

ITEM	3
MANAGER'S REPORT NO.	11
COUNCIL MEETING	1980 02 11

RE: TENDER FOR TIRES, TUBES, RETREADS AND REPAIRS INCLUDING SERVICE

Following is a report from the Purchasing Agent regarding tenders for tires and service.

RECOMMENDATION:

1. THAT the recommendation of the Purchasing Agent be adopted.

* * * * *

TO: MUNICIPAL MANAGER
FROM: PURCHASING AGENT
RE: TENDER FOR TIRES, TUBES, RETREADS,
REPAIRS AND SERVICE

DATE: 1980 February 05

RECOMMENDATION:

1. THAT a contract be awarded to Vancouver General Tire for one (1) year commencing 1980 February 12 to supply New General Tires, Tubes, Retreads, Repairs and Tire Service based on the actual volume purchased and services provided at the prices, rates and conditions tendered.

REPORT

Tenders for the subject Tires and Service were received up to 1500 h, local time on Wednesday, 1980 January 23.

Four (4) tenders were received and opened in the presence of Messrs. Hagen, Constable and representatives of the firms bidding.

A tabulation of the tenders received is attached.

The basis for tendering was a sampling of the average number of tires and retreads purchased in previous years plus hourly service rates. An addendum also includes the projected service costs for the year based on an analysis of service provided during 1979. It should be noted here that virtually 75% of repair work has now been shifted to the supplier's shop. This gives us maximum economy in two (2) ways - 1) The supplier's shop service rate is the cheapest rate offered us; - 2) The supplier's shop service facilities permit faster repair capability than in the field.

Our sampling again reveals a very close margin between the tenders of Crown Tire Service (B.C.) Division of Firestone Canada, D&D Tire (Vancouver) Ltd. and Vancouver General Tire. However, the lowest net price of the combined tender components is that of Vancouver General Tire at a cost of \$43,265.64 including the 2% cash discount. This tender also maintains a firm price for six (6) months.

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Therefore, for these reasons - low net price, six months firm prices and since Vancouver General Tire has maintained a satisfactory level of Tire Service and Product when handling our account in past years, we recommend that a contract be awarded to Vancouver General Tire for one (1) year to supply new tires and tubes, retreads, repairs and service to the Corporation as per their tender received.

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The Engineer and his staff concur with this recommendation.


K.F. Williams,
PURCHASING AGENT.

JRH/gbw
Attachments

c.c. Municipal Clerk
Municipal Engineer

THE CORPORATION OF THE DISTRICT OF BURNABY

ADDENDUM

TOTAL COST PROJECTION FOR ONE YEAR

TIRES, TUBES, RETREADS AND REPAIRS INCLUDING SERVICE

PURCHASING DEPARTMENT

1980 January 24

COMPANY	TIRE BRAND QUOTED	SAMPLING NEW TIRES	SAMPLING RETREADS	SUB TOTAL	+	(*) TOTAL SERVICING COSTS PROJECTION FOR ONE YEAR	FIRM PRICE ?	TOTAL PROJECTED COSTS 1980
Crown Tire Service (B.C.) Div. of Firestone Canada	New - Firestone Retreads - Associated Tire	\$ 13,038.79	\$ 17,441.42	\$ 30,480.21		200 hrs @ \$18.00 per hr. (Field Service) \$ 3,600.00 600 hrs @ \$16.00 per hr. (Shop Service) \$ 9,600.00 <u>\$13,200.00</u>	New Tires) & Retreads) 2 mo. Service - 1 yr.	\$ 43,680.21
D&D Tire (Vancouver) Ltd.	New - UniRoyal & Goodyear Retreads - Associated & Bandag	13,793.42	15,897.13	29,690.55		200 hrs @ \$24.00 per hr. (Field Service) \$ 4,800.00 600 hrs @ \$18.00 per hr. (Shop Service) \$ 10,800.00 <u>\$15,600.00</u>	New Tires) 90 Days Recaps & Service - One year (Less 2% Discount)	44,384.74 (**)
Vancouver General Tire	New - General Retreads - Associated, Firestone & Bandag	13,302.64	18,245.97	31,548.61		200 hrs @ \$18.00 per hr. (Field Service) \$ 3,600.00 600 hrs @ \$15.00 per hr. (Shop Service) \$ 9,000.00 <u>\$12,600.00</u>	All Components 6 months only (Less 2% Discount)	43,265.64 (**)
Butler Tire Ltd.	New - Goodrich & Goodyear Retreads - D&D/Butler	19,065.28	21,061.56	40,126.84		200 hrs @ \$34.00 per hr. (Field Service) \$ 6,800.00 600 hrs @ \$27.00 per hr. (Shop Service) \$ 16,200.00 <u>\$23,000.00</u>	All Components 6 months only (Less 2% Discount)	61,864.30 (**)

(*) Based on the average no. of tires serviced (1350) x average service interval per tire (35 min.) which equals 800 hrs. 25% of tire servicings occur out in the field while 75% of tire servicings are done in the Suppliers' shop. These are charged out at two different rates as shown above.

(**) 2% Cash Discount if paid by 10th of month following.

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THE CORPORATION OF THE DISTRICT OF BURNABY

TENDER TABULATION

TIRES, TUBES, RETREADS AND REPAIRS INCLUDING SERVICE

PURCHASING DEPARTMENT

1980 January 24

COMPANY	TIRE BRAND QUOTED	SAMPLING NEW TIRES	SAMPLING RETREADS	TOTAL	DISCOUNT	SERVICING HOURLY RATE			FIRM PRICE FOR ONE YEAR
						Supplier's Shop	Service Centre	Field	
Crown Tire Service (P.S.) Div. of Firestone Canada	New - Firestone Retreads - Associated Tire	\$ 13,038.79	\$ 17,441.42	\$ 30,480.21	Nil	\$ 16.00	\$ 18.00	\$ 18.00	NO - 60 Days only
D&D Tire (Vancouver) Ltd.	New - UniRoyal & Goodyear Retreads - Associated & Bandag	13,793.42	15,897.13	29,690.55	2% - 10th of month following	18.00	24.00	24.00	NO - 90 Days only - New Tires YES - Recaps YES - Service
Vancouver General Tire	New - General Retreads - Associated, Firestone & Bandag	13,302.64	18,245.97	31,548.61	2% - 10th of month following	15.00	17.00	18.00	NO - six months
Butler Tire Ltd.	New - Goodrich & Goodyear Retreads - D&D/ Butler	19,065.28	21,061.56	40,126.84	2% - 10th of month following	27.00	34.00	34.00	NO - six months

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