



City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS

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Legislative File No: 2022-0141

TO: Mayor and City Council Members
FROM: Todd Gary, Deputy Fire Chief
DATE: July 11, 2022
SUBJECT: Freightliner Chassis for Ambulance

REQUEST:

City Council is requested to authorize the purchase of three (3) M2 Freightliner Chassis in the amount of \$85,389.00 each for a total not-to-exceed purchase amount of \$256,167.00 to Wolverine Freightliner, Mt.Clemens, Michigan.

REASON FOR PURCHASE:

In 2020, the City, acting as Lead Agency on behalf of themselves, City of Auburn Hills, City of Farmington Hills, City of Livonia, City of Madison Heights, City of Troy, and Charter Township of Bloomfield issued a Request for Proposal for the purchase of Single/Tandem Axle Chassis and Dump Truck(s), parts, and related services. Proposals were evaluated by the City of Rochester Hills Fleet personnel, as well as representatives from participating communities. From the proposal review process it was unanimously recommended that award be made to Wolverine Freightliner for the chassis portion of the contract. Wolverine was supported as providing the best value, a quality product, ability to deliver timely and support the aggregated quantities that will be procured from the contract, ongoing training program, and offering the most comprehensive options to meet all of the entities needs, as well as other entities that will utilize this contract for the purchase of their equipment.

At their September 14, 2020 meeting City Council authorized the approval of this contract/purchase which established this agreement as a long-term cooperative contract. By partnering with multiple entities the City received the most competitive pricing available as well as a comprehensive equipment offering in the market, which allows us to make purchases from it over the contract term, such as this one. As part of this contract, the City was able to secure pricing that includes discounted chassis, equipment, parts pricing for multiple years, and a complete selection of chassis, and engine offerings for the vehicle to ensure this cooperative contract continues to be beneficial, and provides a solution to meet agencies needs across the MITN cooperative group, as well as the state.

The fire department has budgeted for the purchase of three (3) new replacement ambulances. The market related to vehicles, especially specialty vehicles, is extremely volatile with the increasing fuel costs, volatility in the steel and electronic components markets, as well as labor struggles, resulting in pricing uncertainties and long lead times for the builds. Over the past several months, the fire department has been working with purchasing to determine the best way to move this purchase forward. After analyzing and discussing all available options, the City has determined that it is in the City's best interest to move this purchase forward by utilizing the City's cooperative contract for the purchase of the ambulance chassis and separately solicit for the ambulance body.

The reason the department is recommending this method for purchase is due to the long lead time we are looking at (1+ year) and the information that has been provided to us by the chassis manufacturers in which some have indicated they are no longer accepting orders, or others that they have limited slots available and are encouraging orders be placed as soon as possible before the available build slots are gone. With the relationship the City has established with Freightliner through the cooperative contract, we are able to partner with Wolverine to receive the best value pricing and claim build slots by moving forward with the order at this time. While the chassis order is being processed, this will allow the City time to issue an RFP for the ambulance module separately and provides an advantage in that the ambulance vendor will not have to try and obtain the chassis and that the City won't be at the mercy of an ambulance vendor being able to obtain, or possibly not obtain a chassis. With all these factors in mind, the City is recommending award of the chassis for the ambulance to Wolverine Freightliner utilizing the City's cooperative contract.

PROCESS:

Vendor Name and Address:

Wolverine Freightliner-Eastside
 107 South Groesbeck Hwy
 Mt. Clemens, MI 48043

Reason for Selection:

Best Value

Method of Purchase:

Purchase Order

BUDGET:

Funding is included in the FY 2022 Adopted Budget

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Fire Capital	402.981000	Vehicles	\$990,000	\$256,167	\$733,833

RECOMMENDATION:

It is recommended that City Council authorize the purchase of three (3) M2 Freightliner Chassis in the amount of \$85,389.00 each for a total not-to-exceed purchase amount of \$256,167.00 to Wolverine Freightliner-Eastside, Mt.Clemens, Michigan.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Chief Financial Officer		
Purchasing Process: Procurement Manager		
Mayor		
City Clerk		

Contract Reviewed by City Attorney Yes N/A