



Legislation Text

File #: 18-1728, **Version:** 1

Resolution to Approve the Purchase of a Pickup Truck from Berger Chevrolet (Oakland County Bid - \$30,691.00)

The attached resolution authorizes the purchase of one 2019 Chevrolet Silverado 2500 4x4 double cab pickup truck at a cost of \$30,691.00 from Berger Chevrolet, Grand Rapids, 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.

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

The Fire Department of the Safety Services Area uses truck # 1052, a 2008 GMC Sierra 2500 4x4, for its truck and equipment maintenance operations. The truck has been in service for 10 years and

has 3,930 hours of operation. It averages 0.29 repair work orders per month and the cost of repairs has exceeded 59% 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. Berger Chevrolet was the lowest responsive bidder to the Oakland County bid (bid #005218) for pickup trucks.

Berger Chevrolet complies with the requirements of the City's Conflict of Interest and Non-Discrimination ordinances.

Budget/Fiscal Impact

Adequate funds for the purchase of this vehicle 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 a replacement vehicle 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 Conflict of Interest and Non-Discrimination Ordinances;

RESOLVED, That City Council approve the issuance of a purchase order to Berger Chevrolet for the purchase of one 2019 Chevrolet Silverado 2500 4x4 crew cab in the amount of \$30,691.00;

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

RESOLVED, That the vehicle being replaced (no. 1052) be sold at the next City vehicle auction held after the vehicle is removed from service; and

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