



Legislation Text

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Resolution to Approve the Purchase of Vehicles from Berger Chevrolet (Oakland County \$256,242.50)

The attached resolution authorizes the purchase of two 2015 Chevrolet Colorado pickups at \$20,294.25 each, one 2015 Chevrolet Impala at \$26,267.00, and nine 2015 Chevrolet Equinox SUV at \$21,043.00 each for a total of \$256,242.50 from Berger Chevrolet, Grand Rapids, Michigan.

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 detective vehicle listed on this resolution will replace a vehicle that will have reached the 80,000 miles limit in the next year.

The Police Unit of the Safety Services Area requires that the fleet of detective vehicles consist of a variety of makes, models, and body styles. The fleet includes cars, pickups, and SUVs. To maintain the variety of vehicles needed in this operation, the Fleet and Facilities Unit develops a list of vehicles that were awarded a contract under one or more of the cooperative purchasing programs from the State of Michigan, Macomb County, and Oakland County. The list is given to the Police Department and their staff selects vehicles from the list that fit their needs. Although greenhouse gas emissions and fuel economy are major factors in the decision, maintaining a diverse fleet of detective vehicles is the overriding factor in choosing vehicles for this operation.

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. Some older vehicles, which were not originally serviced by Fleet Services, were not equipped with hour-meters and only mileage information is available on these units.

Of the seventy-eight light vehicles scheduled for evaluation this year, fifty-one have met the requirements for replacement. Eight of these vehicles are included on this resolution plus one vehicle assigned to the Police Department. Police vehicle replacement is mandated by contract. In addition the Planning & Development Services Unit has requested three additional vehicles for use by rental housing and construction inspectors.

The Community Standards Unit of the Safety Services Area uses truck # 0520, a 2007 Chevrolet Colorado, for transportation of its staff. The mini pickup has been in service for 8 years and has 5,450 hours of operation. It averages 0.34 repair work orders per month and the cost of repairs has exceeded 101% of its purchase price. The Fleet Service Supervisor rated this vehicle a 3.

The Planning & Development Services Unit of the Community Services Area uses mini-van # 1002, a 2001 Ford Windstar, for transportation of its staff. The vehicle has been in service for 13 years and has 41,246 miles of operation. It averages 0.26 repair work orders per month and the cost of repairs has exceeded 62% of its purchase price. The Fleet Service Supervisor rated this vehicle a 5. Planning & Development Unit has requested that this vehicle be upgraded to a small SUV to improve operator comfort. This vehicle was originally purchased with funds from a grant and has not paid anything to the Fleet Fund for its replacement. The full purchase price will come from the Units General Fund FY15 budget.

The Water Treatment Plant uses van # 3286, a 2005 Ford Freestar cargo van, for water, wastewater, and stormwater sample collections and general lab and operations use. The van has been in service for over 9 years and has 2,314 hours of use. It averages 0.29 repair work order per month and the cost of repairs has exceeded 134% of the purchase price. The Fleet Service Supervisor rated this vehicle a 4. Because of the locations this vehicle is required to drive to, including the sludge pond, the Water Plant request it be upgraded to a small SUV.

The Planning & Development Services Unit of the Community Services Area uses car # 5113, a 2007 Ford Focus, for transportation of its staff. The vehicle has been in service for 7 years and has 4,330 hours of operation. It averages 0.28 repair work orders per month and the cost of repairs has exceeded 96% of its purchase price. The Fleet Service Supervisor rated this vehicle a 3. Planning & Development Unit has requested that this vehicle be upgraded to a SUV vehicle to improve operator comfort. This upgrade makes the purchase price \$4,383.00 more than the amount that the Fleet Fund has collected for this vehicle's replacement. This additional cost will come from the Units FY15 Construction Fund budget

The Planning & Development Services Unit of the Community Services Area uses mini-pickup # 5217, a 2005 Chevrolet Colorado, for transportation of its staff. The vehicle has been in service for 9 years and has 5,215 hours of operation. It averages 0.49 repair work orders per month and the cost of repairs has exceeded 131% of its purchase price. The Fleet Service Supervisor rated this vehicle a 3. Planning & Development Unit has requested that this vehicle be upgraded to a SUV vehicle to improve operator comfort. This upgrade makes the purchase price \$750.00 more than the amount that the Fleet Fund has collected for this vehicles replacement. This additional cost will come from the Units FY15 Construction Fund budget.

