

**CITY OF ROCHESTER HILLS
FLEET SERVICES DIVISION**

**2020 VEHICLE PURCHASES
THROUGH THE
OAKLAND COUNTY COOPERATIVE PURCHASE PROGRAM**

2019 & 2020 BUDGETED REPLACEMENTS:

Because of General Motors new truck platform change over in 2019, the type of trucks we purchase were not available through The Oakland County Cooperative Purchasing Program in 2019. Trucks that met CRH's qualifications for replacement in 2019 were deferred for purchase in 2020.

<u>New Vehicle Make/Model</u>	<u>Vehicle Type</u>	<u>User Dept.</u>	<u>Replaces Vehicle #</u>	<u>Replaced Vehicle Year/Make/Model</u>	<u>Mileage on Vehicle</u>	<u>Status</u>
Budgeted for replacement in 2019:						
GMC Sierra 4x4	Pickup	Nat. Res.	39-160	05 GMC 4x4 Pickup	41,000	Auction
GMC Sierra 4x4	Pickup	DPS	39-292	10 GMC 4x4 Pickup	26,300	Bump Older Reserve
GMC Sierra 4x4	Pickup	DPS	39-293	10 GMC 4x4 Pickup	39,000	Auction
GMC Sierra 4x4	Pickup	DPS	39-298	11GMC 4x4 Pickup	31,000	Auction
GMC Sierra 4x4	Pickup	DPS	39-299	11 GMC 4x4 Pickup	30,000	Auction
GMC Sierra 4x4	Pickup	DPS	39-528	11 GMC 4x4 Pickup	30,000	Bump Older Reserve
GMC Sierra 4x4	Pickup	DPS	39-534	12 GMC 4x4 Pickup	35,000	Auction
Budgeted for replacement in 2020:						
GMC Sierra 4x4	Pickup	DPS	39-527	11 GMC 4x4 Pickup	32,000	Bump Older P/T
GMC Sierra 4x4	Pickup	DPS	39-533	11 GMC 4x2 Pickup	56,300	Bump Older P/T
GMC Sierra 4x4	Pickup	DPS	39-535	12 GMC 4x2 Pickup	28,400	Bump Older P/T
GMC Sierra 4x4	Pickup	DPS	39-537	12 GMC 4x4 Pickup/Plow	29,000	Bump Older P/T
GMC Sierra 4x4	Pickup	DPS	39-538	12 GMC 4x4 Pickup/Plow	32,700	Bump Older Reserve
GMC Sierra 4x4	Pickup	Ord. Enf.	39-544	13 GMC 4x4 Pickup/Plow	54,500	Bump Older Insp. P/U
GMC Sierra 4x4	Pickup	Ord. Enf.	39-545	13 GMC 4x4 Pickup/Plow	54,200	Bump Older Insp. P/U

Mileage as of 10-16-2019

39-160 is a 4x4 pickup truck driven by the Natural Resources Manager. The truck is used for daily transportation within the city, and for trips to meetings, seminars and business outside the City.

39-292, 298, 299, 527, 528, 533, 534, 535, 537, & 538 are 4x4 pickups with snowplows used by DPS personnel for plowing pathways (bike paths), parking lots, and road intersections in winter, and for road maintenance and repairs, water & sewer maintenance and repairs, and various other DPS operations throughout the year. The conditions these 4x4 pickup trucks encounter while plowing snow are extreme. The snowplows attached to these vehicles are heavy-duty units, but are designed to be used for plowing driveways and small parking lots. DPS uses 4x4 pickup trucks to plow roads where our dump trucks are too large to operate (cul-de-sacs, eyebrows, dead-end streets). This type of plowing takes its toll on the trucks & plowing equipment. We have found that after 5-6 years of extreme service these units begin to become unreliable and often require excessive repair and maintenance to keep them in a safe, reliable condition resulting in an unacceptable amount of down time and repair costs.

39-293 is a pickup with snow plow used by the DPS water meter division crew leader. This vehicle has an extended cab that is used to keep sensitive electronic water meter equipment and tools secure and protected from the elements. The tuck is also utilized for snow plowing.

39-544 and 39-545 are pickup trucks used daily by Building Department Ordinance Enforcement personnel for routine and special inspections, surveillance, site reviews, and frequent trips to meetings, training, and seminars outside the City. These vehicles see considerable stop & go driving and extended engine idling.

Vehicle odometer readings cannot be the only criteria used to determine if a vehicle should be replaced. Extreme conditions such as snow plowing, pulling heavily loaded trailers, construction site conditions, stop and go driving, extended idling and the vehicle's general condition are also important considerations.

The city's fleet equipment policy, which includes a replacement timetable, was created in 1988 to provide a responsible program and process for the practical maintenance and replacement of the City's vehicles and equipment. One of Fleet Services Division's goals is to: "Maintain the fleet in a safe, useful condition through proactive, preventive maintenance and scheduled replacement". Proactive and Scheduled replacement both address the issue of replacing a vehicle having relatively low miles, but it may have seen severe service and or high engine run hours. We strive to maximize the vehicle's life cycle while maintaining the lowest possible cost.

The 7-year replacement schedule for cars and light trucks is a guideline, not a rigid requirement. Often, vehicle replacements are postponed for extended utilization periods. To optimize lifecycle each vehicle that is fully depreciated is evaluated, and if criteria for replacement is not met, replacement is postponed for 1 year and then vehicle condition is re-evaluated.

In most cases, we have found that after 7 years, or about 40,000 miles, frequency of vehicle maintenance and repairs significantly increases driving up overall operating costs. It is in the best interest of the City to replace, rather than to repair these vehicles.

The City purchases cars and light trucks through the Oakland and Macomb County Cooperative Purchase programs, and the State of Michigan Extended purchase program. Vehicles are purchased through these programs at a cost significantly lower than retail, and surplus vehicles are disposed of via public auction. Purchasing the vehicles at a discount, and selling them at public auction (where we have been getting excellent returns) before they incur significant maintenance costs results in a relatively low total cost of ownership or life cycle cost for the City.

Vehicle manufacturers allot a very small percentage of their order schedules for fleet vehicles. Order cut-off is usually in the first quarter of the model year. Therefore, it is important that the City expedite the purchase process to avoid missing the order cut-off date. If the cut-off date is missed, the vehicles would either have to be purchased retail, or replacement deferred to the next model year, and may incur additional repair and or maintenance costs and down-time issues.