



City of Ann Arbor

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* **File Name:** 11/15/21 Approve the Purchase of Vehicles from Signature Ford

Final Action: 11/15/2021

Title: Resolution to Approve the Purchase of Vehicles from Signature Ford (Macomb County Cooperative Purchasing - \$360,892.00)

Notes:

Sponsors:

Enactment Date: 11/15/2021

Attachments: Macomb County Pricing (#21-18).pdf, Signature Ford Quotes - Combined.pdf

Enactment #: R-21-410

Drafter/Contact: Matthew J Kulhanek

Hearing Date:

* **Admin/Mgr:** John Fournier, Assistant City Administrator

Effective Date:

Related Files:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	City Council	11/15/2021	Approved Yeas: 0 Nays: 0				Pass

Text of Legislative File 21-1796

Resolution to Approve the Purchase of Vehicles from Signature Ford (Macomb County Cooperative Purchasing - \$360,892.00)

The attached resolution authorizes the purchase of six 2022 Ford Police Interceptor Utility Hybrid patrol vehicles at \$36,694.00 each, one 2022 Ford Expedition 4x4 at \$40,224.00, one 2022 Ford Explorer 4x4 Hybrid at \$48,188.00, one 2022 Ford F-150 pickup truck at \$24,463.00, and one 2022 Ford F-250 pickup truck at \$27,853.00 for a total of \$360,892.00 from Signature Ford, Owosso, Michigan. This resolution includes both police vehicles and other City vehicles.

Police Vehicles: 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 police vehicles listed on this resolution will replace vehicles that will have reached the contractual limit in the next year.

The pursuit-rated Interceptor Utility Hybrid patrol car uses a large battery pack to power the vehicle's law enforcement equipment including lights, sirens, computers, radio, printer, and the heating and AC for the cabin. When the vehicle's engine is at idle, which is a significant amount of time for a patrol vehicle, the engine shuts down and the battery powers the equipment. If the battery gets low, the engine automatically starts to recharge the battery. The City has experienced significant improvements in fuel economy for our existing fleet that has this hybrid system.

Other City Vehicles: 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 thirty-one light vehicles scheduled for evaluation this year, five have met the scoring requirements for replacement. Of the five vehicles scheduled for replacement, two of these vehicles are included in this resolution.

The Public Works Unit of the Public Services Area uses pickup #3260, a 2015 GMC Sierra 1500, for its water utilities operations. The Public Works Unit has requested that this half-ton pickup truck be upgraded to a three quarter-ton pickup truck to better handle the current use of this vehicle. This vehicle is currently used to haul more equipment and materials than before and the extra weight has added to the deterioration of the truck.

The Engineering Unit of the Public Services Area uses pickup #4242, a 2014 Ford F-150, for its signs and signals operations. It will be replaced with a like pickup truck.

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 these vehicles. Ford has extended MY21 pricing for these MY22 vehicles until November 30, 2021 due to the microchip shortage and long delivery times.

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

Budget/Fiscal Impact: Adequate funding for the purchase of these vehicles is available in the FY22 Fleet Services Fund Operations and Maintenance budget and the FY22 General Fund Police Department Operations and Maintenance budget.

The owning department of each electric vehicle will be responsible for the increased Fleet replacement cost each year. This Fleet replacement cost covers the future cost of replacing the vehicles purchased under this resolution. Fuel savings for those vehicles purchased with the hybrid drivetrain system will recoup some of this additional expense based on the usage of the vehicle.

Green Fleet Policy: On October 6, 2021, 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: Milton Dohoney Jr. Interim 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 for these replacement vehicles; 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 six 2022 Ford Police Interceptor Utility Hybrid patrol vehicles at \$36,694.00 each, one 2022 Ford Expedition 4x4 at \$40,224.00, one 2022 Ford Explorer 4x4 Hybrid at \$48,188.00, one 2022 Ford F-150 pickup truck at \$24,463.00 and one 2022 Ford F-250 pickup truck at \$27,853.00 for a total of \$360,892.00;

RESOLVED, That funds for the purchase of these vehicles in the amount of \$331,017.00 comes from the FY2022 Fleet Services budget and in the amount of \$29,875.00 comes from the FY2022 General Fund Police Department budget with funds to be available without regard to fiscal year;

RESOLVED, That the vehicles being replaced (nos. 0030, 0031, 0032, 0034, 0035, 0037, 0206, 0360, 3260 and 4242) 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.

