



Legislation Text

File #: 15-0380, **Version:** 1

Resolution to Approve the Purchase of Vehicles from Varsity Ford (Macomb County \$535,050.00)
The attached resolution authorizes the purchase of two 2015 Ford F-450 cab & chassis at \$38,399.00 each, one 2016 Ford F-350 1 ton pickup truck with the box deleted at \$22,616.00, one 2015 Ford Transit Connect cargo van at \$20,807.00, one 2016 Ford F-250 ¾ ton pickup truck with crew cab at \$25,139.00, one 2016 Ford F-250 ¾ ton pickup truck with crew cab and four wheel drive at \$29,876.00, nine 2016 Ford F-250 ¾ ton pickup trucks with four wheel drive at \$26,275.00 each, four 2015 Ford Transit full size cargo vans at \$23,259.00 each, and one 2015 Ford Transit Wagon 15 passenger van at \$30,303.00 for a total of \$535,050.00 from Varsity Ford, Ann Arbor, 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. 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. Nineteen of these vehicles are included in this resolution.

The Fire Department uses min cargo van # 1022, a 2007 Ford Freestar, for transportation for its Fire Prevention staff. The van has been in service for 8 years and has 2,908 hours of operation. It averages 0.22 repair work orders per month and the cost of repairs has exceeded 64% of its purchase price. The Fleet Service Supervisor rated this vehicle a 4.

The Fleet & Facilities Unit of the Public Services Area uses cargo van # 1260, a 2000 Chevrolet G 2500, for transportation of its staff and equipment between the various buildings it maintains. The van has been in service for 14 years and has 1,440 hours of operation. It averages 0.38 repair work orders per month and the cost of repairs has exceeded 115% of its purchase price. The Fleet Service Supervisor rated this vehicle a 5.

The Field Operations Unit of the Public Services Area uses truck # 2281, a 2002 Ford F-250, to service and maintain the sanitary sewer system. The truck has been in service for 12 years and has 5,440 hours of operation. It averages 0.22 repair work orders per month and the cost of repairs has exceeded 97% of its purchase price. The Fleet Service Supervisor rated this vehicle a 4.

The Wastewater Treatment Unit of the Public Services Area uses truck # 2284, a 2004 Ford F-250 with crew cab and four wheel drive, to service and maintain the lift stations. The truck has been in service for 10 years and has 2,467 hours of operation. It averages 0.15 repair work orders per month and the cost of repairs has exceeded 53% of its purchase price. The Fleet Service Supervisor rated this vehicle a 4.

The Field Operations Unit of the Public Services Area uses truck # 2285, a 2004 Ford F-250, to service and maintain the sanitary sewer system. The truck has been in service for 10 years and has 5,980 hours of operation. It averages 0.25 repair work orders per month and the cost of repairs has exceeded 61% of its purchase price. The Fleet Service Supervisor rated this vehicle a 4.

The Field Operations Unit of the Public Services Area uses truck # 2286, a 2004 Ford F-250 with a service body, to service and maintain the water system. The truck has been in service for 10 years and has 3,700 hours of operation. It averages 0.08 repair work orders per month and the cost of repairs has exceeded 24% of its purchase price. The Fleet Service Supervisor rated this vehicle a 4. The replacement truck will be ordered with the pickup box deleted. After the truck is received it will have a service body installed, at an estimated cost of \$10,000.00, for a total cost of \$32,616.00 for this truck.

The Water Treatment Plant Unit of the Public Services Area uses truck # 3264, a 2002 Ford F-250 two wheel drive, for general dam and out station maintenance. The truck has been in service for 12 years and has 1,761 hours of operation. It averages 0.17 repair work orders per month and the cost of repairs has exceeded 69% of its purchase price. The Fleet Service Supervisor rated this vehicle a 5.

The Field Operations Unit of the Public Services Area uses truck # 4503, a 2006 Ford F-450 with a dump body, for snow removal and street maintenance. The truck has been in service for 8 years and has 7,825 hours of operation. It averages 0.65 repair work orders per month and the cost of repairs has exceeded 128% of its purchase price. The Fleet Service Supervisor rated this vehicle a 3. After

the cab & chassis is received it will have a dump body installed, at an estimated cost of \$10,000.00, for a total cost of \$48,399.00 for this truck.

The Field Operations Unit of the Public Services Area uses truck # 4246, a 2008 Ford F-250, as the supervisor's vehicle for street maintenance. The truck has been in service for 6 years and has 3,121 hours of operation. It averages 0.29 repair work orders per month and the cost of repairs has exceeded 94% of its purchase price. The Fleet Service Supervisor rated this vehicle a 4.

The Project Management Unit of the Public Services Area uses truck # 4260, a 2000 GMC Savana cargo van, for its traffic engineering. The truck has been in service for 14 years and has 4,977 hours of operation. It averages 0.40 repair work orders per month and the cost of repairs has exceeded 113% of its purchase price. The Fleet Service Supervisor rated this vehicle a 5.

The Canoe Livery Operation of the Community Services Area uses van # 6216, a 2004 Ford E-350 15 passenger van with CNG engine, to transport customers during the canoeing season. The van has been in service for 10 years and has 26,200 miles of operation. It averages 0.11 repair work orders per month and the cost of repairs has exceeded 23% of its purchase price. The Fleet Service Supervisor rated this vehicle a 3. Although this van does not qualify for replacement by our point system, it is no longer practical for it to be used in this operation. The van is powered by compressed natural gas (CNG) and it needs to be fueled up twice as often as a gasoline powered van. Both CNG fuel stations are located on the south end of town with the livery operation focused on the north end. This has created a situation where the van spends more time driving to and getting fuel than it does transporting customers creating a large backlog of customers waiting to be picked up.

