

Finance Committee

DEPARTMENT: Finance


FROM: Lauren Seay, Deputy Director of Administrative Services

MEETING: May 27, 2026

SUBJECT:

Receive a report, hold a discussion, and provide recommendations to the city council on the City Manager’s recommendation for vehicle and equipment purchases using the Equipment Replacement Fund for FY 2027. *(Staff Contact: Lauren Seay, Deputy Director of Administrative Services)*

STRATEGIC PRIORITY AND GOAL(S):

| Strategic Priority | Strategic Goal |
|---|--|
|  <p>High Performing City Organization Providing Exceptional, People Focused Services</p> | 1.4 Be a responsible steward of the city’s financial resources by providing rates and fees that represent a strong value to our citizens; providing timely, accurate and financial transparent reporting; and utilizing long-range planning. |

SUMMARY:

On February 17, 2025, City Council approved a resolution establishing the Equipment Replacement Fund (ERF) Program to support long-term financial sustainability and ensure sufficient funding for the timely replacement of vehicles and equipment. As part of this initiative, departments with ERF-covered assets, in collaboration with representatives from Finance, Purchasing, and the Fleet Division, participated in an internal review committee. The committee evaluated and prioritized vehicles for replacement based on the criteria outlined in the ERF policy.

The internal committee representatives consisted of:

1. Mark Davies, Finance Department
2. Lieutenant Brandon Glass, Police Department
3. Tray Gee, Public Works (Fleet Maintenance)
4. Randy Morrison, Capital Engineering
5. Tony McIlwain, Development Services
6. Kim Peckler, Community Services

7. James Roberts, Parks & Recreation
8. Assistant Chief Brent Sauble, Fire Department
9. Lauren Seay, Purchasing Division
10. Errick Thompson, Public Works

Over the course of several meetings between January and March 2026, the ERF Committee reviewed its role and objectives, finalized replacement request forms, coordinated with departments regarding eligible replacement units, and evaluated all submitted requests. Following detailed discussion of each submission, committee members independently ranked the requests by replacement priority, and the results were compiled into an average prioritization ranking for each unit.

The compiled rankings were presented to the City Manager on April 20 and May 4, 2026. Based on this input, the City Manager has developed a recommended list of replacements for review by the City Council Finance Committee.

RECOMMENDATION:

Approve the recommended list of vehicles to be replaced using the Equipment Replacement Funds for FY 2027.

Proprietary Fund Recommendation

The projected FY27 beginning fund balance of the Proprietary ERF is \$1,939,869, with a funding level of 55.1% before consideration of the recommendations below. The ERF Policy establishes a target funding level of 65%–75% of total fleet replacement value.

| Ranking | Department Name | Unit Number | Unit Type | Preliminary Cost Estimate |
|----------------|---------------------------|--------------------|--------------------------|----------------------------------|
| 1 | Public Works - Water | 570 | Utility Vacuum Trailer | \$96,940 |
| 2 | Public Works - Water | 334 | Heavy Duty Trailer | \$51,707 |
| 3 | Public Works - Water | 211 | Cargo Trailer | \$11,829 |
| 4 | Golf | 1532 | Greens Mower | \$64,657 |
| 5 | Public Works - Water | 566 | Equipment Trailer | \$11,935 |
| 6 | Public Works - Water | 569 | Hydraulic Valve Turner | \$8,837 |
| 7 | Public Works - Water | 735 | Heavy Duty Service Truck | \$80,586 |
| 8 | Public Works - Water | 124 | Heavy Duty Trailer | \$51,707 |
| 9 | Public Works - Wastewater | 736 | Heavy Duty Service Truck | \$80,586 |
| TOTAL | | | | \$458,784 |

Governmental Fund Recommendation

The projected FY27 beginning fund balance of the Governmental ERF is \$7,341,356 with a funding level of 75.9% before consideration of the recommendations below. The ERF Policy establishes a target funding level of 65%–75% of total fleet replacement value.

| Ranking | Department Name | Unit Number | Unit Type | Preliminary Cost Estimate |
|----------------|------------------------|--------------------|--------------------------|----------------------------------|
| 1 | Public Works – Streets | 701 | Heavy Duty Service Truck | \$86,268 |
| 2 | Parks & Recreation | 980 | Mower, Riding | \$25,399 |
| 3 | Parks & Recreation | 981 | Mower, Riding | \$25,399 |
| 4 | Police | 907 | SUV, Pursuit | \$80,253 |
| 5 | Parks & Recreation | 983 | Mower, Riding | \$25,399 |
| 6 | Parks & Recreation | 982 | Mower, Riding | \$24,099 |
| 7 | Police | 905 | SUV, Pursuit | \$80,253 |
| 8 | Parks & Recreation | 984 | Mower, Riding | \$24,099 |
| 9 | Police | 919 | SUV, Pursuit | \$80,253 |
| 10 | Public Works – Streets | 100 | Street Roller | \$52,818 |
| 11 | Police | 914 | SUV, Pursuit | \$80,253 |
| 12 | Parks & Recreation | 884 | Mower, Riding | \$25,399 |
| 13 | Public Works – Streets | 102 | Cargo Trailer | \$11,935 |
| 14 | Parks & Recreation | 885 | Mower, Riding | \$25,399 |
| 15 | Parks & Recreation | 886 | Mower, Riding | \$25,399 |
| 16 | Public Works – Streets | 643 | Sand Spreader Insert | \$14,500 |
| 17 | Parks & Recreation | 738 | Mower, Riding | \$24,099 |
| 18 | Parks & Recreation | 888 | Utility/Turf Vehicle | \$9,564 |
| 19 | Public Works – Streets | 644 | Sand Spreader Insert | \$14,500 |
| 20 | Police | 929 | SUV, Pursuit, K9 | \$94,500 |
| 21 | Public Works – Streets | 719 | Heavy Duty Service Truck | \$88,300 |
| 22 | Public Works – Streets | 586 | Dump Truck | \$194,838 |
| 23 | Fire | 20817 | Heavy Duty Brush Truck | \$81,268 |
| 24 | Parks & Recreation | 702 | Mowing Tractor | \$78,000 |
| 25 | Parks & Recreation | 512 | Utility Turf Sprayer | \$69,102 |
| TOTAL | | | | \$1,341,296 |

PRIOR ACTION/INPUT (Council, Boards, Citizens):

On March 4, 2026, the City Council Finance Committee met to discuss the procurement method for this year's vehicle and equipment replacements. The committee determined that cooperative contracts would be the recommended method for this year, with an emphasis on leveraging competitive solicitations for any new vehicle procurements to ensure that cooperative contracts continue to provide the best value.

REFERENCE:

CSO# 5745-02-2025

FISCAL IMPACT:

Proposed Expenditure/Revenue: **\$458,784**

Account Number(s): 603-7XXXX

Fund:603

Account Description: Proprietary Equipment Replacement Fund

Procurement Method: Administrative & Cooperative Contracts

Proposed Expenditure/Revenue: **\$1,341,296**

Account Number(s):602-7XXXX

Fund: 602

Account Description: Governmental Equipment Replacement Fund

Procurement Method: Administrative & Cooperative Contracts

STAFF CONTACT:

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