

RE: CONTRACT FOR TOWING SERVICES 1987 - 1990

MUNICIPAL MANAGER'S RECOMMENDATION:

ITEM SUPPL 16  
MANAGER'S REPORT NO. 71  
COUNCIL MEETING 87/11/16

1. THAT the recommendation of the Director Finance be adopted.

\* \* \* \* \*

TO: MUNICIPAL MANAGER  
FROM: DIRECTOR FINANCE

87 11 13

RE: CONTRACT FOR TOWING SERVICES 1987-1990

RECOMMENDATION

1. THAT a contract be awarded to Mundie's Towing, Storage and Service (1976) Limited, for a three year period for towing services as required and at the unit rates quoted.

REPORT

Background

The Corporation has for many years engaged the services of a towing contractor to tow, when requested, municipal vehicles, abandoned vehicles and by-law infractions.

The tender documents call for unit rates for all categories of towing including towing of motor vehicle accidents (MVA's). Our specifications clearly state in item 2(c) "When requested so to do by a Police Officer or a Parking Patrolman, pick up and tow from one place in the Municipality to another place in the Municipality, any vehicle or equipment which has been involved in an accident on a highway in the Municipality of Burnaby or is violating any law or by-law of the Corporation or the Motor Vehicle Act or any Act of the Province of British Columbia."

When no specific towing company is requested by the driver of the vehicle required to be towed, the RCMP will call the municipality's contracted towing firm to the scene of an accident. Towing and storage of MVA's provides an estimated annual revenue of \$160,000 to the towing contractor. The actual cost to the Corporation of all other tows has always been less the \$5,000 annually.

In evaluating previous tenders for the subject services, a detailed analysis of all the costs to both the Corporation and the violators was never compiled. This was not previously necessary because the recommendation was based only on one tenderer having storage facilities that met the specifications.

Because the total annual revenue from this contract brings over \$200,000 to the successful bidder, we have decided to provide a detailed tabulation of all costs to both the Corporation and the violators. It is our opinion that this and future awards should be based not only on costs to the Corporation and the suitability of storage facilities, but also on the total costs borne by the violators which includes MVA's. The cost of the tow and subsequent storage costs for MVA's is paid for by the driver if he does not carry the required insurance, otherwise through ICBC.

The RCMP are agents of the municipality, and therefore the Municipality is tied to the officer's decision when a towing company is called. It is therefore incumbent upon the Municipality to ensure that the service provided is reliable, prompt, competitive and convenient. This is why MVA's are included in the tender documents, and should be included in the tender evaluation process.

Tendering Process

Tenders for the subject service were received up to 3:00 p.m. local time, Friday 1987 October 9. Only two tenders were received and opened by Municipal staff in the presence of representatives of the firms bidding. The two tenders were submitted by Southview Auto Towing Gary Tonks Ltd. and Mundie's Towing, Storage and Service (1976) Limited.

A detailed analysis of the two tenders is reflected on the following attached tabulations:

- Attachment A summary of costs to the Corporation
- Attachment B & B1 summary of costs to the violators
- Attachment C summary of potential revenue to the successful contractor.

The tender documents state that the following factors would be used as part of the selection criteria when evaluating tenders:

- Costs to both the Corporation and the violators.
- Location and security of the towing firm yards and dry storage area.
- Accessibility and convenience for violators to retrieve their vehicles considering that they may have to use public transportation.
- Accessibility and convenience for the RCMP to check vehicles for identification.
- Conformation of all facilities to zoning and by-law requirements.
- Contractor's service record and experience.
- Contractor's owned equipment.

Summary of Tenders

<u>Cost per Year</u>	
Cost to the Corporation	Southview low by \$ 988.00
Cost to the violator	Mundie's low by \$12,347.00
Total cost to Corporation and violators	Mundie's low by \$11,359.00
Estimated total revenue for contractor	Mundie's low by \$11,359.00

Location and Facilities

Mundie's maintains a storage lot and inside storage facilities at 6938 Kingsway which is centrally located. This lot is used to store all vehicles towed in for by-law infractions until claimed by the owner and for all vehicles requiring RCMP inspection. They also maintain a large storage lot at 5917 Thorne Avenue in Burnaby with capacity to store 200 vehicles. This lot is used for abandoned vehicles and MVA's not requiring dry storage. All facilities meet our specifications.

