



Legislation Text

File #: 13-0159, Version: 1

Resolution to Approve the Purchase of Three Pickup Trucks, One Cab & Chassis with 13,000 lb. GVW, and Two Cab & Chassis with 16,500 lb. GVW from Varsity Ford (Macomb County \$134,951.00)

The attached resolution authorizes the purchase of two 2013 Ford F-150, Extended Cab Pickup Trucks with a eight foot box at \$20,701.00 each, one 2013 Ford F-150 Extended Cab Pickup Truck with a 6.5 foot box at \$18,360.00, one 2013 Ford F-350 Cab & Chassis with a GVW rating of 13,000 lbs at \$20,407.00 and two 2013 Ford F-450 Cab & Chassis with a GVW rating of 16,500 lbs. at \$27,391.00 each for a total of \$134,951.00 from Varsity Ford, Ann Arbor, 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 this is done 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, a two step evaluation process is used. 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, 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, a more accurate assessment of the wear and tear the engine and drive train receive in the "stop and go" city environment is determined. Staff estimates that city driving accounts for 90 to 95 percent of the hours put on City vehicles. Some older vehicles, not originally serviced by Fleet Services, were not equipped with hour-meters and only mileage information is available on these units.

Of the eighty-two light vehicles scheduled for evaluation this year, forty-one have met the requirements for replacement. Six of these vehicles are include on this resolution.

The Field Operations Unit of the Public Services Area uses truck # 2283, a 2004 Ford F-150 Extended Cab pickup, as transportation for its Customer Service staff. The staff is responsible for water meter maintenance, water shut offs and on, and Miss Dig markings. The truck has been in service for 8 years and has 168,612 miles of operation. This vehicle is not equipped with an hour meter. It averages 0.36 repair work orders per month and the cost of repairs has exceeded 181% of its purchase price. The work order and repair cost numbers are only for repairs since July, 2007 when Fleet Services took over maintenance of this vehicle. The Fleet Service Supervisor rated this vehicle a 4. The replacement truck requires an eight foot long bed to allow it to carry a water shut off "gate key".

The Field Operations Unit of the Public Services Area uses truck # 3267, a 2006 Ford F-150 Extended Cab pickup, as transportation for the supervisor in charge of sanitary sewers. The truck has been in service for 7 years and has 3,851 hours of operation. It averages 0.33 repair work orders per month and the cost of repairs has exceeded 92% of its purchase price. The work order and repair cost numbers are only for repairs since July, 2007 when Fleet Services took over maintenance of this vehicle. The Fleet Service Supervisor rated this vehicle a 5. The replacement truck requires an eight foot long bed to allow it to carry a water shut off "gate key".

The Field Operations Unit of the Public Services Area uses truck # 6278, a 2003 Ford F-150 Extended Cab pickup, as transportation for its Forestry group. The truck has been in service for 9 years and has 7,651 hours of operation. It averages 0.33 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 # 6613, a 1999 GMC HD 3500 cab & chassis with a utility body and aerial bucket, for use by the Parks Maintenance group. In April, 2012 the aerial unit developed a number of issues that required repairs with an estimated cost of over \$25,000.00. The maintenance operation no longer requires a full time aerial unit so it was determined that the truck should be removed from service and sold. The replacement cab & chassis will be equipment with a utility body only. The estimated cost of the body is \$9,200.00 which would bring the finished truck total cost to \$29,407.00.

The Field Operations Unit of the Public Services Area has truck # 4502, a 2001 Chevrolet cab & chassis with a dump body, for use by the Signs & Signal group during repairs of underground cables. The truck has been in service for 11 years and has 2,773 hours of operation. It averages 0.69 repair work orders per month and the cost of repairs has exceeded 205% of its purchase price. The Fleet Service Supervisor rated this vehicle a 3. The replacement cab & chassis will be equipped with a dump body at an estimated cost of \$12,125.00 which brings the total cost of the finished truck to \$39,516.00

The Field Operations Unit of the Public Services Area has truck # 6532, a 2001 Chevrolet cab & chassis with a dump body, for use by the Parks Maintenance group for park maintenance, repairs, snow plowing, and salt spreading. The truck has been in service for 11 years and has 3,247 hours of operation. It averages 0.73 repair work orders per month and the cost of repairs has exceeded 269% of its purchase price. The Fleet Service Supervisor rated this vehicle a 5. The replacement cab &

chassis will be equipped with a dump body at an estimated cost of \$12,125.00 which brings the total cost of the finished truck to \$39,516.00

The two dump bodies and one utility body being purchased for the three previous listed cab & chassis trucks will be purchased separately through a different vendor and process. Those costs are not included in this resolution.

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. Berger Chevrolet was the lowest responsive bidder to Oakland County.

Adequate funds for these purchases have been included in the Sanitary Sewer O & M budget, Water O & M budget, and Motor Equipment budget for fiscal year 2013

Varsity Ford received Human Rights approval on February 14, 2013.

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

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

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, Varsity Ford, Ann Arbor MI, is the lowest responsive bidder to Macomb Counties Cooperative Bid program; and

Whereas, Varsity Ford received Human Rights approval on February 14, 2013;

RESOLVED, That City Council approve the issuance of a purchase order to Varsity Ford for the purchase of two 2013 Ford F-150, Extended Cab pickups with eight foot beds at \$20,701.00 each, one 2013 Ford F-150 Extended Cab pickup with 6.5 foot bed at \$18,360.00, one 2013 Ford F-350 Cab & Chassis at \$20,407.00, and two 2013 Ford F-450 Cab & Chassis at \$ 27,391.00 each for a total amount of \$134,951.00;

RESOLVED, That funds for the purchase of one Ford F-150 extended cab pickup with eight foot bed from the 2013 Sanitary Sewer Fund O & M budget with funds to be available without regard to fiscal year;

RESOLVED, That funds for the purchase of one Ford F-150 extended cab pickup with eight foot bed from the 2013 Water Fund O & M budget with funds to be available without regard to fiscal year;

RESOLVED, That funds for the purchase of one Ford F-150 extended cab pickup with 6.5 foot bed, one Ford F-350 cab & chassis, and two Ford F-450 cab & chassis come from the 2013 Motor Equipment budget with funds to be available without regard to fiscal year;

RESOLVED, That the vehicles being replaced (nos. 2283, 3267, 6278, 4502, 6613, and 6532) be

sold at the next City vehicle auction; and

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