



City of Denton

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

AGENDA INFORMATION SHEET

DEPARTMENT: Procurement
ACM: Cassey Ogden
DATE: March 27, 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 McCourt Equipment, Inc, for screener maintenance and repairs for the Beneficial Reuse Department, which is the sole provider of this service, in accordance with Texas Local Government Code 252.022, which provides that procurement of commodities and services that are available from one source are exempt from competitive bidding, and if over \$50,000, shall be awarded by the governing body; providing for the expenditure of funds therefor; and providing an effective date (File 8116 – awarded to McCourt Equipment, 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 \$300,000.00).

INFORMATION/BACKGROUND

The main function of the Beneficial Reuse Department is to divert all brush from the landfill as well as biosolids from the Water Reclamation Plant. These waste products are combined to produce the compost product known as Dyno Dirt. Dyno Dirt can be used by the City of Denton's citizens to enhance their yards, flower gardens, and amend soils while also diverting waste products that would take up much-needed landfill space. There is also an established customer base that relies on this product to support their businesses.

The proposed contract with McCourt Equipment, Inc. will be for the maintenance and repair of the screeners critical to the department's operation. The equipment removes larger material from the compost to produce a uniform Dyno Dirt product and is the only mechanism available to screen the compost and prepare it for sale.

When equipment repairs are delayed, it has an adverse effect on the ability to supply products to the customer. This could lead to unwanted problems such as compost fires, customer complaints, and a backlog of production that leaves the department short on inventory. Without the screener, compost production and sales would quickly come to a halt.

Section 252.022 of the Local Government Code provides that procurement of sole source commodities and services are exempt from competitive bidding, if over \$50,000, shall be awarded by the governing body.

Project Description	Estimated 5-Year Expenditure
Estimated Repairs & Parts Year 1	\$ 40,000
Estimated Repairs & Parts Year 2	\$ 50,000

Estimated Repairs & Parts Year 3	\$ 50,000
Estimated Repairs & Parts Year 4	\$ 60,000
Estimated Repairs & Parts Year 5	\$ 70,000
Contingency for additional costs	\$ 30,000
Total	\$300,000

RECOMMENDATION

Award with a contract to McCourt Equipment, Inc, for screener maintenance and repairs for the Beneficial Reuse 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 \$300,000.

PRINCIPAL PLACE OF BUSINESS

McCourt Equipment, Inc
Lagrange, 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.

FISCAL INFORMATION

These products and services will be funded through the using department's budget on an as-needed basis. 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: Ordinance and Contract

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

For information concerning this acquisition, contact: Dustin Rolfe, 940-349-8438.

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