

ITEM 19

MANAGER'S REPORT NO. 66

COUNCIL MEETING Sept. 4/73

19. Re: Tenders for Twelve Compact Automobiles

Attached is a report from the Purchasing Agent with respect to tenders received on the purchase of twelve automobiles.

These are to replace twelve 1969 Volkswagens purchased in October, 1968. They are five years old. A good part of their lives has been spent in pool service. They have had many drivers and are becoming worse for wear despite the fact that mileages are only 24,000 to 30,000 miles. However, they are still in sufficiently good condition to command \$1,200 or so on the retail market. They were not offered in trade because it is recommended that they be sold over the counter.

These machines cost \$1,830.00 each. With \$1,200 resale price the annual depreciation for five years amounts to \$126.00.

No bids were received for Volkswagens; supplies on hand with dealers apparently are low. Indications are that deliveries for 1974 will be at higher cost than 1973.

Subsequent to the writing of the attached report, the Purchasing Agent has been informed by Brentwood Imports Ltd. that if we are prepared to wait for delivery on approximately November 15, they are prepared to supply 1974 vehicles at the price quoted for 1973.

RECOMMENDATIONS

THAT tender for twelve 1974 Toyota Corollas for \$26,896.80 be awarded to Brentwood Imports Ltd.; and

THAT twelve Volkswagens be sold by the Purchasing Agent over the counter.

THE CORPORATION OF THE DISTRICT OF BURNABY
INTER-OFFICE COMMUNICATION

TO: Municipal Manager
FROM: Purchasing Agent
SUBJECT: Tenders for Twelve Compact Automobiles

DATE: August 30, 1973

Tenders were invited for supply of subject vehicles (without trade-ins) up to 3:00 p.m. local time, Wednesday, August 29, 1973.

Eight tenders were received and opened in the presence of R.J. Constable, J. Hagen, G. Nuttall and members of the firms bidding. A tabulation of the tenders is attached.

The lowest bid submitted by Musgrove Ford Sales Ltd. for 1974 Ford Pinto, 2 Door, has several factors which must be considered.

1. The price is not firm. The price prevailing at time of delivery will prevail.
2. Cost difference between the next lowest tender is \$90.09 or \$7.51 per car.
3. The service would be performed at 2300 Cambie Street in Vancouver with the resulting loss of time.
4. Courtesy cars issued during regular service would be \$5.00 per day and 5¢ per mile.
5. We have no Pintos in our fleet now.

The next lowest bid submitted by Brentwood Imports Ltd. is for 1973 Toyota Corollas. Factors to consider are as follows:

1. The price is firm.
2. The vehicles satisfy our specifications.
3. Seven Toyotas are now in service in our fleet, purchased from the same supplier in December 1972.
4. Service can be performed at 4265 Lougheed Hwy, Burnaby.
5. Courtesy cars are available.
6. The increased cost on these cars since the last purchase, December 1972, is \$2,051.00 to \$2,128.00 = \$77.00 + 5% S.S. Tax.

You will notice that no bids were received on Volkswagens. The only explanation given was from Volkswagen Pacific Ltd. who wrote to say that no 1973 models suitable to our requirements were available and prices on the 1974 models would not be available until October 15, 1973. I can only presume that this also applied to the other Volkswagen dealers.

Recommendation

I would recommend acceptance of the tender from Brentwood Imports Ltd. for 12 - 1973 Toyota Corollas for \$26,896.80.


K.F. Williams
PURCHASING AGENT

RJC/jk
att.

c.c. Municipal Clerk

THE CORPORATION OF THE DISTRICT OF BURNABY
TABULATION OF TENDERS FOR
TWELVE COMPACT AUTOMOBILES

PURCHASING DEPARTMENT
 August 29, 1973

TENDER NO.	COMPANY	MAKE & YEAR	DELIVERY DATE	UNIT PRICE	PRICE FOR 12	5% PROV. TAX	LIC. & REG.	TOTAL	CASH DISC.
1	Rod McCallum Mercury Sales Limited	1973 Cortina 2 Dr.	Stock	\$2,508.00	\$30,096.00	\$1,504.80	\$84.00	\$31,684.80	Nil
2	Brentwood Imports Limited	1973 Toyota Corolla KE20KB	45 days	2,128.00	25,536.00	1,276.80	84.00	<u>26,896.80</u>	Nil
3	Dennison Chevrolet Oldsmobile Ltd.	1974 Chev. Vega	45 days	2,225.00	26,700.00	1,335.00	84.00	28,119.00	Nil
4	Cedarvale Motors	1974 AMC Gremlin	2 months	2,226.00	26,712.00	1,335.60	84.00	28,131.60	Nil
5	Musgrove Ford Sales Ltd.	1974 Ford Pinto - 2 Dr.	45-75 days	2,120.85	25,450.20	1,272.51	84.00	26,806.71*	Nil
6	Mountview Motors Ltd.	1974 AMC Gremlin	90 days	2,232.00	26,784.00	1,339.20	84.00	28,207.20	Nil
7	Doug's Automotive Ltd.	1974 Pontiac Astre Coupe Model 7HV11	60 days	2,259.05	27,108.60	1,355.43	84.00	28,548.03	Nil
8	Pacific GMC Limited	1974 Pontiac Astre Model 7HV05	No firm delivery	2,358.12	28,297.44	1,414.87	84.00	29,796.31	Nil

*Not firm price

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