



**City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS**

**1000 Rochester Hills Dr.
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248.656.4630
www.rochesterhills.org**

Legislative File No: 2007-0208

TO: Mayor and City Council Members
FROM: Ronald Crowell, Fire Department, 248-841-2706
DATE: March 19, 2007
SUBJECT: Vehicle Purchases

REQUEST:

City Council is requested to authorize the purchase of one (1) new GMC Pick-up Trucks and four (4) new GMC Yukon's. The purchases will be made utilizing the Oakland County Cooperative Purchasing Program and will be purchased through Red Holman Pontiac GMC, Westland, Michigan, in the amount of \$163,523.00.

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 at a local auction house. Purchasing the vehicles at a discount, and selling them at public auction results in a relatively low life cost to the City.

PROCESS:

Vendor Name and Address:

Red Holman Pontiac GMC
35300 Ford Road
Westland, MI 48185

Reason for Selection:

Purchased through the Oakland County Cooperative at a cost significantly lower than retail.

Method of Purchase:

Purchase Order

BUDGET:

Three replacement vehicles were provided for in the 2006 fire department capital vehicle fund budget, but were not purchased and carried over for purchase during 2007. Currently 5 of the 7 budgeted vehicles are being requested in this purchase. These 5 vehicles are over the estimated cost by \$23,857, but budget from the 2 deferred purchases is requested to be utilized.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Fire	402.981000	Capital – Vehicles	139,666	163,523	(23,857)

RECOMMENDATION:

It is recommended that City Council authorize the purchase of one (1) new GMC Pick-up Trucks and four (4) new GMC Yukon's. It is recommended that the purchase of these vehicles be awarded to Red Holman Pontiac GMC, Westland, Michigan, through the use of the Oakland County Cooperative Purchasing Program, in the amount of \$163,523.00.

RESOLUTION

NEXT AGENDA ITEM

RETURN TO AGENDA

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