The System Planning Unit of the Public Services Area uses mini-pickup # 5218, a 2005 Chevrolet Colorado, for transportation of its soil erosion inspector. The vehicle has been in service for 8 years and has 2,880 hours of operation. It averages 0.39 repair work orders per month and the cost of repairs has exceeded 162% of its purchase price. The Fleet Service Supervisor rated this vehicle a 3.

The Planning & Development Services Unit of the Community Services Area uses mini-pickup # 5219, a 2007 Chevrolet Colorado, for transportation of its staff. The vehicle has been in service for 8 years and has 5,390 hours of operation. It averages 0.32 repair work orders per month and the cost of repairs has exceeded 107% of its purchase price. The Fleet Service Supervisor rated this vehicle a 3. Planning & Development Unit has requested that this vehicle be upgraded to a small SUV to improve operator comfort. This upgrade makes the purchase price \$750.00 more than the amount that the Fleet Fund has collected for this vehicles replacement. This additional cost will come from the Units FY15 General Fund budget.

The Planning & Development Services Unit of the Community Services Area uses mini-pickup # 5220, a 2007 Chevrolet Colorado, for transportation of its staff. The vehicle has been in service for 7 years and has 5,110 hours of operation. It averages 0.28 repair work orders per month and the cost of repairs has exceeded 45% of its purchase price. The Fleet Service Supervisor rated this vehicle a 3. Planning & Development Unit has requested that this vehicle be upgraded to a small SUV to improve operator comfort. This upgrade makes the purchase price \$750.00 more than the amount that the Fleet Fund has collected for this vehicles replacement. This additional cost will come from the Units FY15 Construction Fund budget.

Over the last few years the Planning and Development Services Unit has increased the number of inspectors. The Unit needs to purchase three additional vehicles in order to provide each inspector a vehicle. The full purchase price for one small SUV will come from the Units General Fund FY15 budget and the funding for the other two will come from the Units FY15 Construction Fund budget.

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 budgeted in the Water Fund O&M budget, Planning & Development Services' General Fund budget, Planning & Development Services' Construction Fund budget, and Fleet Services budget for fiscal year 2015

Berger Chevrolet complies with the requirements of the City's non-discrimination ordinances.

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

Reviewed by: Matthew J. Kulhanek, Fleet & Facilities Manager and 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, Berger Chevrolet, Grand Rapids MI, is the lowest responsive bidder to Oakland Counties Cooperative Bid program; and

Whereas, Berger Chevrolet complies with the requirements of the City's Non-Discrimination Ordinances;

RESOLVED, That City Council approve the issuance of a purchase order to Berger Chevrolet for the purchase of two 2015 Chevrolet Colorado at \$20,294.25, one 2015 Chevrolet Impala at \$26,267.00, and nine 2015 Chevrolet Equinox at \$21,043.00 each for a total amount of \$256,242.50;

RESOLVED, That funds for the purchase of the two Chevrolet Colorado, one Chevrolet Impala, and four Chevrolet Equinox come from the FY15 Motor Equipment budget with funds to be available without regard to fiscal year;

RESOLVED, That funds for the purchase of one Chevrolet Equinox come from the FY15 Water Fund O&M budget with funds to be available without regard to fiscal year;

RESOLVED, That funds for the upgrade of three Chevrolet Equinox and the purchase of two Chevrolet Equinox come from the FY15 Planning & Development Construction Fund budget with funds to be available without regard to fiscal year;

RESOLVED, That funds for the upgrade of one Chevrolet Equinox and the purchase of two Chevrolet Equinox come from the FY15 Planning & Development General Fund budget with funds to be available without regard to fiscal year;

RESOLVED, That the vehicles being replaced (nos. 0148, 0520, 1002, 3286, 5113, 5217, 5218, 5219, and 5220) 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.