



BTX

ERF

**Procurement Method
for FY2027**

City Council Finance Committee
March 4, 2026

BACKGROUND



The Equipment Replacement Fund (ERF) Program was adopted by the City Council via Resolution in February 2025.



FY2025 marked the first year the ERF program and associated procedures were implemented.



ERF PROGRAM PURPOSE



- Establish policy and procedure to ensure availability of funding for replacement of vehicles and equipment.
- Stabilize budgeting for future replacements and fund ERF-related purchases.
- Provide fair, equitable, and consistent consideration for replacements across all departments.





FY 2026 ERF INTERNAL COMMITTEE MEMBERS

Name	Department
Randy Morrison	Capital Engineering
Kim Peckler	Community Services
Tony McIlwain	Development Services
Mark Davies	Finance
Tray Gee	Fleet Division
Brent Sauble	Fire
James Roberts	Parks & Recreation
Lt. Brandon Glass	Police
Erick Thompson	Public Works
Lauren Seay	Purchasing





ROLES & RESPONSIBILITIES

City Council

Approves replacements and annual contributions to the ERF

City Council Finance Committee

Evaluates staff recommendations and makes budgetary recommendations to City Council

City Manager

Reviews and approves replacement recommendation from the internal review committee.

Internal Review Committee

Reviews requests for replacement, prioritizes them, and recommends updates to criteria, as needed

Finance Department

Manages budget, ensures adequate funding, and oversees financial policies

Purchasing Division

Maintains policies, replacement schedules, and coordinates purchases

City	Procurement Method
Grand Prairie	Bidding & Cooperatives
Midlothian	Cooperatives
Mansfield	Cooperatives
Coppell	Cooperatives
Waxahachie	Cooperatives
Arlington	Cooperatives
Hurst	Cooperatives
Cleburne	Cooperatives

What are
other cities
doing?

Procurement Method Comparison

BIDDING

- October Council award for replacements
- Longer timeline due to formal solicitation requirements
- Later contract award in fiscal year, increasing delivery and lead-time risk
- Additional staff time required
- Less flexibility once specifications are issued; changes require addenda or rebid
- Best suited for: highly specialized equipment, new technology

COOPERATIVE

- July Council award for replacements
- Shorter timeline by leveraging pre-competitively solicited contracts
- Earlier contract execution, allowing orders to be placed sooner in fiscal year
- Reduced administrative burden; no need to issue a City-led solicitation
- Faster access to pricing and vendors; improving delivery timing
- Greater flexibility to align purchases with operational needs
- Best suited for: standard vehicles/equipment with established vendors and known specifications

Timeline Summary

- Both procurement approaches begin in January with ERF Committee planning and prioritization.
- Cooperative purchasing allows contract award in July 2026 by leveraging pre-competitively solicited contracts.
- Competitive bidding results in contract award in October 2026, following formal solicitation, evaluation, and award requirements.
- Competitive bidding extends the procurement timeline by approximately 14 weeks compared to cooperative purchasing, delaying contract execution and increasing delivery and lead-times.

Staff Recommendation

Staff recommends utilizing cooperative purchasing contracts for Fiscal Year 2027 ERF vehicle and equipment replacements.

Throughout the fiscal year, the Purchasing Division will actively evaluate cooperative contracts to confirm they continue to offer best value. This evaluation will include going out to bid for select vehicles and equipment; reviewing pricing from peer entities that have recently completed solicitations; obtaining market pricing to validate costs; or leveraging cooperative partners to compare pricing across multiple participating entities to ensure the City is achieving best value.

Questions/Comments