



# City of Denton

City Hall  
215 E. McKinney Street  
Denton, Texas  
[www.cityofdenton.com](http://www.cityofdenton.com)

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## AGENDA INFORMATION SHEET

**DEPARTMENT:** Procurement

**ACM:** Christine Taylor

**DATE:** December 16, 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 To provide specialized crash-report monitoring and subrogation recovery services for a pilot program of the Human Resources Department with Peachtree Recovery Services, Inc. (Provider); authorizing the City Manager to take those actions necessary for city's performance under the contract; providing for the retention of a percentage by provider for amounts recovered through performance of the services; and providing an effective date (File 8939 – awarded to Peachtree Recovery Services, Inc., for a one (1) year term).

### **INFORMATION/BACKGROUND**

The Risk Retention Fund is utilized to cover repair costs for City-owned property and vehicles damaged in accidents. When the City is not at fault, the Risk Management division conducts investigations to identify responsible parties and pursue subrogation to recover repair or replacement costs. In addition to direct repair expenses, the City may also seek compensation for associated damages such as loss of use, diminished value, and revenue loss.

Currently, staff rely on third-party appraisal services to determine claim values, with each appraisal averaging \$200. The department manages a continuous caseload of approximately 150–200 claims, all administered by a single claims administrator. Risk Management does not have access to valuation software based on industry and market standards, nor does it maintain agreements with software vendors. Due to cost considerations, the department does not plan to acquire such software at this time.

### **VENDOR OVERVIEW AND FISCAL IMPACT SUMMARY**

The City of Denton is evaluating a specialized vendor — Peachtree Recovery Services, Inc. (PRS)—to enhance recovery efforts related to not-at-fault property damage claims. PRS identifies property damage incidents by reviewing crash reports directly through the Texas Department of Transportation (TxDOT), eliminating the need for City staff to submit files. PRS independently calculates repair costs and manages the recovery process, including claims up to 10 years old—capturing missed historical opportunities. Their performance-based model requires no upfront costs. PRS operates on a contingency-only basis, with sample agreements indicating an average vendor retention of approximately 16.5%.

Utilizing PRS offers several strategic benefits. This vendor increases revenue by recovering damages the City currently does not pursue or cannot accurately calculate, including supplemental damages such as loss of use, diminished value, and loss of revenue. Their services reduce staff workload by outsourcing

valuation, investigation, and recovery tasks, while also improving accuracy through access to industry-standard valuation tools not available internally. The Assistant City Managers support the revenue-generating agreement that replenishes the Risk Retention Fund and ensures third parties fully compensate the City for damages incurred.

PRS increases revenue capture by identifying overlooked or historic claims and reduces workload on staff while generating funds for the Risk Retention Fund. This one-year pilot will support evaluation prior to a formal solicitation.

### **RECOMMENDATION**

Award a contract with Peachtree Recovery Services, Inc., to provide specialized crash-report monitoring and subrogation recovery services for a pilot program for the Human Resources Department, in a one (1) year term.

### **PRINCIPAL PLACE OF BUSINESS**

Peachtree Recovery Systems, Inc.  
Suwanee, GA

### **ESTIMATED SCHEDULE OF PROJECT**

This is a one (1) year contract.

### **FISCAL INFORMATION**

This is a revenue-generating agreement. PRS retains a small contingency percentage of recovered revenue. All remaining funds flow directly into the City's General Fund.

### **EXHIBITS**

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

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

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