Southview have proposed a storage lot at 6077 Trapp Road. The lot is big enough but does not meet our specifications in the following areas:

- Lot not completely fenced
- Storage facilities require upgrading
- Inside storage will hold maximum three cars whereas the specifications call for storage for five cars.

ITEM SUPPL 16  
MANAGER'S REPORT NO. 71  
COUNCIL MEETING 87/11/16

In a separate letter received after the tender closing date, Southview advised that they intend to upgrade the facilities to meet our specifications and Burnaby's by-law requirements.

Convenience

Mundies' facilities are conveniently and centrally located on Kingsway and are easily accessible by public transport. Owners can retrieve their vehicles with minimum inconvenience.

Southview's facilities are located in the southeast corner of Burnaby and not on a bus route. Southview, however, have offered a free taxi ride from Imperial Street near Kingsway to their lot. This would take approximately 15 minutes under normal conditions. During rush hour it will likely take much longer and the violator may have to wait for a taxi. The RCMP expect they would be inundated with complaints from violators because of the inconvenience. The RCMP also advises that for police officers to travel the extra distance to the Southview facilities (instead of Mundie's) would cost about \$7,800 per year in extra travel time and the lost man hours would result in reduced police coverage.

Experience

Mundies' has been the successful towing contractor in Burnaby for more than 10 years. During this time Mundie's have performed to the satisfaction of the RCMP and the Purchasing Agent.

Southview have no experience with a contract of this size. Their experience is limited to smaller contracts such as apartment and commercial complexes.

Equipment

Mundie's currently owns all of the equipment required to meet our specifications.

Southview does not own the necessary equipment but have options to buy enough equipment to meet our specifications.

Summary

Mundie's is the low bidder overall based on unit rates times the estimated volume, and Mundie's meets our specifications. Their facilities are to the satisfaction of both the Officer-in-Charge and the Purchasing Agent.

Southview is the high bidder overall and low only for the abandoned vehicles and by-law tows. Southview's facilities currently do not meet our specifications and are not to the satisfaction of the Officer-in-Charge and the Purchasing Agent.

It is recommended that a contract be awarded to Mundie's Towing, Storage and Service (1976) Limited, for a three year period for towing services as required and at the unit rates quoted.

The Officer-in-Charge and the members of the RCMP, Burnaby Detachment, involved with the administration of this contract concur with the above recommendation.

JV:ah  
Attach.

  
for  
Howard Karras  
DIRECTOR FINANCE

cc. NCO, i/c, RCMP  
Director Administrative and Community Services

BID TABULATION, TOWING SERVICES 1987-1990

ESTIMATED NO. OF TOWS PER YEAR  
 UNITED PRICES QUOTED SOUTHVIEW MUNDIES  
 TOTAL COST PER YEAR TO CORPORATION SOUTHVIEW MUNDIES

ITEM	SUPPL	16	71	87/11/16
Municipal Vehicles		125	\$10.00	\$13.00
- up to 10,000 GW		60	14.00	20.00
- 10,001 to 36,000 GW		30	26.00	28.00
- 36,001 GW and up		10	36.00	15.00
PER MILE RATE BEYOND MUNICIPAL BOUNDARIES			\$1.75	\$1.50
- up to 10,000 GW			1.75	1.50
- 10,001 to 36,000 GW			1.75	1.50
- 36,001 GW and up			2.50	1.50
ABANDONED VEHICLES		25	\$10.00	\$13.00
Towing Charge - Vehicles claimed			0	13.00
Flat Rate Payable by Corporation		40	0	0
for Unclaimed Vehicles				
MOTOR VEHICLE ACCIDENTS		10	*\$32.60	\$24.00
- up to 8,000 GW			* 43.00	24.00
- 8,001 TO 12,000 GW			* 48.20	28.00
- 12,001 to 16,000 GW			* 70.15	32.00
- 16,000 GW and up			\$10.00	\$14.00
- up to 10,000 GW	1,800 )	1,720	14.00	20.00
- 10,001 to 36,000 GW	)	60	26.00	28.00
- 36,001 GW and up	)	20	10.00	7.00
Flat Rate for Impounding but not Towed Away				
RECOVERY RATES PER HOUR			\$24.00	\$20.00
- 1 Ton Wrecker			28.00	25.00
- 2-3 Ton Wrecker			31.00	30.00
- 5 Ton Wrecker			38.00	35.00
- Tandem Wrecker			16.00	10.00
Fee for Use of Dolly			5.75	4.50
Storage rates Per Day			11.25	6.00
Removal of Operating Parts			14.50	6.00
- Drive Shafts				
- Per Axle				
Certified Mechanic			\$15.60	\$20.00
Rate Per Hour				
* Current I.C.B.C. rates up to 6.4 km				
Additional charge beyond that				
Average Cost Used is \$35.70				
			\$3,587.00	\$4,575.00

