

CITY OF DURHAM | NORTH CAROLINA

Date: **February 7, 2017**

To: Thomas J. Bonfield, City Manager

Through: Wanda S. Page, Deputy City Manager

From: **David Boyd, Finance Director**

> Joseph W. Clark, Fleet Management Director Jonathan Hawley, Purchasing Supervisor

Subject: **Cooperative Purchase – Replacement Street**

Sweepers

Executive Summary

The contract under consideration will furnish/provide the City with eight (8) replacement street sweepers for the Public Works Department. These sweepers are to replace sweepers damaged during the flooding at Public Works Operation Center (PWOC) located at 1100 MLK Parkway on July 16, 2016. The unit price per sweeper is \$210,830.00, and the total cost of this contract is \$1,686,640.00.

Bid pricing is from HGAC Buy, where TYMCO, Inc. of Waco, TX was the lowest responsive bidder. Funding for this contract is available from insurance proceeds (\$387,445.00) and the Stormwater Fund (\$1,299,195.00). There are no good alternatives to making this purchase. The purchase cooperative pricing is competitive and within budget.

Recommendation

To authorize the City Manager to execute contract with TYMCO, Inc. for the purchase of eight (8) replacement street sweepers in the amount of \$1,699,040.00.

Background

The contract under consideration will provide the City with eight (8) replacement street sweepers for the Public Works Department. These sweepers are to replace sweepers damaged during the flooding at Public Works Operation Center (PWOC) located at 1100 MLK Parkway on July 16, 2016

Making purchases from contracts established by a cooperative purchase group such as HGAC Buy program is referred to as a "cooperative purchase group exception". Under North Carolina General Statute 143-129(e)(3) the exception reads as follows "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 Administration has analyzed market conditions, has compared the pricing to

other recent similar bids, and recommends using the "cooperative purchase group exception" provision.

Issues/Analysis

The following HGAC Buy Cooperative Contract pricing is in effect for the replacement street sweepers:

<u>Item No.1 – Eight (8) Street Sweepers</u>

TYMCO, Inc. *\$210,830.00 each Waco, TX \$1,686,640.00 total

Alternatives

There are no good alternatives to making this purchase. The pricing is competitive and within budget.

Financial Impact

The total cost of this contract is \$1,686,640.00. Funding for this contract is available from the Funding for this contract is available from insurance proceeds (\$387,445.00) and the Stormwater Fund (\$1,299,195.00).

SDBE Summary

This item is a cooperative purchase group purchase and was not reviewed for compliance with the Ordinance to Promote Equal Business 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:

TYMCO, Inc.

Total Workforce	156	100%
Total Females	10	6%
Total Males	146	94%
Black Males	7	4%
White Males	122	78%
Other Males	17	12%
Black Females	0	0%
White Females	9	5%
Other Females	1	1%