



Legislation Text

File #: 19-2123, **Version:** 1

Resolution to Approve the Purchase of Vehicles from Signature Ford (Macomb County Bid - \$264,733.00)

The attached resolution authorizes the purchase of one 2020 Ford F-150 SuperCab 4x4 pickup truck at \$31,394.00, one 2020 Ford F-150 SuperCab pickup truck at \$26,162.00, one 2020 Ford F-250 pickup truck at \$26,661.00, two 2020 Ford F-350 4x4 pickup trucks at \$31,040.00 each, and four 2020 Ford F-250 4x4 pickup trucks at \$29,609.00 each for a total of \$264,733.00 from Signature Ford, Owosso, 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.

Of the forty light vehicles scheduled for evaluation this year, fourteen have met the scoring requirements for replacement. Eight additional fully depreciated vehicles were identified for

replacement with either fully electric (EV) or plug-in electric hybrid (PHEV) vehicles. Of the total of twenty-two vehicles scheduled for replacement, nine of these vehicles are included in this resolution.

The Public Works Unit of the Public Services Area uses truck # 2248, a 2013 Ford F-150 extended cab, for its sewer utility maintenance operations. The truck has been in service for 7 years and has 5,029 hours of operation. It averages 0.24 repair work orders per month and the cost of repairs has exceeded 70% of its purchase price. The Public Works Unit has requested that this truck be upgraded from a two wheel drive to a four wheel drive truck.

The Wastewater Treatment Plant Unit of the Public Services Area uses truck # 2291, a 2009 Ford F-350 4x4, for maintenance operations at the WWTP and lift stations. This truck is outfitted with a plow and salt spreader to help with snow/ice control at the plant and stations. The truck has been in service for 10 years and has 1,387 hours of operation. It averages 0.14 repair work orders per month and the cost of repairs has exceeded 59% of its purchase price.

The Wastewater Treatment Plant Unit of the Public Services Area uses truck # 2293, a 2009 Ford F-250, for maintenance operations at the WWTP and lift stations. This truck is outfitted with a power lift gate to assist crews in moving heavy parts and equipment around the plant and to lift stations. The truck has been in service for 11 years and has 1,878 hours of operation. It averages 0.13 repair work orders per month and the cost of repairs has exceeded 88% of its purchase price.

The Public Works Unit of the Public Services Area uses truck # 3282, a 2013 Ford F-150 extended cab, for its sewer utility maintenance operations. The truck has been in service for 7 years and has 6,269 hours of operation. It averages 0.46 repair work orders per month and the cost of repairs has exceeded 126% of its purchase price.

The Public Works Unit of the Public Services Area uses truck # 6295, a 2013 GMC Sierra 2500 4x4, for its Forestry operations. The truck is outfitted with a plow to help with snow/ice control at City facilities. The truck has been in service for 7 years and has 4,247 hours of operation. It averages 0.35 repair work orders per month and the cost of repairs has exceeded 102% of its purchase price.

The Parks and Recreation Unit of the Community Services Area uses truck # 6296, a 2013 GMC Sierra 2500 4x4, for its maintenance of park and public spaces within the City. The truck has been in service for 7 years and has 3,774 hours of operation. It averages 0.45 repair work orders per month and the cost of repairs has exceeded 158% of its purchase price.

The Parks and Recreation Unit of the Community Services Area uses truck # 6297, a 2013 GMC Sierra 2500 4x4, for its maintenance of park and public spaces within the City. The truck has been in service for 7 years and has 3,476 hours of operation. It averages 0.53 repair work orders per month and the cost of repairs has exceeded 148% of its purchase price.

The Parks and Recreation Unit of the Community Services Area uses truck # 6298, a 2013 GMC Sierra 2500 4x4, for its maintenance of park and public spaces within the City. The truck has been in service for 7 years and has 4,140 hours of operation. It averages 0.56 repair work orders per month and the cost of repairs has exceeded 142% of its purchase price.

The Fleet & Facilities Unit of the City Administration Service Area uses truck # 7205, a 2010 Ford F-350 4x4, for maintenance and operations at the airport. The truck is equipped with a plow and

spreader to help with snow/ice control at the airport. The truck has been in service for 10 years and has 3,688 hours of operation. It averages 0.17 repair work orders per month and the cost of repairs has exceeded 95% of its purchase price.

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 (bid #21-18) for pickup trucks.

Signature Ford complies with the requirements of the City's Conflict of Interest and Non-Discrimination ordinances.

Budget Impact: Adequate funding for the purchase of these vehicles is available in the FY20 Fleet Services Fund budget and the FY20 Sewage Disposal Fund operations and maintenance budget.

Green Fleet Policy: On November 8, 2019, the Green Fleet Committee approved the need for the replacement of these vehicles, that the proposed replacements are consistent with the Green Fleet Policy, and recommended the approval of this resolution. The Sustainability and Innovations Manager has concurred with the actions of the Committee.

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

Reviewed by: John Fournier, Assistant City 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 Conflict of Interest and Non-Discrimination ordinances;

RESOLVED, That City Council approve the issuance of a purchase order to Signature Ford for the purchase of one 2020 Ford F-150 SuperCab 4x4 pickup truck at \$31,394.00, one 2020 Ford F-150 SuperCab pickup truck at \$26,162.00, one 2020 Ford F-250 pickup truck at \$26,661.00, two 2020 Ford F-350 4x4 pickup trucks at \$31,040.00 each, and four 2020 Ford F-250 4x4 pickup trucks at \$29,609.00 each for a total of \$264,733.00;

RESOLVED, That funds for the purchase of these vehicles in the amount of \$258,799.00 come from the FY 2020 Fleet Services budget and in the amount of \$5,934.00 come from the FY 2020 Sewage Disposal Fund operations budget with funds to be available without regard to fiscal year;

RESOLVED, That the vehicles being replaced (nos. 2248, 2291, 2293, 3282, 6295, 6296, 6297, 6298 and 7205) 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.