

City of Rochester Hills AGENDA SUMMARY FINANCIAL ITEMS

1000 Rochester Hills Dr. Rochester Hills, MI 48309 248.656.4630

www.rochesterhills.org

Legislative File No: 2023-0118

TO: Mayor and City Council Members

FROM: Bill Fritz, PE, Director Department of Public Services

DATE: March 20, 2023

SUBJECT: Three (3) Tandem Axle Dump Body Trucks and Chassis

REQUEST:

City Council is requested to authorize the purchase of three (3) Tandem Axle Dump Truck Chassis in the amount of \$353,007.00 (\$117,669 each) to Wolverine Freightliner-Eastside, Inc., Mount Clemens, Michigan and the purchase of one (1) tandem axle dump body truck equipped with various snow and ice control systems and two (2) tandem axle hooklift body trucks equipped with various equipment to Truck and Trailer Specialties, Dutton, Michigan in a not-to-exceed amount of \$695,887.00. The combined purchase of the three (3) truck chassis and three (3) tandem axle dump body trucks will provide three (3) complete tandem axle dump body trucks equipped with various snow, ice and hooklift systems for a total not-to-exceed purchase price of \$1,048,894.00

REASON FOR PURCHASE:

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 Dump Truck(s), parts, and related services. The proposal was developed with the intent of procuring Single/Tandem Axle Dump Trucks for snow and ice removal services meeting all of the entities specifications, and to create a contract that would offer a comprehensive list of chassis, truck equipment, parts and related services for Single/Tandem Axle Dump Trucks. The intent of this RFP is to create a comprehensive cooperative contract for entities of the MITN purchasing cooperative group to utilize, and aggregate volumes of the agencies (this last contract resulted in over 200 purchases from it by agencies across the state) to generate best value offers from Single/Tandem Axle Chassis Vendors and Truck Equipment Vendors. Request for Proposals were solicited using the MITN system and five (5) proposal responses were received (1 response-truck blades, 1 response-truck equipment, 3 responses-truck chassis).

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 and Truck and Trailer Specialties for the truck equipment portion of the contract. Both firms were supported as providing the best value, a quality product, ability to deliver timely, 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.

Truck and Trailer Specialties represents the Monroe line of snow and ice removal equipment and 75% of their business is related to the building of large snow and ice removal truck equipment for municipal agencies within the State of Michigan, Truck and Trailer Specialties has the infrastructure and staff to support this contract and the amount of trucks that will be ordered.

These dump trucks are used on a daily basis by the DPS Roads Division for snow plowing and de-icing major and local roads, road fill and grading, road repairs, ditch cleaning, and by the water and sewer divisions for water and sewer main breaks and repairs. The addition of 2 more wing plows will increase productivity as we've seen in the past, we will reach our goal of 6 in the fleet if approved. We will also be adding brine storage and more anti-icing capability with the additional 2,350 gallon tank for the hooklift trucks.

The three new trucks will replace 39-540, 39-541, and 39-542. These trucks are fully depreciated and due for replacement. Operating costs have begun to increase and negatively affect Fleet's operating budget. It is recommended that they be replaced before any additional significant repair costs and unviability due to down time occur. All the trucks will be disposed of through public surplus auction.

PROCESS:

Vendor Name and Address:

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

Truck and Trailer Specialties 6726 Hanna Lake Dutton, MI 49316

Reason for Selection:

Best Value

Method of Purchase:

Purchase Order

BUDGET:

Funding is included in the FY 2023 Adopted Budget.

If approved by City Council, a 2nd quarter budget amendment will be presented to increase the expense for 2 of the 3 vehicles, using the leftover budget from vehicles 39-294 & 39-295 (also on the agenda 2022-0001v2). There will be no additional use of retained earnings.

| | Department | Account No. | Budget | | Remaining |
|-----------|------------|-------------------|-----------|-----------|------------|
| Fund Name | Account No | Description | Amount | Cost | Budget |
| Fleet | 661.981000 | Vehicles - 39-540 | \$327,740 | \$391,891 | (\$64,151) |
| Fleet | 661.981000 | Vehicles - 39-541 | \$298,500 | \$265,112 | \$33,388 |
| Fleet | 661.981000 | Vehicles - 39-542 | \$327,740 | \$391,891 | (\$64,151) |

| | Total | \$953,980 | \$1,048,894 | (\$94,914) |
|--|-------|-----------|-------------|------------|

RECOMMENDATION:

It is recommended that City Council authorize the purchase of three (3) Tandem Axle Dump Truck Chassis in the amount of \$353,007.00 (\$117,669 each) to Wolverine Freightliner-Eastside, Inc., Mount Clemens, Michigan and the purchase of one (1) tandem axle dump body trucks equipped with various snow and ice control systems and two (2) tandem axle hooklift body trucks equipped with various equipment to Truck and Trailer Specialties, Dutton, Michigan in a not-to-exceed amount of \$695,887.00. The combined purchase of the three (3) truck chassis and three (3) tandem axle dump body trucks will provide three (3) complete tandem axle dump body trucks equipped with various snow, ice and hooklift systems for a total not-to-exceed purchase price of \$1,048,894.00

| APPROVALS: | SIGNATURE | DATE |
|--|-----------|------|
| Department Review | | |
| Department Director | | |
| Budget Content: Chief Financial Officer | | |
| Purchasing Process: Supervisor of Procurement | | |
| Mayor | | |
| Deputy Clerk | | |

Contract Reviewed by City Attorney ☐ Yes ☒ N/A

