

**TO:** ACTING CITY MANAGER **DATE:** 2021 May 25  
**FROM:** DIRECTOR FINANCE **FILE:** 5820-20  
*Reference:* RFP #44-02/16  
**SUBJECT: CONTRACT EXTENSION  
TIRES AND RELATED SERVICES**

**PURPOSE:** To obtain Council approval for a one year contract extension for the supply, delivery, and installation of tires and related services.

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**RECOMMENDATION:**

1. **THAT** Council approve a one year contract extension to Son Tirecraft Burnaby for \$550,000.00 including GST and PST in the amount of \$58,928.57 for the supply, delivery, and installation of tires and related services as outlined in this report. Final payment will be based on actual quantity of goods and services purchased.

**REPORT**

On 2017 May 15, Council awarded a contract to Son Tirecraft Burnaby for a total cost of \$850,000.00 including GST and PST in the amount of \$91,071.43. The contract was for the period from 2017 July 01 to 2019 June 30, with options to extend for three (3) additional terms at the discretion of the City. The work of this contract includes the supply, delivery and installation of tires and related services.

Since the award of this contract, there has been one contract increase valued at \$235,000.00 including GST and PST in the amount of \$25,178.57 and two contract extensions totalling \$1,100,000.00 including GST and PST in the amount of \$117,857.14 for the periods from 2019 July 01 to 2021 June 30.

This recommendation is for the final contract extension effective 2021 July 01 to 2022 June 30 for the amount of \$550,000.00 including GST and PST in the amount of \$58,928.57. The estimated total contract value will be \$2,735,000.00 including GST and PST in the amount of \$293,035.71.

To: Acting City Manager  
From: Director Finance  
Re: Contract Extension  
Tires and Related Services

2021 May 31 ..... Page 2

<b>Contract History</b>	<b>Term</b>	<b>Accumulative Total Change (including GST)</b>
Original Contract Award	2017 July – 2019 June	\$850,000.00
First Contract Increase	2019 January	235,000.00
First Contract Extension	2019 July – 2020 June	550,000.00
Second Contract Extension	2020 July – 2021 June	550,000.00
<b>Third Contract Extension</b>	<b>Pending</b>	<b>550,000.00</b>
<b>TOTAL</b>		<b>\$ 2,735,000.00</b>

Review by City staff indicates that Son Tirecraft Burnaby has the necessary equipment and personnel to successfully complete the work required under this contract, and has a proven track record in supplying their services to the City. The Director Engineering, Director Parks, Recreation and Cultural Services, and Fire Chief concur with this recommendation.

Funding for this requirement is provided under various Engineering, Fire, and Parks, Recreation and Cultural Services operating budgets within the 2021 – 2025 Financial Plan.



Noreen Kassam, CPA, CGA  
DIRECTOR FINANCE

NK:GC:RY / jk:md:dg

Copied to: Director Engineering  
Director Parks, Recreation and Cultural Services  
Fire Chief