

**CITY OF ROCHESTER HILLS
FLEET SERVICES DIVISION**

**2016 VEHICLE PURCHASES
THROUGH THE
OAKLAND COUNTY COOPERATIVE PURCHASE PROGRAM**

2016 BUDGETED REPLACEMENTS:

| New Vehicle Make/Model | Vehicle Type | User Dept. | Replaces Vehicle # | Replaced Vehicle Year/Make/Model | Mileage on Vehicle | Status |
|-----------------------------------|-------------------------|-----------------------|-------------------------------|--|-------------------------------|---------------------|
| GMC 3500 4x2 | Chassis | DPS W/S | New/Addl. | (tow & tool vehicle for new water/sewer compact excavator) | | |
| Jeep Patriot | SUV | Assessing | 39-178 | 06 Chevy Malibu | 21,385 | City Hall Pool |
| GMC Canyon 4x4 | Pickup | Building | 39-185 | 07 GMC 4x2 Pickup | 27,538 | Auction |
| GMC Savana | Cargo Van | Bldg/Facil | 39-275 | 08 GMC Van | 28,391 | Addl. Maint. Person |
| GMC Sierra 4x4 | Pickup | Parks | 39-281 | 09 GMC 4x4 Pickup/Plow | 19,055 | Repl. Museum Pickup |
| GMC Canyon 4x4 | Pickup | Building | 39-283 | 09 GMC 4x2 Pickup | 40,137 | Auction |
| GMC Canyon 4x4 | Pickup | Building | 39-284 | 09 GMC 4x2 Pickup | 53,977 | Auction |

Mileage as of 12-14-2015

First vehicle listed is a 1 ton chassis cab truck that will be used by a DPS personnel for towing a trailer carrying a compact excavator, tools and equipment primarily used for manhole and structure repairs and modifications. Vehicles will also be used by the water tap crew and sewer maintenance crew for areas where a normal sized backhoe has insufficient room to operate.

39-178 Is a 4-door car assigned to the Assessing Department. This vehicle is used for transportation of appraisers throughout the city, and meetings and training outside the city.

39-185, 283 & 284 These vehicles are used daily by Building Department Inspectors for transportation to and from job and inspection sites and often encounter severe conditions such as unimproved roads, vacant undeveloped land, mud and loose soil conditions. These trucks are also used to transport a variety of Building Department personnel to training and seminars that are held outside of the city. Building Department personnel carry a variety of emergency response equipment, plans, drawings, tools and equipment that need to be kept in a dry secure area inside the vehicle.

39-275 is a full sized van used by the Building/Facilities division for transportation of custodial and maintenance supplies, tools and equipment to and from all city facilities including 52-3 District Court, the OCSD Rochester Hills Station, precinct buildings, and the 5 Fire Stations.

39-281 Parks uses 4x4 pickups to plow parking lots and roads at all of the city park sites, and for trailer towing lawn mowers, tractors, utility vehicles and other parks vehicles and equipment. The conditions these 4x4 pickup trucks encounter while plowing snow are extreme. 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 become unsafe, unreliable, and require excessive repair and maintenance resulting in an unacceptable amount of down time and repair costs.

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 deferred to the next model year would incur additional repair and or maintenance costs.