



CITY OF DURHAM | NORTH CAROLINA

**Date: September 27, 2012**

**To: Thomas J. Bonfield, City Manager**

**Through: Wanda S. Page, Deputy City Manager**

**From: David Boyd, Finance Director  
Lynette McRae, Purchasing Supervisor**

**Subject: Co-op Contract Purchase – Four (4) TYMCO Street Sweepers**

### **Executive Summary**

The contract under consideration will provide the Public Works Street Cleaning Division with four (4) new TYMCO Model 600 Street Air Sweepers. These vehicles were approved in the FY 2012/13 budget. The Fleet Management Department proposes to purchase four (4) TYMCO Model 600 Street Air Sweepers from a Houston Galveston Area Council of Governments (H-GAC) contract for the Public Works Street Cleaning Division.

Making purchases from contracts made through a competitive bidding group purchasing program is referred to as the “co-op contract exception”. North Carolina General Statute 143-129(e)(3) allows an exception to the bidding process when making a purchase from a co-operative purchasing program.

The Administration has analyzed market conditions, has compared the pricing to other recent similar bids, and recommends using the “co-op contract” provision.

The total cost of the contract is \$732,320.00. Funding for this contract is available from the Public Works Storm Water Fleet Fund (443622160-732300.54301).

The Equal Opportunity/Equity Assurance Department reviewed the bid submitted by TYMCO, Inc. of Waco, Texas and have determined that they are in compliance with the Ordinance to Promote Equal Opportunities in City Contracting. There were no SDBEs to provide this product.

## **Recommendation**

That the bid for the purchase of four (4) TYMCO Model 600 Street Air Sweepers in the amount of \$732,320.00 from TYMCO, Inc. be approved and the City Manager be authorized to execute all relevant contracts; and,

That the City Manager be authorized to modify the contract before execution provided that modifications do not increase the dollar amount of the contract and are consistent with the general intent of the existing version of the contract.

## **Background**

Recently, the Houston Galveston Area Council of Governments (H-GAC) awarded a contract for sweeping equipment. The H-GAC is a co-operative purchasing program that assists other local governments by establishing competitively priced contracts for goods and services on a national level, leveraging quantities to achieve excellent pricing. The City of Durham is a participating member of the program and it is open to all units of local government, including non-profits.

The Fleet Management Department proposes to purchase four (4) TYMCO Model 600 Street Air Sweeper from the Houston Galveston Area Council of Governments (H-GAC) contract for the Public Works Street Cleaning Division.

Making purchases from contracts made through a competitive bidding group purchasing program is referred to as a “co-op contract exception”. North Carolina General Statute 143-129(e)(3) allows an exception to the bidding process when making a purchase from a co-operative purchasing program. The exception reads as follows:

*The bidding process is waived for purchases made through a competitive bidding group purchasing program, which is a formally organized program that offers competitively obtained purchasing services at discount prices to two or more public agencies.*

TYMCO, Inc. has agreed to furnish the City with four (4) TYMCO Model 600 Street Air Sweepers per the same pricing and conditions as in the existing H-GAC contract #SW04-12.

## **Issues/Analysis**

The City could choose not to use the “co-op contract” provision and seek new bids. Seeking new bids would delay the award process and most likely result in higher prices. The Administration has analyzed market conditions, has compared the pricing to other recent similar bids, and recommends using the “co-op contract” provision.

**Alternatives**

There are no good alternatives to making this purchase. The contract pricing provides the City with a savings compared to current market pricing and the cost of the contract is within the funds allotted.

**Financial Impact**

The total cost of the contract is \$732,320.00. Funding for this contract is available from the Public Works Storm Water Fleet Account (443622160-732300.54301).

**SDBE Summary**

The Equal Opportunity/Equity Assurance Department reviewed the bid submitted by TYMCO, Inc. of Waco, Texas and have determined that they are in compliance with the Ordinance to Promote Equal Opportunities in City Contracting.

**SDBE REQUIREMENTS**

There were no SDBEs to provide this product.

**WORKFORCE STATISTICS**

The workforce statistics for TYMCO, Inc. are as follows:

Total Workforce	140	100%
Total Females	9	6%
Total Males	131	94%
Black Males	0	0%
White Males	109	77%
Other Males	22	16%
Black Females	0	0%
White Females	8	6%
Other Females	1	1%