



# City of Denton

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

## AGENDA INFORMATION SHEET

**DEPARTMENT:** Procurement  
**ACM:** Cassey Ogden  
**DATE:** August 28, 2023

### 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 Stella-Jones Corporation, for the supply of wood utility poles for the Denton Municipal Electric to be stocked in the Warehouse; providing for the expenditure of funds therefor; and providing an effective date (IFB 8252 – awarded to Stella-Jones Corporation, for three (3) years, with the option for two (2) additional one (1) year extensions, in the total five (5) year not-to-exceed amount of \$8,250,000.00).

### STRATEGIC ALIGNMENT

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

### INFORMATION/BACKGROUND

This proposal is for a contract to supply wood utility poles used by Denton Municipal Electric (DME) to construct, operate, maintain facilities, and provide electric service to new customers. The items are stocked by the Warehouse and used as needed. The current contract is set to expire in September 2023. During the contract term, approximately \$3,000,000 has been spent, with the price increasing by 80 percent. The proposed not-to-exceed amount of \$8,250,000 accounts for the price increase, upcoming projects, and allows for a contingency should prices continue to rise.

Invitations to Bids were sent to 48 prospective suppliers of this item, including two (2) Denton firms. In addition, specifications were placed on the Procurement website for prospective suppliers to download and advertised in the local newspaper. Two (2) bids were received, with one (1) responding to all lines. The lowest bid was received by Stella-Jones Corporation.

NIGP Code Used for Solicitation:	<b>540</b> – Lumber, Siding, and Related Products
Notifications sent for Solicitation sent in IonWave:	48
Number of Suppliers that viewed Solicitation in IonWave:	12
HUB-Historically Underutilized Business Invitations sent out:	9
SBE-Small Business Enterprise Invitations sent out:	23
Responses from Solicitation:	2
Responses Meeting Specifications:	1

## **RECOMMENDATION**

Award a contract to Stella-Jones Corporation, for the supply of wood utility poles for DME, a three (3) year, with the option for two (2) additional one (1) year extensions, for a total five (5) year not-to-exceed amount of \$8,250,000.

## **PRINCIPAL PLACE OF BUSINESS**

Stella-Jones Corporation  
Tacoma, WA

## **ESTIMATED SCHEDULE OF PROJECT**

This is a three (3) year contract with options to extend the contract for two (2) additional one (1) year periods, with all terms and conditions remaining the same.

## **FISCAL INFORMATION**

These items will be funded from the Warehouse Working Capital account 800100.6801 and charged back to the using department. Requisitions will be entered on an as-needed basis. The budgeted amount for this item is \$8,250,000. 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: Kolby Johnson, 940-349-7597.

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