City of Birmingham
A Walkable Community

MEMORANDUM

Department of Public Services

DATE: **March 17, 2015**

TO: **Joseph A. Valentine, City Manager**

FROM: **Lauren A. Wood, Director of Public Services**

SUBJECT: **DPS VEHICLES #216 and #218 REPLACEMENT**

DPS vehicles #216 and #218 are 2004 GMC Sierra 2500 HD Pickup trucks that are in need of replacement due to their age and rapidly deteriorating condition. These vehicles are used daily by the Department of Public Services to carry out a variety of duties relative to streets, sewer, water and parks maintenance. The general life expectancy of pickup trucks ranges from 8-10 years. The scoring system has 6 categories listed below. The last four factors are rated based on 1-5 points. The following table illustrates the breakdown of the scoring system used as justification for the replacement of these vehicles.

Vehicle #216, 2004 GMC Sierra 2500 HD Pickup

Factor	Description	Points
Age	1 point each year of age	11
Miles/Hours	1 point each 10,000 miles of usage	7
Type of Service	3 points pulls trailers and hauls heavy loads.	3
Reliability	3 points in shop more than twice in a 3 month period, no major breakdowns or road calls.	3
M & R Costs	2 points maintenance and repair costs 21-40% of replacement costs.	2
Condition	3 points for noticeable imperfections in body and paint surface, some rust, minor damage from add-on equipment, worn interior (one or more rips, tears, burns), and a weak or noisy drive train.	3
	Total points 28+, needs priority replacement.	**29**

Vehicle #218, 2004 GMC Sierra 2500 HD Pickup

Factor	Description	Points
Age	1 point each year of age	11
Miles/Hours	1 point each 10,000 miles of usage	6
Type of Service	3 points pulls trailers and hauls heavy loads.	3
Reliability	2 points in shop 1 time within 3 month period, 1 breakdown/road call within 3 month period.	2
M & R Costs	2 points maintenance and repair costs 21-40% of replacement costs.	2
Condition	3 points for noticeable imperfections in body and paint surface, some rust, minor damage from add-on equipment, worn interior (one or more rips, tears, burns), and a weak or noisy drive train.	3
	Total points between 23-27, needs replacement.	**27**

The Department of Public Services recommends replacing these vehicles with two (2) 2015 GMC Sierra 2500HD 4X4 pickup trucks. Once the order is placed for the replacement vehicles, it will take approximately 6-10 weeks for delivery. Upon delivery, the 2004 GMC Sierra 2500 HD Pickup trucks (vehicles #216 and #218) will be placed on the Michigan Inter-governmental Trade Network for re-sale.

Oakland County Cooperative bid pricing is available for the 2015 GMC Sierra 2500HD 4X4 pickup trucks. Red Holman Pontiac GMC is the exclusive dealer for this contract and was contacted for pricing. The price of these vehicles including title and delivery is $26,960.00 per unit for a total expenditure of $53,920.00. Funds for this purchase are available in the Auto Equipment Fund, account #641.441.006-971.0100.

SUGGESTED RESOLUTION:
To approve the purchase of two (2) new 2015 GMC Sierra 2500HD 4X4 pickup trucks from Red Holman Pontiac GMC, using Oakland County Cooperative bid pricing for a total expenditure of $53,920.00. Funds for this purchase are available in the Auto Equipment Fund, account #641.441.006-971.0100.