



FY24 Equipment Replacement Purchase

City Council

April 1, 2024

Equipment Replacement Fund (ERF) Overview



- Burleson uses a dedicated sinking fund to fund replacement of equipment and vehicles that contribute
- Annual operating budgets for the respective operating departments include payments to the ERF
- The ERF is managed by the Finance Department in coordination with the Equipment Services Division of the Public Works & Engineering Department
- As a general example, consider a \$85,000 asset with a projected 10-year use:
 - Projected \$100,000 replacement cost at year 11
 - Operating department contributes \$10,000/yr for the next 10 years (total \$100,000)
 - Original \$85,000 unit is replaced at year 11



City Fleet Background

- The Equipment Services Division of Public Works & Engineering is responsible for facilitating vehicle and equipment purchases as well as providing maintenance and repair City fleet assets during their life cycle with the City.
- During the budget process each year, Equipment Services works with individual departments and performs an analysis of the entire fleet as well as provides a list of assets that have in need of replacement for the next fiscal year.
- A scoring system of six criteria provides staff information to consider when recommending retention or replacement of assets.

The scoring system includes:

Age	Reliability	Usage
Type of Service	Condition	Maintenance Cost

- After review of operational needs with individual departments, Equipment Services works to identify and get competitive pricing on equipment funded through the replacement fund and the supplemental request process.

How Fleet Purchases Equipment and Vehicles



- The overall objective of cooperative contracts is to provide a mechanism for all local governments in Texas to pool their collective purchasing power and save funding. The cooperative evaluates vendor proposals on the basis of best value to the cooperative members.
- Cooperative purchasing allows City Staff to efficiently evaluate pricing on products and equipment using defined pricing. Additionally, this process streamlines the time between ordering and placing equipment into service.



FY24 ERF Purchasing



The proposed purchases for FY 24 were identified and reviewed by Public Works & Engineering in 2023. Due to several factors, staff anticipate replacing or purchasing equipment and vehicles throughout the year. Factors include but are not limited to:

- Availability of equipment on dealership lots
- Ordering windows for vehicles opening later in the year
- Purchasing from different vendors or using cooperatives to ensure competitive pricing
- Lead time to receive the vehicle
- Ability of vendor to provide a final price quote
- Original vehicle selection not available - finding a suitable alternative





FY24 ERF Purchasing -Phasing

As the budget for FY24 was approved the decision was made to facilitate the procurement of vehicles in phases. As some of the vehicles and equipment are not available to be ordered outside of the ordering window and some of the equipment needed further specification, staff has grouped the purchases of equipment into categories or groups.

These phases or categories include:

- Equipment such as backhoes, loaders, utility carts.
- Vehicles such as flat bed trucks, SUV's or pick up trucks (Ordering window opens in June).
- Emergency service equipment such as Patrol cars for police or Fire equipment(Ordering window opens in June).



FY24 ERF purchasing



Asset type	Description	Current fleet inventory	Units being Purchased FY24	Replacement Phase	Council Date
Equipment	Hydro -excavator	1	1	1	April 1
Equipment	Fairway Mower	2	2	1	April 1
Equipment	Utility Carts	19	4	1	April 1
Equipment	Compact Backhoe	1	1	1	April 1
Emergency	Brush Truck(Chassis only)		1	2	May 6th
Vehicle	Compact Truck	2	2	2	May 6th
Vehicle	1/2 Ton Truck	32	11	2	May 6th
Vehicle	3/4 or 1 ton Truck	40	4	2	May 6th
Vehicle	Camera Van -Wastewater	1	1	2	May 6th
Emergency	EMS Mule	0	1	2	May 6th
Emergency	PD Admin Unmarked No lights	3	2	3	May 20th
Emergency	PD Patrol Tahoe	46	1	3	May 20th

FY24 Equipment Purchase



Equipment number	Description	Assignment	FY 24 Budget	Cost	Vendor
649	Utility Cart	Parks-Athletic Fields	\$12,234	\$8,978	John Deere
1526	Utility Cart	Hidden Creek Golf Course	\$11,341	\$8,978	John Deere
1527	Utility Cart	Hidden Creek Golf Course	\$11,341	\$8,978	John Deere
1528	Utility Cart	Hidden Creek Golf Course	\$11,341	\$8,978	John Deere
1533	Fairway Mower	Hidden Creek Golf Course	\$74,957	\$84,518*	Turf and Soil Management
1534	Fairway Mower	Hidden Creek Golf Course	\$72,774	\$84,518*	Turf and Soil Management
182	Tractor/Backhoe	Parks-Maintenance	\$33,697	\$36,191*	Bobcat of North Texas
576	Hydro Excavator	Public Works-Water Operations	\$179,305	\$173,701	CLS Sewer Equipment

**Replacement equipment pricing was above FY24 budget, however ERF is able to accommodate the additional cost and will be factored into future contribution rate.*



FY24 Equipment Pricing

To ensure that the pricing in the proposed cooperative purchasing contracts is fair and competitive, City Staff reached out to multiple dealerships and vendors in the DFW area for each piece of equipment identified. Utilizing cooperative purchasing to procure equipment in this instance allows the city to procure equipment at a lower cost.

Equipment number	Description	Low bid	Alternative 2	Alternative 3
649	Toro Workman	\$8,978.00	\$10,509.00	\$11,885.00
1526	Cushman cart	\$8,978.00	\$10,509.00	\$11,885.00
1527	Cushman cart	\$8,978.00	\$10,509.00	\$11,885.00
1528	Cushman cart	\$8,978.00	\$10,509.00	\$11,885.00
1533	John Deere Mower	\$84,518.00	\$84,725.00	\$87,656.00
1534	John Deere Mower	\$84,518.00	\$84,725.00	\$87,656.00
182	Kubota Backhoe	\$36,191.00	\$40,021.00	\$42,536.00
576	Vermeer Hydro Excavator	\$173,701.00	\$197,321.00	\$226,458.00



Action Requested

APPROVAL RECOMMENDED

Approval of contracts with:
Deere and Company, via United Ag and Turf
Bobcat Company via Bobcat of North Texas
CLS Sewer Equipment Co.
Turf and Soil Management, LLC



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