

CITY OF SEGUIN

To: City Council
From: Adam Rossing, Director of Public Works
Date: October 21, 2025
Subject: Resolution of the city council to authorize the spending of more than \$100,000 annually for equipment diagnostic, maintenance, and repair services utilizing the state purchasing exemption Texas Local Government Code, Section 252.022(a)(3) for unforeseen damages.



It's real.

Historical Background

The City of Seguin maintains 456 assets, including a diverse fleet of specialized heavy equipment, vehicles, and machinery used daily across multiple departments. These assets are essential for delivering critical public services such as utility maintenance, street and drainage operations, parks maintenance, and public safety support.

Due to the complexity and variety of this equipment, mechanical failures and electronic malfunctions frequently occur without warning. Many systems utilize proprietary diagnostic software and patented tools available only through the manufacturer or authorized dealers. When these breakdowns occur, immediate diagnostic and repair services are often necessary to prevent extended downtime, protect public safety, and ensure continuity of city operations.

Legal Basis:

Under Texas Local Government Code § 252.022(a)(3), a municipality is exempt from the competitive bidding process when the procurement is necessary because of:

“...a public calamity that requires the immediate appropriation of money to relieve the necessity of the municipality's residents or to preserve the property of the municipality, or... (3) **unforeseen damage to public machinery, equipment, or other property.**”

Equipment failures and mechanical breakdowns qualify as unforeseen damages, as they cannot be reasonably predicted or scheduled in advance. These incidents often require:

- Immediate diagnostic evaluation and repairs to return essential equipment to service.
- Manufacturer-specific diagnostic software or authorized dealers due to proprietary systems (e.g., Caterpillar ET, John Deere Service Advisor).

- Specialized parts or components available only from the original equipment manufacturer (OEM).

Because of these factors, competitive bidding is not practical or time-efficient when addressing urgent repair needs. The exemption allows the City to act quickly to preserve public assets and maintain essential services.

Action Requested

City Council approval to authorize the use of the state purchasing exemption for unforeseen damages under Texas Local Government Code § 252.022(a)(3) for diagnostic, maintenance, and repair services.

Procurement Methodology & Funding Source

Funding for equipment repairs will come from the respective department budgets (e.g., Public Works, Utilities, Parks, Fire Department).

Staff Recommendation

Staff recommends that City Council authorize the continued use of the state purchasing exemption for unforeseen damages under Texas Local Government Code § 252.022(a)(3) for diagnostic, maintenance, and repair services, with an annual expenditure exceeding \$100,000.

ATTACHMENTS

1. Memo to Council
2. List of City owned equipment and associated dealers