759

ITEM SUPPL 16  
 MANAGER'S REPORT NO. 71  
 COUNCIL MEETING 87/11/16

ATTACHMENT "A"

ESTIMATED NO. OF TOWS PER YEAR  
 UNITED PRICES QUOTED SOUTHVIEW MUNDIES  
 TOTAL COST PER YEAR TO VIOLATORS SOUTHVIEW MUNDIES

ITEM	SUPPL	16	71	87/11/16
Municipal Vehicles				
- up to 10,000 GW		125	\$10.00	\$13.00
- 10,001 to 36,000 GW		60	14.00	20.00
- 36,001 GW and up		30	26.00	28.00
- Dumping Refuse Trucks		10	36.00	15.00
PER MILE RATE BEYOND MUNICIPAL BOUNDARIES				
- up to 10,000 GW			\$1.75	\$1.50
- 10,001 to 36,000 GW			1.75	1.50
- 36,001 GW and up			2.50	1.50
ABANDONED VEHICLES				
Towing Charge - Vehicles claimed		25	\$10.00	\$13.00
Flat Rate Payable by Corporation		40	0	13.00
for Unclaimed Vehicles				
MOTOR VEHICLE ACCIDENTS				
- up to 8,000 GW		900	*\$32.60	\$24.00
- 8,001 TO 12,000 GW			*43.00	24.00
- 12,001 to 16,000 GW			*48.20	28.00
- 16,000 GW and up			*70.15	32.00
BY-LAW INFRACTIONS				
- up to 10,000 GW		1,720	\$10.00	\$14.00
- 10,001 to 36,000 GW		60	14.00	20.00
- 36,001 GW and up		20	26.00	28.00
Flat Rate for Impounding but not Towed Away		120	10.00	7.00
RECOVERY RATES PER HOUR				
- 1 Ton Wrecker			\$24.00	\$20.00
- 2-3 Ton Wrecker			28.00	25.00
- 5 Ton Wrecker			31.00	30.00
- Tandem Wrecker			38.00	35.00
Fee for Use of Dolly			16.00	10.00
Storage rates Per Day			5.75	4.50
Removal of Operating Parts			11.25	6.00
- Per Axle			14.50	6.00
Certified Mechanic			\$15.60	\$20.00
Rate Per Hour				
* Current I.C.B.C. rates up to 6.4 km				
Additional charge beyond that				
Average Cost Used is \$35.70				
			\$92,677.00	\$80,330.00
			\$40,537.00	\$31,725.00
			1,200.00	840.00
			520.00	560.00
			840.00	1,200.00
			\$17,200.00	\$24,080.00
			20.00	1,200.00
			24.00	560.00
			\$32,130.00	\$21,600.00

