



City of Denton

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

AGENDA INFORMATION SHEET

DEPARTMENT: Procurement

ACM: Christine Taylor

DATE: June 9, 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 Holt Texas, LTD., through the Buy Board Cooperative Purchasing Network Contract Nos. 685-22 and 740-24, for authorized repair services, purchases, and rentals of Caterpillar construction equipment for the Fleet Services Department; providing for the expenditure of funds therefor; and providing an effective date (File 8805 – awarded to Holt Texas, LTD., 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 \$14,983,500.00).

STRATEGIC ALIGNMENT

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

INFORMATION/BACKGROUND

The proposed contract will be utilized by the Fleet Services Department to repair, procure, maintain, and rent Caterpillar construction equipment for various departments, including Beneficial Reuse, Wastewater, Drainage, and Solid Waste. The City's current inventory includes 24 pieces of Caterpillar equipment, which are actively utilized across these departments. This quantity may increase or decrease based on the fleet replacement schedule, evolving departmental requirements, and new fleet additions approved through the Capital Improvement Budget.

Examples of the equipment covered under this contract include dozers, excavators, and wheel loaders, which are primarily utilized for construction activities such as moving bulk materials like sand, dirt, trash, or debris. Establishing this contract with Holt Texas, LTD, the authorized Caterpillar repair facility for the North Texas Region, ensures access to specialized repair services, including warranty work, internal engine repairs, and services requiring proprietary software. These specialized services are essential for minimizing downtime, maintaining operational efficiency, and supporting uninterrupted service delivery for departments with responsibilities critical to 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 maintain a 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	\$ -	\$420,000	\$870,000	\$900,000	\$920,000	\$3,110,000
Asset Replacements	2,050,000	2,530,000	1,310,000	1,340,000	920,000	8,150,000
Repair Services	530,000	560,000	600,000	640,000	680,000	3,010,000
Sub Total	\$2,580,000	\$3,510,000	\$2,780,000	\$2,880,000	\$2,520,000	\$14,270,000
Contingency 5%	129,000	175,500	139,000	144,000	126,000	713,500
Total	\$2,709,000	\$3,685,500	\$2,919,000	\$3,024,000	\$2,646,000	\$14,983,500

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 Holt Texas, LTD., for authorized repair services, purchases, and rentals of Caterpillar 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 \$14,983,500.

PRINCIPAL PLACE OF BUSINESS

Holt Texas, LTD.
San Antonio, 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. Buy Board contract 685-22 expires on November 30, 2025, and Buy Board contract 740-24 expires on June 30, 2027.

FISCAL INFORMATION

Repair services will be funded through Fleet Services Operating budget 820100.7879. Equipment purchases will be funded through the Capital Improvement Budget. The budgeted amount for this item is \$14,983,500. 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: Cooperative Pricing
Exhibit 3: Presentation
Exhibit 4: 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.