



City of Denton

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

AGENDA INFORMATION SHEET

DEPARTMENT: Procurement
ACM: Cassey Ogden
DATE: January 27, 2025

SUBJECT

Consider recommending adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager to execute a contract with Industrial Power, LLC, through The Interlocal Purchasing System (TIPS) Cooperative Program Contract Nos. 230405, 230802, and 230803 for the purchase and repairs of truck and trailer parts for the Fleet Services Department; providing for the expenditure of funds therefor; and providing an effective date (File 8722 – awarded to Industrial Power, LLC, 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 \$19,477,500.00).

STRATEGIC ALIGNMENT

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

INFORMATION/BACKGROUND

The proposed contract with Industrial Power, LLC, will be utilized by the Fleet Services Department to maintain, repair, and acquire medium and heavy-duty assets. These assets will include Autocar refuse trucks for Solid Waste, along with specialty vehicles such as Fire Department apparatuses and utility vacuum trucks. Industrial Power, LLC, is a certified Allison repair facility, which will enable them to repair and maintain heavy-duty Allison transmissions. Additionally, Industrial Power, LLC, provides pick-up and delivery services, significantly reducing vehicle transportation time by City staff.

The existing contract approved by City Council in May 2024 addressed urgent needs such as major repairs and the acquisition of two vehicles. This expanded agreement enables Fleet Services to procure future vehicles approved through the Capital Improvement Budget. Furthermore, it maximizes access to The Interlocal Purchasing System (TIPS) contract benefits, streamlining procurement and ensuring timely service delivery.

The contract value is calculated based on historical spending trends and accommodates anticipated growth in service requirements and vehicle acquisitions. This forward-thinking strategy positions Fleet Services to handle the increasing demands of a growing and complex fleet while maintaining high standards of reliability and efficiency. Ultimately, the proposed contract with Industrial Power, LLC, will reduce vehicle downtime, thus improving fleet readiness and ensuring the uninterrupted delivery of essential City services.

Estimated Contract Expenses

Category	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Asset Additions	\$610,000	\$630,000	\$650,000	\$1,330,000	\$1,370,000	\$4,590,000
Asset Replacements	2,430,000	2,510,000	2,580,000	1,990,000	2,050,000	11,560,000
Repair Services	450,000	460,000	470,000	500,000	520,000	2,400,000
Sub Total	\$3,490,000	\$3,600,000	\$3,700,000	\$3,820,000	\$3,940,000	\$18,550,000
Contingency 5%	174,500	180,000	185,000	191,000	197,000	927,500
Total	\$3,664,500	\$3,780,000	\$3,885,000	\$4,011,000	\$4,137,000	\$19,477,500

Pricing obtained through The Interlocal Purchasing System has been competitively bid and meets the statutory requirements of Texas Local Government Code 271.102.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On May 17, 2011, City Council approved the interlocal agreement with The Interlocal Purchasing System (Ordinance 2011-082).

RECOMMENDATION

Award a contract with Industrial Power, LLC, for the purchase and repairs of truck and trailer parts for the Fleet Services Department, 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 \$19,477,500.

PRINCIPAL PLACE OF BUSINESS

Industrial Power, LLC
McKinney, 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. These TIPS contracts 230802 and 230803 expire on October 31, 2026.

FISCAL INFORMATION

Repair services will be funded through Fleet Services operating budget 820100.7879. Equipment purchases will be funded through the Capital Improvement Budget. Requisitions will be entered on an as-needed basis. The budgeted amount for this item is \$19,477,500. The City will only pay for services rendered and is not obligated to pay the full contract amount unless needed.

EXHIBITS

Exhibit 1: Agenda Information Sheet
Exhibit 2: Presentation
Exhibit 3: Ordinance and Contract

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

For information concerning this acquisition, contact: Tom Gramer, 940-349-7467.

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