



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Procurement
ACM: Christine Taylor
DATE: November 18, 2025

SUBJECT

Consider adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager to execute a contract with Wärtsilä North America Inc., for cylinder gas admission valves for the Denton Energy Center, which is the sole provider of this equipment, in accordance with Texas Local Government Code 252.022, which provides that procurement of commodities and services that are available from one source are exempt from competitive bidding, and if over \$50,000, shall be awarded by the governing body; providing for the expenditure of funds therefor; and providing an effective date (File 8825 – awarded to Wärtsilä North America Inc., for one (1) year, with the option for four (4) additional one (1) year extensions, in the total five (5) year not-to-exceed amount of \$1,415,582.00). The Public Utilities Board will consider this item on Monday, November 17, 2025.

STRATEGIC ALIGNMENT

This action supports Key Focus Area: Enhance Infrastructure and Mobility.

INFORMATION/BACKGROUND

As equipment operating hours increase, the maintenance activities also increase. During these maintenance activities, critical components require inspection or replacement for premature wear/failure. In order for the Denton Energy Center (DEC) team to manage and maintain high unit availability and reliability for our customers, performing these routine maintenance activities is critical to ensure reliability, and this contract is necessary to purchase the materials necessary to perform the hour-based, calendar-based, and corrective maintenance activities efficiently.

Thus far, we have been performing routine preventative, predictive, and corrective maintenance using on-hand inventory of gas admission valves, but are now in need of replenishment based on the failure of the component.

In efforts to minimize equipment downtime, we reached out to the gas valve manufacturer (Woodward) and were informed that the materials needed can only be purchased by Wärtsilä North America Inc., and is the only authorized supplier for the gas admission valves.

Section 252.022 of the Local Government Code provides that procurement of sole source commodities and services are exempt from competitive bidding, if over \$50,000, shall be awarded by the governing body.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On November 17, 2025, this item will be presented to the Public Utilities Board (PUB) for consideration.

RECOMMENDATION

Award with a contract to Wärtsilä North America, Inc., as a sole source supplier, for gas admission valve replacement for the Denton Energy Center, in a one (1) year, with the option for four (4) additional one (1) year extensions, in the total five (5) year not-to-exceed amount of \$1,415,582.

PRINCIPAL PLACE OF BUSINESS

Wärtsilä North America, Inc.
Houston, TX

ESTIMATED SCHEDULE OF PROJECT

This is an initial one (1) year contract with options to extend the contract for four (4) additional one (1) year periods, with all terms and conditions remaining the same.

FISCAL INFORMATION

These items will be funded from DEC Engine Gas Valve Replacement project account 605621500. Requisitions will be entered on an as-needed basis. The budgeted amount for this item is \$1,415,582.

EXHIBITS

Exhibit 1: Agenda Information Sheet
Exhibit 2: Ordinance

Respectfully submitted:
Lori Hewell, 940-349-7100
Purchasing Manager

For information concerning this acquisition, contact: Arthur Pando, 940-349-8653.

Legal point of contact: Marcella Lunn at 940-349-8333.