



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 – Two (2) Sutphen Shield Pumper Trucks**

### **Executive Summary**

The contract under consideration will provide the Fire Department with two (2) new Sutphen Shield Pumper Trucks. These vehicles were approved in the FY 2012/13 budget. The Fleet Management Department proposes to purchase two (2) Sutphen Shield Pumper Trucks from a Houston Galveston Area Council of Governments (H-GAC) contract for the Fire Department.

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 \$801,587.54. Funding for this contract is available from the Fleet Replacement Account (30620122.732300.53001).

The Equal Opportunity/Equity Assurance Department reviewed the bid submitted by The Sutphen Corporation of Dublin, Ohio 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 two (2) Sutphen Shield Pumper Trucks in the amount of \$801,587.54 from The Sutphen Corporation 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 Fire Service Apparatus. 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 two (2) Sutphen Shield Pumper Trucks from the Houston Galveston Area Council of Governments (H-GAC) contract for the Fire Department.

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.*

The Sutphen Corporation has agreed to furnish the City with two (2) Sutphen Shield Pumper Trucks per the same pricing and conditions as in the existing H-GAC contract #FS12-11.

### **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 \$801,587.54. Funding for this contract is available from the Fleet Replacement Account (30620122.732300.53001).

**SDBE Summary**

The Equal Opportunity/Equity Assurance Department reviewed the bid submitted by The Sutphen Corporation of Dublin, Ohio 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 The Sutphen Corporation are as follows:

Total Workforce	219	100%
Total Females	21	10%
Total Males	198	90%
Black Males	4	2%
White Males	194	88%
Other Males	0	0%
Black Females	0	0%
White Females	21	9%
Other Females	1	1%