ITEM SUPPL 16  
 MANAGER'S REPORT NO. 71  
 COUNCIL MEETING 87/11/16

ITEM SUPPL 16  
 MANAGER'S REPORT NO. 71  
 COUNCIL MEETING 87/11/16

161

TOWING SERVICES 1987-1990  
 BREAKDOWN OF COSTS TO VIOLATORS

QUANTITY	UNIT PRICES	COST PER YEAR	
		SOUTHVIEW MUNDIES	SOUTHVIEW MUNDIES
1,720	\$10.00	\$17,200.00	\$24,080.00
60	14.00	840.00	1,200.00
20	26.00	520.00	560.00
120	10.00	1,200.00	840.00
25	10.00	250.00	325.00
Abandoned Vehicles Claimed By Owners			
<u>Storage Charges</u>			
Bylaws - 1 day ea. x	1,800	5.75	8,100.00
Abandoned - 30 days x	25	5.75	3,375.00
Motor Vehicle Accidents			
Non Insured Owners			
- Average 5 days x	900	5.75	25,875.00
MVA Tows Charged	900	\$35.70*	\$32,130.00
To Owners	900	\$24.00	\$21,600.00
		<u>\$21,600.00</u>	<u>\$80,330.00</u>
		\$92,677.00	

\*Based on Average 8 1/2 km per tow  
 TOTALS:

ITEM SUPPL 16  
 MANAGER'S REPORT NO. 71  
 COUNCIL MEETING 87/11/16

\$1,625.00	\$1,250.00	\$13.00	\$20.00	\$10.00	\$13.00	\$1,250.00	\$220,205.00
\$1,200.00	840.00	20.00	14.00	14.00	20.00	840.00	\$84,905.00
840.00	780.00	28.00	26.00	36.00	28.00	780.00	\$135,300.00
150.00	360.00	15.00	36.00	1.75	1.50	360.00	\$231,564.00
				\$1.75	\$1.50		
		1.50	2.50	* 70.15	28.00		
		13.00	\$10.00	\$32.60	24.00	\$32,487.00	
\$325.00	\$250.00	\$13.00	\$10.00	* 43.00	\$24.00	\$32,487.00	
520.00	0	13.00	0	* 48.20	24.00	0	
\$21,840.00				* 70.15	32.00		
				\$10.00	\$14.00	\$17,200.00	
\$24,080.00	\$17,200.00	20.00	14.00	26.00	20.00	840.00	
1,200.00	840.00	20.00	14.00	10.00	28.00	520.00	
560.00	520.00	28.00	26.00	10.00	7.00	1,200.00	
840.00	1,200.00	7.00	10.00	\$24.00	28.00	840.00	
				28.00	25.00		
				31.00	30.00		
				38.00	35.00		
				16.00	10.00		
				5.75	4.50		
				11.25	6.00		
				14.50	6.00		
				\$15.60	\$20.00		

ESTIMATED NO. OF TOWS PER YEAR  
 UNITED PRICES QUOTED SOUTHVIEW MUNDIES  
 TOTAL REVENUE PER YEAR FOR: SOUTHVIEW MUNDIES

Municipal Vehicles  
 - up to 10,000 GW  
 - 10,001 to 36,000 GW  
 - 36,001 GW and up  
 - Dumping Refuse Trucks  
 - 30  
 - 10  
 PER MILE RATE BEYOND MUNICIPAL BOUNDARIES  
 - up to 10,000 GW  
 - 10,001 to 36,000 GW  
 - 36,001 GW and up  
 ABANDONED VEHICLES  
 Towing Charge - Vehicles claimed  
 Flat Rate Payable by Corporation  
 For Unclaimed Vehicles  
 MOTOR VEHICLE ACCIDENTS  
 - up to 8,000 GW  
 - 8,001 TO 12,000 GW  
 - 12,001 to 16,000 GW  
 - 16,000 GW and up  
 BY-LAW INFRACTIONS  
 - Up to 10,000 GW  
 - 10,001 to 36,000 GW  
 - 36,001 GW and up  
 Flat Rate for Impounding but not Towed Away  
 RECOVERY RATES PER HOUR  
 - 1 Ton Wrecker  
 - 2-3 Ton Wrecker  
 - 5 Ton Wrecker  
 - Tandem Wrecker  
 Fee for Use of DOLLY  
 Storage rates Per Day  
 Removal of Operating Parts  
 - Drive Shafts  
 - Per Axle  
 Certified Mechanic  
 Rate Per Hour

\* Current I.C.B.C. rates up to 6.4 km  
 Additional charge beyond that  
 Average Cost Used is \$35.70  
 Assuming towing company is used for MVA'S - Total Revenue:

