3.4  PROVISION OF CONTRACT FOR SUPPLY OF TYRES AND BATTERIES  
(AB:CF2010130)

Responsible Directors: Marilyn Kearney and Peter Aumann

RECOMMENDATION

That Council:

1. Appoints the following suppliers to a panel for the provision of Tyres and Batteries for a three (3) year term for the schedule of rates submitted with their respective tenders (Estimated annual expenditure of $63,000 GST inclusive):

   **Tyres**
   - Bridgestone Australia;
   - Goodyear and Dunlop Tyres Australia; and
   - Tyres4U

   **Batteries**
   - Century Yuasa Batteries; and
   - Goodyear and Dunlop Tyres Australia

2. Authorises the Chief Executive Officer to execute the contract agreement; and

3. Authorises the Chief Executive Officer at his discretion to approve the extension options of two (2) x one (1) year options in the contract subject to satisfactory performance.

BACKGROUND

In April 2010, Procurement Australia (PA) was appointed as Agent of the Monash City Council (MCC), in accordance with guidelines established by the Minister for Local Government and in accordance with Section 186 of the Local Government Act for the purpose of calling and evaluating public tenders for the provision of Tyres and Batteries. The purpose of using the services of PA is to attempt to gain any price advantage that may be available from combining Monash’s requirements for goods and services with those of other Councils.

An invitation to tender for the provision of Tyres and Batteries was advertised in the Herald Sun newspaper on Wednesday 5 May 2010 for a contract term of three years with two (2) x one (1) year options to extend. Fourteen (14) sets of tender documents were distributed to prospective tenderers with twelve (12) tenders being received from:

- A1 Tyrepower;
- Bridgestone Australia;
- Century Yuasa Batteries;
- Exide Technologies;
- Goodyear & Dunlop Tyres Australia;

Tyres & Batteries
• Toyo Tyre & Rubber Australia;
• Tyrepower Bairnsdale;
• Tyrepower Rosebud;
• Tyrepower Taralgon;
• Tyrepower Wonthaggi;
• Tyres4U; and
• Yokohama Tyre Australia

**TENDER EVALUATION**

PA acting as council’s agent conducted the tender evaluation process based on the following criteria:

- Compliance with Specification;
- Customer Focus;
- Contractors Performance;
- Corporate Social Responsibility; and
- Price.

In accordance with Council Policy price was considered at 60% with the remaining criteria making up the balance of 40%. A preliminary tender evaluation report was provided to Council officers in order that Council could satisfy itself as to the recommendation being made by PA. A copy of the Tender report has been circulated separately.

Council’s evaluation panel, consisting of Alan Bullas, Coordinator and Contracts (Corporate Planning and Finance), Richard Scott, Coordinator Fleet Services (infrastructure Services) and Joe Bertuna, Mechanic Foreperson Infrastructure Services), considered the recommendations of PA and support the recommendation of PA to appoint the following metropolitan suppliers to the MCC panel:

**Tyres:**
Bridgestone Australia;
Goodyear and Dunlop Tyres Australia; and
Tyres4U;

**Batteries:**
Century Yuasa Batteries; and
Goodyear and Dunlop Tyres Australia

The purpose of the panel contract is to ensure ongoing and continued supply of Tyres and Batteries where required for Council’s fleet. All of the recommended tenderers are either current or past providers for the provision of Tyres and Batteries. Information provided in the submitted tenders is supported by Council’s current and previous experiences in working with a range of suppliers over a number of years. Each supplier has a range of expertise, experience and products suitable to the Council’s ongoing needs.
FINANCIAL IMPLICATIONS

All tenderers submitted a schedule of rates for a range of products within the requirements of the specification. Prices submitted remain fixed for 180 days. Subsequent price adjustments will be in accordance with CPI.

The provision of Tyres and Batteries Services can be managed within the 2010/11 Fleet Budget.

RECOMMENDATION

That Council adopts the recommendation to appoint the following panel of metropolitan suppliers:

Tyres:
Bridgestone Australia;
Goodyear and Dunlop Tyres Australia; and
Tyres4U;

Batteries:
Century Yuasa Batteries; and
Goodyear and Dunlop Tyres Australia

For the provision of Tyres and Batteries for a three (3) year term with the option to extend the contract term for two (2) x one (1) year terms at the discretion of the Chief Executive Officer subject to satisfactory performance.