

Re: CONTRACT WITH MUSGROVE FORD SALES LTD. FOR ONE 10,000 GVW CREW  
CAB AND CHASSIS  
(ITEM 15, REPORT NO. 41, JUNE 6, 1977)

On June 6, 1977, Council approved the following recommendation:

"One - 10,000 GVW Cab and Chassis

THAT a contract be awarded to the lowest bidder, Musgrove Ford Sales Limited, to supply one 1977 Ford 350 Cab and Chassis for the sum of \$6,705.48 including applicable taxes."

Comments on complications which have arisen with respect to the consummation of this transaction are contained in the following report from the Purchasing Agent.

RECOMMENDATIONS:

1. THAT no further action be taken on the subject contract; and
2. THAT tenders be recalled at a later date.

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TO: MUNICIPAL MANAGER

DATE: June 29, 1977

FROM: PURCHASING AGENT

RE: CONTRACT - MUSGROVE FORD SALES LTD.  
10,000 GVW CREW CAB AND CHASSIS


Tenders were received up to 3:00 p.m. local time, Wednesday, May 25, 1977 for the supply of the subject truck. The Council on June 6, 1977 awarded a contract to Musgrove Ford Sales Ltd. being the lowest of three bidders at \$6,705.48. Contract documents were prepared and executed immediately following Council's decision.

On June 21, 1977, Mr. O.C. King, Truck and Fleet Manager, appeared in my office to advise that the Ford Motor Co. had rejected the order and that it would be necessary to re-order at a later date. Mr. King has since confirmed in writing that effective June 16, 1977 Ford Canada advised that Crew Cabs were balanced for 1977 and that Central Office had rejected the order. While this action does not appear too business like, I do not believe that there is any point in pursuing the matter.

The concerned staff concur with this recommendation.

RECOMMENDATION

THAT we not pursue this contract, and  
THAT tenders be recalled at a later date.

  
K.F. Williams  
PURCHASING AGENT

KFW/jm