signature Ford for the purchase of one 2018 Ford Taurus SEL sedan at \$21,548.00, one 2018 Ford Fusion SE sedan at \$19,220.00, one 2018 Ford F-450 dual rear wheel 4x4 pickup truck (cab & chassis) at \$35,566.00, and one 2018 Ford F-250 regular cab 4x4 (box deleted) pickup truck at \$26,623.00 for a total of \$102,957.00;

RESOLVED, That funds for the purchase of these vehicles come from the FY 18 Fleet Services operation and maintenance budget with funds to be available without regard to fiscal year;

RESOLVED, That the vehicles being replaced (nos. 0156, 0159, 2508 and 6294) 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.