



City of Denton

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

AGENDA INFORMATION SHEET

DEPARTMENT: Procurement
ACM: Christine Taylor
DATE: April 14, 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 Kirby-Smith Machinery, Inc., through the Buy Board Cooperative Purchasing Network Contract Nos. 685-22, 687-22, and 740-24, for the purchase, repairs, and rental of construction equipment for the Fleet Services Department; providing for the expenditure of funds therefor; and providing an effective date (File 8786 – awarded to Kirby-Smith Machinery, 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 \$7,749,000.00).

STRATEGIC ALIGNMENT

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

INFORMATION/BACKGROUND

The City of Denton Fleet Services Department is establishing a contract for the purchase, repairs, and rental of equipment for various departments including, but not limited to, Solid Waste, Water Distribution, and Beneficial Reuse. Examples of equipment to be acquired encompass articulated trucks, loaders, excavators, compactors, graders, and spreaders to be used for the construction and movement of bulk materials such as landfill waste, dirt, and other debris. The City has been utilizing Komatsu-branded construction equipment since 2010. We currently have 13 pieces of Komatsu branded equipment in use, which are sold by Kirby-Smith.

Additionally, the contract includes rental and repair of associated equipment. Repair services, including warranty maintenance, help to minimize downtime for essential equipment and services while rental options allow departments to respond to fluctuating demands and project-specific needs without incurring unnecessary long-term commitments. Some repairs, such as internal engine repairs, and warranty maintenance must be performed by authorized factory-trained technicians. Rental periods will vary depending on project needs. This contract ensures uninterrupted service delivery, critical for departments with operational responsibilities that directly impact the City's infrastructure and services.

The asset replacement projections are determined through a combination of asset lifecycle analysis, operational demands, and budget considerations. Fleet Services utilizes a 15-point maintenance system to track the age, usage, and maintenance history of assets to identify when replacements are necessary to a maintain cost-efficient and safe fleet. Additions are based on projected department growth, service

expansions, or new operational requirements that necessitate increased fleet capacity. The contract value is based on historical spending levels and includes estimates for future assets and services.

Estimated Contract Expenses						
Category	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	Total
Asset Additions	\$0	\$310,000	\$320,000	\$660,000	\$680,000	\$1,970,000
Asset Replacements	900,000	620,000	640,000	660,000	680,000	3,500,000
Repair Services	340,000	340,000	360,000	410,000	460,000	1,910,000
Sub Total	\$1,240,000	\$1,270,000	\$1,320,000	\$1,730,000	\$1,820,000	\$7,380,000
Contingency 5%	62,000	63,500	66,000	86,500	91,000	369,000
Total	\$1,302,000	\$1,333,500	\$1,386,000	\$1,816,500	\$1,911,000	\$7,749,000

Pricing obtained through the Buy Board Cooperative Purchasing Network has been competitively bid and meets the statutory requirements of Texas Local Government Code 271.102.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On February 1, 2005, City Council approved the interlocal agreement with the Buy Board Cooperative Purchasing Network (Ordinance 2005-034).

RECOMMENDATION

Award a contract with Kirby-Smith Machinery, Inc., for the purchase, repairs, and rental of construction equipment 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 \$7,749,000.

PRINCIPAL PLACE OF BUSINESS

Kirby-Smith Machinery, Inc.
Tulsa, OK

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. Buy Board contract 685-22 expires on November 30, 2025, 687-22 expires on November 30, 2025, and 740-24 expires on June 30, 2027.

FISCAL INFORMATION

These products and services will be funded through Capital Fund accounts. Requisitions will be entered on an as-needed basis. The budgeted amount for this item is \$7,749,000. 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.