



**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: 2010-0042

TO: Mayor and City Council Members
FROM: Roger Rouse, Director of Public Services
DATE: January 26, 2010
SUBJECT: Vehicles

REQUEST:

City Council is requested to authorize the purchase of six (6) new vehicles (replacements for 39-01, 39-06, 39-34, 39-104, 39-123, 39-157) from Red Holman Pontiac GMC Toyota, Westland, Michigan in the amount of \$121,728.00

REASON FOR PURCHASE:

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. Proactive and scheduled replacement both address the issue of replacing a vehicle already having relatively low miles but may have seen sever service and or high engine run hours.

The City purchases vehicles through the Oakland County Cooperative Purchase Program. Vehicles are purchased through this program 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 auction results in a relatively low life cost to the City.

PROCESS:

Vendor Name and Address:

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

Reason for Selection:

Oakland County Cooperative Purchase Program

Method of Purchase:

Purchase Order

BUDGET:

A portion of remaining budget will still be needed to purchase additional equipment (i.e. snowplows) for certain vehicles.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Fleet	661.981000	Capital-Vehicles	\$170,590.00	\$121,728.00	\$48,862.00

RECOMMENDATION:

It is recommended that City Council authorize the purchase of seven six (6) new vehicles (replacements for 39-01, 39-06, 39-34, 39-104, 39-123, 39-157) from Red Holman Pontiac GMC Toyota, Westland, Michigan in the amount of \$121,728.00.

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