



Legislation Text

File #: 24-0619, Version: 1

Resolution to Authorize the Purchase of Four 2024 Ford F-150 Lightnings from Lunghamer Ford and Appropriate Capital Contributions to the FY2024 Fleet Services Fund Operations and Maintenance Budget (\$101,002.00) (State of Michigan MiDeal - \$194,316.00) **(8 Votes Required)**

The attached resolution authorizes the purchase of four 2024 Ford F-150 Lightnings at \$48,579.00 each, for a total of \$194,316.00 through the State of Michigan MiDeal cooperative purchasing program (contract #071B7700180) from Lunghamer 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.

Three of the four vehicles in this resolution were eligible for replacement but did not meet the scoring criteria. The fourth vehicle is an addition to the City's fleet due to increased staffing in the City Engineering Unit. As part of the City's Green Fleets Policy and A²Zero decarbonization efforts, the early replacement of these three vehicles is requested.

The Water Treatment Plant of the Public Services Area uses pickup #3290, a 2017 Chevy Silverado 1500 4X4 for its operations. The vehicle is used by the water treatment plant crew for the daily activities of overseeing maintenance and inspections of the City's drinking water system. This vehicle will be replaced with an all-electric Ford F-150 Lightning.

The Systems Planning Unit of the Public Services Area uses pickup #3251 a 2016 Chevy Colorado for its operations. The vehicle is primarily used to complete soil erosion inspections for residential and commercial projects, investigate drainage complaints, meet with residents to answer questions, and provides aid to other city departments as needed. This vehicle will be replaced with an all-electric Ford F-150 Lightning.

The Community Standards Department of the Safety Services Area uses pickup #0522, 2016 Chevy Colorado for its enforcement operations. This vehicle is used by Community Standards staff to enforce City parking regulations and City ordinances. This vehicle will be replaced with an all-electric Ford F-150 Lightning.

The Engineering Unit of the Public Services Area has added an additional construction inspector to their staff and needs to add an additional vehicle to the fleet. This vehicle will be used by the inspector to transport various equipment related to their duties to inspect private development projects. The vehicle being purchased is an all-electric Ford F-150 Lightning.

Budget/Fiscal Impact: Vehicle purchase prices have increased significantly over the last few years due to inflationary pressures and vehicle supply issues. As such, replacement funding targets made many years ago do not cover the costs of these replacement vehicles, especially with the additional costs associated with purchasing electric vehicles. Supplemental funding is necessary and the Community Standards Department of the Safety Services Area made a one-time transfer of \$25,130.00 to the Fleet Services Fund Operations and Maintenance budget, the Water Treatment Plant of the Public Services Area made a one-time transfer of \$12,129.00 to the Fleet Services Fund Operations and Maintenance budget, and the Systems Planning Unit of the Public Services Area made a one-time transfer of \$15,164.00 to the Fleet Services Fund Operations and Maintenance budget to fully fund these replacement vehicles.

The Engineering Unit of the Public Services Area has made a request to add an additional vehicle to their fleet due to adding an additional construction inspector. The Engineering Unit of the Public Services Area has made a one-time transfer of \$48,579.00 to the Fleet Services Fund Operations and Maintenance budget to purchase this new vehicle.

These transfers, totaling \$101,002.00, have been received as capital contribution revenue in the FY2024 Fleet Services Fund Operations and Maintenance budget from the funds listed above. With appropriation of these revenues to the expenditure budget, adequate funding for the purchase of these vehicles is available in the FY2024 Fleet Services Fund Operations and Maintenance budget.

The owning department of each vehicle will be responsible for the Fleet replacement cost each year. This Fleet replacement cost covers the future cost of replacing the vehicles purchased under this resolution.

Green Fleet Policy: The Green Fleet Committee approved the need for the replacement of these vehicles, that the proposed replacement is 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: CJ Stegink, Fleet Supervisor
Matthew J. Kulhanek, Fleet and Facility Unit Manager

Reviewed by: John Fournier, Deputy City Administrator

Approved by: Milton Dohoney Jr., City Administrator

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

Whereas, Lunghamer Ford, Owosso, MI, is the lowest responsive bidder to the State of Michigan MiDeal program for these replacement vehicles; and

Whereas, Lunghamer Ford complies with the requirements of the City's Conflict of Interest and Non-Discrimination Ordinances; and

Whereas, Upon appropriation of the capital contributions made for these vehicles, adequate funding for the purchase is available in the FY2024 Fleet Services Fund Operations and Maintenance budget;

RESOLVED, That City Council approve the issuance of a purchase order to Lunghamer Ford for the purchase of four 2024 Ford F-150 Lightnings at \$48,579.00, for a total of \$194,316.00;

RESOLVED, That \$101,002.00 be appropriated to the FY2024 Fleet Services Fund revenue and expenditure budget with the source of revenue being capital contributions received for the purchase of these vehicles;

RESOLVED, That funds for the purchase of these vehicles in the amount of \$194,316.00 comes from the FY2024 Fleet Services Fund Operations and Maintenance budget with funds to be available without regard to fiscal year,

RESOLVED, That the vehicles being replaced (nos. 0522, 3251, and 3290) be sold at the next City auction after the asset is removed from service; and

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