



**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: 2008-0607

TO: Mayor and City Council Members
FROM: Ronald Crowell, Fire Department, 248-841-2706
DATE: November 17, 2008
SUBJECT: Vehicle Purchases

REQUEST:

City Council is requested to authorize the purchase of three (3) new vehicles (replacements for 00-03, 92-03, 94-02) from Red Holman Pontiac GMC Toyota, Westland, Michigan, in the amount of \$82,914.00.

REASON FOR PURCHASE:

The City purchases vehicles through the Oakland and Macomb County Cooperative Purchasing programs, and the State of Michigan Extended Purchasing program. Vehicles are purchased through these programs at a cost significantly lower than retail, and surplus vehicles are disposed of through the Michigan Intergovernmental Trade Network on-line auctions. Purchasing the vehicles at a discount, and selling them at public auction results in a relatively low life cost to the City.

The Oakland County Cooperative Purchase Program's contract with Red Holman will expire December 31, 2008. Issuance of a purchase order before this date will allow the City to purchase 2009 vehicles under the 2008 pricing structure. Vehicles ordered will not be received until 2009.

PROCESS:

Vendor Name and Address:

Red Holman Pontiac GMC Toyota
35300 Ford Road
Westland, MI 48185

Reason for Selection:

Oakland County Cooperative Purchasing Program

Method of Purchase:

Purchase Order

BUDGET:

Fund Name	Department Account No	Account No. Description	2009 Budget Amount	Cost	Remaining Budget
Fire	402.981000	Capital – Vehicles	\$93,000.00	\$82,914.00	\$10,086.00

RECOMMENDATION:

It is recommended that City Council authorize the purchase of three (3) new vehicles (replacements for 00-03, 92-03, 94-02) from Red Holman Pontiac GMC Toyota, Westland, Michigan, in the amount of \$82,914.00.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Finance Director		
Purchasing Process: Supervisor of Procurement		
Mayor		
City Council Liaison		