



## Legislation Details (With Text)

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**Title:** Resolution to Approve the Purchase of Vehicles from Berger Chevrolet (Oakland County Bid - \$133,156.00)

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Berger Bid Tabs 2016.pdf

Date	Ver.	Action By	Action	Result
3/21/2016	1	City Council	Approved	Pass

Resolution to Approve the Purchase of Vehicles from Berger Chevrolet (Oakland County Bid - \$133,156.00)

The attached resolution authorizes the purchase of two 2016 Chevrolet Colorado pickups at \$22,233.00 each, two 2016 Chevrolet Equinox SUV (AWD) at \$21,335.00 each, one 2016 Chevrolet Equinox SUV at \$19,293.00, and one 2016 Chevrolet Equinox SUV (AWD) at \$26,727.00 for a total of \$133,156.00 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 thirty-six light vehicles scheduled for evaluation this year, nineteen have met the requirements for replacement. Five of these vehicles are included in this resolution plus one vehicle assigned to the Police Department whose replacement is mandated by contract.

The Community Standards Unit of the Safety Services Area uses truck # 0521, a 2008 GMC Canyon, for transportation of its staff. The mini pickup has been in service for 7 years and has 4,671 hours of operation. It averages 0.38 repair work orders per month and the cost of repairs has exceeded 143% of its purchase price. The Fleet Service Supervisor rated this vehicle a 3.

The Field Operations Unit of the Public Services Area uses truck # 3281, a 2007 Chevrolet Colorado, for water utility inspection operations. The mini pickup has been in service for 9 years and has 3,848 hours of operation. It averages 0.29 repair work orders per month and the cost of repairs has exceeded 124% of its purchase price. The Fleet Service Supervisor rated this vehicle a 3.

The Planning & Development Services Unit of the Community Services Area uses car # 5112, a 2007 Ford Focus, for transportation of its staff. The vehicle has been in service for 8 years and has 3,302 hours of operation. It averages 0.25 repair work orders per month and the cost of repairs has exceeded 86% of its purchase price. The Fleet Service Supervisor rated this vehicle a 3. The Planning & Development Unit has requested that this vehicle be upgraded to a SUV vehicle to improve operator comfort. This upgrade makes the purchase price \$7,748.00 more than the amount that the Fleet Fund has collected for this vehicles' replacement. This additional cost will come from

the Units FY16 Construction Fund budget.

The Planning & Development Services Unit of the Community Services Area uses truck # 5221, a 2008 GMC Canyon, for transportation of its staff. The mini pickup has been in service for 7 years and has 4,714 hours 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 3. The Planning & Development Unit has requested that this vehicle be upgraded to a SUV vehicle to improve operator comfort. This upgrade makes the purchase price \$5,357.00 more than the amount that the Fleet Fund has collected for this vehicles' replacement. This additional cost will come from the Units FY16 Construction Fund budget.

The Project Management Unit of the Public Services Area uses truck # 9221 a 2005 Chevrolet Colorado, as a supervisor vehicle for its construction inspection operations. The mini pickup has been in service for 10 years and has 1,432 hours of operation. It averages 0.18 repair work orders per month and the cost of repairs has exceeded 70% of its purchase price. The Fleet Service Supervisor rated this vehicle a 4.

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 the Oakland County bid.

Adequate funds for these purchases have been budgeted in the Planning & Development Services' Construction Fund budget and Fleet Services budget for fiscal year 2016.

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

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

Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Tom Crawford, Interim 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 the Oakland County Cooperative Bid program; and

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

RESOLVED, That City Council approve the issuance of a purchase order to Berger Chevrolet for the purchase of two 2016 Chevrolet Colorado pickups at \$22,233.00 each, two 2016 Chevrolet Equinox SUV (AWD) at \$21,335.00 each, one 2016 Chevrolet Equinox SUV at \$19,293.00, and one 2016 Chevrolet Equinox SUV (AWD) at \$26,727.00 for a total of \$133,156.00;

RESOLVED, That funds in the amount of \$120,051.00 for the purchase of vehicles come from the FY16 Fleet Services budget with funds to be available without regard to fiscal year;

RESOLVED, That funds in the amount of \$13,105.00 for the upgrade of two Chevrolet Equinox come from the FY16 Planning & Development Construction Fund budget with funds to be available without

regard to fiscal year;

RESOLVED, That the vehicles being replaced (nos. 0151, 0521, 3281, 5112, 5221, and 9221) 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.