



Legislation Details (With Text)

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Title: Resolution to Approve the Purchase of Vehicles from Signature Ford (Macomb County Bid, MiDeal Bid - \$244,536.00)

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Attachments: 1. MiDeal 071B7700180.pdf, 2. Signature - PU Truck Quotes.pdf, 3. Macomb Contract 71-15.pdf, 4. Signature - Police Vehicle Quotes.pdf

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|-----------|------|--------------|----------|--------|
| 11/8/2018 | 1 | City Council | Approved | Pass |

Resolution to Approve the Purchase of Vehicles from Signature Ford (Macomb County Bid, MiDeal Bid - \$244,536.00)

The attached resolution authorizes the purchase of three 2019 Ford Police Interceptor - Utility vehicles at \$29,153.00 each, two 2019 Ford Explorer XLT vehicles at \$30,596.00 each, one 2019 Ford F-350 4x4 pickup truck at \$30,725.00, one 2019 Ford F-250 crew cab 4x4 (short box) at \$32,488.00 and one 2019 Ford F-250 crew cab 4x4 pickup truck at \$32,672.00 for a total of \$244,536.00 from Signature Ford, Owosso, 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 vehicles listed on this resolution will replace vehicles that will have reached the contractual 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.

Of the twenty-one light vehicles scheduled for evaluation this year, seven have met the requirements for replacement. Three of these vehicles are included in this resolution.

The Fleet & Facilities Unit of the Public Services Area uses truck # 1267, a 2008 Ford F-250 4x4, for its maintenance operations and snow/ice control at City owned facilities. The truck has been in service for 10 years and has 1,852 hours of operation. It averages 0.49 repair work orders per month and the cost of repairs has exceeded 286% of its purchase price.

The Natural Area Preservation Unit of the Community Services Area uses truck # 6251, a 2008 Ford F-250 4x4 crew cab, for its maintenance of natural spaces in the City and transporting the many volunteers utilized in these operations. The truck has been in service for 10 years and has 2,890 hours of operation. It averages 0.19 repair work orders per month and the cost of repairs has exceeded 154% of its purchase price.

The Natural Area Preservation Unit of the Community Services Area uses truck # 6254, a 2008 Ford F-250 4x4 crew cab, for its maintenance of natural spaces in the City and transporting the many volunteers utilized in these operations. The truck has been in service for 10 years and has 3,681 hours of operation. It averages 0.18 repair work orders per month and the cost of repairs has exceeded 102% of its purchase price.

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. Signature Ford was the lowest responsive bidder to the Macomb County bid (bid #71-15) for the patrol vehicles and pickup trucks, and the State of Michigan MiDeal bid (contract #071B7700180) for the other vehicles.

Signature Ford complies with the requirements of the City’s Conflict of Interest and Non-Discrimination ordinances.

Budget/Fiscal Impact: Adequate funds for the purchase of these vehicles have been budgeted in the Fleet Services budget for FY 2019.

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

Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Howard S. Lazarus, City Administrator

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

Whereas, Signature Ford, Owosso MI, is the lowest responsive bidder to the Macomb County Cooperative Bid program and the State of Michigan MiDeal program; and

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

RESOLVED, That City Council approve the issuance of a purchase order to Signature Ford for the purchase of three 2019 Ford Police Interceptor - Utility vehicles at \$29,153.00 each, two 2019 Ford Explorer XLT vehicles at \$30,596.00 each, one 2019 Ford F-350 4x4 pickup truck at \$30,725.00, one 2019 Ford F-250 crew cab 4x4 (short box) at \$32,488.00, and one 2019 Ford F-250 crew cab 4x4 pickup truck at \$32,672.00 for a total of \$244,536.00;

RESOLVED, That funds for the purchase of these vehicles come from the FY 2019 Fleet Services budget with funds to be available without regard to fiscal year;

RESOLVED, That the vehicles being replaced (nos. 0086, 0087, 0158, 0160, 0338, 1267, 6251 and 6254) 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.