

ITEM 7  
MANAGER'S REPORT NO. 56  
COUNCIL MEETING 92/09/08

TO: MUNICIPAL MANAGER 1992 September 01  
FROM: DIRECTOR FINANCE

SUBJECT: SUPPLY AND DELIVERY OF TIRES, TIRE SERVICE AND REPAIRS  
(Item No. 12, Manager's Report No. 45, 1991 July 22)

PURPOSE: To obtain approval to extend the existing purchase order for tires, tire service and repairs for a second and final year.

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RECOMMENDATION:

1. THAT the existing purchase order to Kal Tire for the supply and delivery of tires, tire service and repairs be extended for a second and final year, for an estimated total cost of \$185,000.

REPORT

At its meeting on 1991 July 22 Council approved a report recommending the extension of the purchase order to Kal Tire Ltd. to provide tires, tire service and repairs, for a second 12 month period ending 1992 July 14. In this report it was stated that the tender documents provided for a second and final 12 month extension to the purchase order, bringing the total term of the order to 36 months. The initial award of this tender was approved by Council on 1990 July 23.

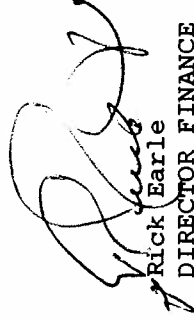
Kal Tire has confirmed that they will continue to provide tires, tire service and repairs to the Corporation for another 12 months at the same prices, discounts and rates originally tendered in 1990.

Kal Tire has supplied the Corporation's tires and tire service for the past six years and the value of both their product and their service has been excellent. As such, staff have no hesitation in recommending an extension to the purchase order.

Staff have checked the market and found that costs have increased approximately 3% over the past 12 months and are expected to remain steady for the coming year. Given Kal Tire's past performance and their offer to hold prices firm for another year, an extension to the existing purchase order is considered to be in the best interest of the Corporation.

The funding for tires and tire services is provided throughout the 1992 Annual Operating Budget.

The Director Engineering concurs with the above recommendation.

  
Rick Earle  
DIRECTOR FINANCE

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cc. Director Engineering