

**CITY OF ROCHESTER HILLS
FLEET SERVICES DIVISION**

**2012 VEHICLE PURCHASES
THROUGH THE
OAKLAND COUNTY COOPERATIVE PURCHASE PROGRAM**

2012 SCHEDULED REPLACEMENTS:

New Vehicle Make/Model	Vehicle Type	User Dept.	Replaces Vehicle #	Replaced Vehicle Year/Make/Model	Mileage on Vehicle	Disposition of Replaced Vehicle
Jeep Liberty 4x4	SUV	RHTV	39-155	01 Jeep Cherokee 4x4	27,559	Bump older pool car
GMC Sierra 4x4	Pickup	DPS	39-159	05 GMC 4x4 Pickup	70,905	Auction
GMC Sierra 4x4	Platform	DPS	39-161	05 GMC 4x4 Pickup	19,103	Bump older spare 4x4 to auction
GMC Sierra 4x4	Platform	DPS	39-162	05 GMC 4x4 Pickup	18,288	Bump older spare 4x4 to auction
GMC Sierra 4x4	Pickup	DPS	39-163	05 GMC 4x2 Pickup	30,324	Auction
GMC Sierra 4x4	Pickup	DPS	39-165	05 GMC 4x4 Pickup	22,637	Bump older spare 4x4 to auction
GMC Sierra 4x4	Pickup	DPS	39-166	04 GMC 4x4 Pickup	36,306	Auction

Mileage as of 12-19-11

39-155 Is an SUV utilized by the Rochester Hills TV/Media crew for transporting personnel and equipment associated with video and media productions.

39-159 is a 4x4 pickup truck used by the DPS Water & Sewer General Foreman. The truck is used daily for transportation to various jobsites to supervise work crews, investigate complaints, and other supervisory tasks. The foreman spends the better part of the day driving from site to site and is required to carry a variety of sensitive equipment, tools and records requiring the space provided in an extended cab pickup truck. This vehicle sees mostly stop & go driving, and extended engine idling periods.

39-161, 39-162, 39-163, 39-165 and 39-166 are 4x4 pickups with snowplows used for plowing cul-de-sacs, intersections, dead end streets, bike paths and parking lots in winter, and used by DPS personnel 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 6-7 years of extreme service these units become unreliable and require excessive repair and maintenance to keep them in a safe, reliable condition resulting in an unacceptable amount of down time and repair costs. To better serve DPS operations, 2 of these new trucks will be equipped with a flatbed/platform bodies in lieu of pickup beds.

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, 100% stop and go driving 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 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 life cycle 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 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) 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 have to be purchased retail, or the vehicles in need of replacement would incur additional repair and or maintenance costs.