The Field Operations Unit of the Public Services Area uses truck # 6284, a 2006 GMC Sierra 2500, in its park maintenance operation. The truck has been in service for 8 years and has 3,530 hours of operation. It averages 0.39 repair work orders per month and the cost of repairs has exceeded 104% of its purchase price. The Fleet Service Supervisor rated this vehicle a 4.

The Field Operations Unit of the Public Services Area uses truck # 6285, a 2006 GMC Sierra 2500, in its park maintenance operation. The truck has been in service for 8 years and has 5,085 hours of operation. It averages 0.56 repair work orders per month and the cost of repairs has exceeded 176% of its purchase price. The Fleet Service Supervisor rated this vehicle a 4.

The Field Operations Unit of the Public Services Area uses truck # 6286, a 2007 Ford F-250 with a crew cab, in its park maintenance operation. The truck has been in service for 8 years and has 5,010 hours of operation. It averages 0.36 repair work orders per month and the cost of repairs has exceeded 82% of its purchase price. The Fleet Service Supervisor rated this vehicle a 3.

The Field Operations Unit of the Public Services Area uses truck # 6287, a 2007 Dodge Ram 2500, in its forestry operation. The truck has been in service for 7 years and has 6,358 hours of operation. It averages 0.26 repair work orders per month and the cost of repairs has exceeded 80% of its purchase price. The Fleet Service Supervisor rated this vehicle a 4.

The Field Operations Unit of the Public Services Area uses truck # 6288, a 2007 Dodge Ram 2500, in its park maintenance operation. The truck has been in service for 7 years and has 4,005 hours of operation. It averages 0.35 repair work orders per month and the cost of repairs has exceeded 121% of its purchase price. The Fleet Service Supervisor rated this vehicle a 3.

The Field Operations Unit of the Public Services Area uses truck # 6290, a 2008 Ford F-250, in its park maintenance operation. The truck has been in service for 6 years and has 5,040 hours of operation. It averages 0.40 repair work orders per month and the cost of repairs has exceeded 103% of its purchase price. The Fleet Service Supervisor rated this vehicle a 3.

The Field Operations Unit of the Public Services Area uses truck # 6525, a 2006 Ford F-350 with a dump body, for snow removal and park maintenance. The truck has been in service for 9 years and has 4,330 hours of operation. It averages 0.88 repair work orders per month and the cost of repairs has exceeded 301% of its purchase price. The Fleet Service Supervisor rated this vehicle a 5. After the cab & chassis is received it will have a dump body installed, at an estimated cost of \$10,000.00, for a total cost of \$48,399.00 for this truck.

The Project Management Unit of the Public Services Area uses cargo van # 9235, a 2007 Chevrolet G 2500, for construction inspection operation. The van has been in service for 7 years and has 5,450 hours of operation. It averages 0.31 repair work orders per month and the cost of repairs has exceeded 59% of its purchase price. The Fleet Service Supervisor rated this vehicle a 3.

The Project Management Unit of the Public Services Area uses cargo van # 9236, a 2007 Chevrolet G 2500, for construction inspection operation. The van has been in service for 7 years and has 5,400 hours of operation. It averages 0.26 repair work orders per month and the cost of repairs has exceeded 53% of its purchase price. The Fleet Service Supervisor rated this vehicle a 3.

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. Varsity Ford was the lowest responsive bidder to Macomb County.

Adequate funds for these purchases have been budgeted in the Water Fund O&M budget, Sanitary Sewer O&M budget and Fleet Services budget for fiscal year 2015

Varsity Ford 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, Varsity Ford, Ann Arbor MI, is the lowest responsive bidder to Macomb Counties Cooperative Bid program; and

Whereas, Varsity Ford complies with the requirements of the City's Non-Discrimination Ordinances;

RESOLVED, That City Council approve the issuance of a purchase order to Varsity Ford for the purchase of two 2015 Ford F-450 cab & chassis at \$38,399.00 each, one 2016 Ford F-350 1 ton pickup truck with its box deleted at \$22,616.00, one 2015 Ford Transit Connect at \$20,807.00, one

2016 Ford F-250 pickup truck with crew cab at \$25,139.00, one 2016 Ford F-250 pickup truck with crew cab and four wheel drive at \$29,876.00, nine 2016 Ford F-250 with four wheel drive at \$26,275.00 each, four 2015 Ford Transit cargo vans at \$23,259.00 each, and one 2015 Ford Transit Wagon 15 passenger van at \$30,303.00 for a total amount of \$535,050.00;

RESOLVED, That funds for the purchase of the two Ford F-450, one Ford Transit Connect, one Ford F-250 with crew cab, six Ford F-250 with four wheel drive, four Ford Transit cargo vans, and one Ford Transit Wagon 15 passenger van come from the FY15 Fleet Services budget with funds to be available without regard to fiscal year;

RESOLVED, That funds for the purchase of two Ford F-250 with four wheel drive and one Ford F-250 with crew cab and four wheel drive come from the FY15 Sanitary Sewer Fund O&M budget with funds to be available without regard to fiscal year;

RESOLVED, That funds for the purchase of one Ford F-350 with its box deleted and one Ford F-250 with four wheel drive come from the FY15 Water Fund O&M budget with funds to be available without regard to fiscal year;

RESOLVED, That the vehicles being replaced (nos. 1022, 1260, 2281, 2285, 2286, 3264, 4246, 4260, 4503, 6216, 6284, 6285, 6286, 6287, 6288, 6290, 6525, 9235 and 9236) 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.