



Legislation Details (With Text)

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**Title:** Resolution to Approve the Purchase of Three Special Service Package Sports Utility Vehicles from Shaheen Chevrolet (Oakland County Bid \$85,266.00)

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**Attachments:** 1. Bid - 2008 SUV's.pdf

Date	Ver.	Action By	Action	Result
2/19/2008	1	City Council	Approved	Pass

Resolution to Approve the Purchase of Three Special Service Package Sports Utility Vehicles from Shaheen Chevrolet (Oakland County Bid \$85,266.00)

The attached resolution authorizes the purchase of three 2008 Chevrolet Tahoe four wheel drive sports utility vehicles with special service packages at \$28,422.00 each, for the total amount of \$85,266.00 from Shaheen Chevrolet, Lansing, 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 with the exception of certain police vehicles. When a vehicle comes up on the replacement schedule, we use a six category evaluation, which includes the vehicles age, miles/hours of use, type of service, reliability, maintenance and repair cost, and general condition. A point score is given in each category and any vehicle with a total score over 23 is then brought in for inspection by a team of Fleet mechanics.

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.

The inspection process insures that the mechanics look for required and potential repairs. Required repairs are items that have excessive wear and must be replaced if the vehicle is retained in service. Potential repairs are items that our experience tells us will likely fail within the next year of use. Potential repairs may include items such as starters, alternators, water pumps, shocks and struts that have not already been replaced.

Of the forty-nine light vehicles scheduled for evaluation this year, thirty-nine had total scores high enough to qualify them for the mechanic's inspection. Based on the inspections we are

recommending a total of twelve vehicles be replaced. One of the twelve vehicles recommended for replacement is listed on this resolution along with two police vehicles. Police vehicle replacement is mandated by contract based on mileage and therefore are not subject to the evaluation process.

The results of our evaluation and the Fleet mechanic's inspections are as follows:

The Fire Unit of the Safety Services Area uses vehicle number 1040 as an emergency response vehicle for fire command and to tow specialty trailers (breathing air compressor, Haz-Mat and technical rescue). This vehicle has been in service 10 years with 101,650 miles of operation. This vehicle has been serviced and maintained by the Fleet Services unit for only the last three years. During that time the total cost of repairs performed on this vehicle exceeded 42 percent of the original purchase price and it has averaged 0.23 repairs per month over the three-year period. Mechanically this car needs front and rear brakes and a battery. It has the potential to need replacement of drive belts and hoses. These repairs come to an estimated cost of \$2,200.00. In the past this vehicle was assigned to an assistant chief for fire response. New operational procedures in the Fire department call for this vehicle to be maintained by the assistant chief and also be available for all specialty team calls. The assigned vehicle must now be available to respond county wide to tow the specialty team trailers to emergency scenes. Given the vehicle age, the number of miles, and status as an emergency response vehicle, replacement is recommended.

The two additional sports utility vehicles will replace the patrol command unit and the bomb dog sports utility vehicles, numbers 0331 and 0332. These will have reached the 80,000 miles or 6-year age limit in the next year. 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.

Emissions information from the [www.fueleconomy.gov](http://www.fueleconomy.gov) <<http://www.fueleconomy.gov>> web site for large sport utility vehicles was not available. Comparing the same engine in a ½ ton version showed that the Chevrolet Tahoe produced lower amounts of greenhouse gas emissions and had higher fuel economy than the other sport utility vehicles bid under the cooperative purchasing programs. Although the Expedition offered by Signature Ford has a purchase price that is \$2,447.00 below the price of the Tahoe, the Expedition produces 1.8 tons more greenhouse gas emission (gge) and cost an additional \$456.00 more in fuel per year when burning gasoline. Over the 3 year expected life of these vehicles, the Expedition will produce 5.4 tons more gge and cost an additional \$1,368.00 in fuel at today's prices.

In addition, the Chevrolet Tahoes being purchased are flex fuel vehicles that can also burn E-85 fuel. The Tahoe will produce 7.1 tons less of gge per year, a total of 21.3 tons of gge over its life expectancy, when burning E-85. E-85 reduces the fuel economy of a vehicle so the cost of fuel when burning E-85 will be approximately equal to that of the Expedition.

The Green Fleet Committee has reviewed and recommended this purchase per the goals and 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. Shaheen Chevrolet, Lansing, MI, was the lowest responsive bidder under the Oakland County Bid. (See attached tabulation sheet)

Shaheen Chevrolet received Human Rights approval on January 23, 2008.

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

Reviewed by: Sue F. McCormick, Public Services Administrator

Approved by: Roger W. Fraser, City Administrator

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

Whereas, Sufficient funds are available in the approved FY08 Motor Equipment budget;

Whereas, Competitive bids were received by the State of Michigan, Oakland County, and Macomb County's Cooperative Bid programs;

Whereas, Shaheen Chevrolet, Lansing, MI, is the lowest responsive bidder to Oakland County; and

Whereas, Shaheen Chevrolet received Human Rights approval on January 23, 2008;

RESOLVED, That City Council approve the issuance of a purchase order to Shaheen Chevrolet in the amount of \$85,266.00 for the purchase of three 2008 Chevrolet Tahoes, with four wheel drive and special service packages, from the 2008 Motor Equipment budget;

RESOLVED, That the vehicles being replaced (nos. 0331, 0332, and 1040) 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.