



Engineering Memorandum

August 28, 2026

RE: September 1, 2026 Commission Meeting

PUBLIC WORKS – SOLID WASTE – LANDFILL – CAPITAL EQUIPMENT PURCHASE - COMPACTOR

Recommendation

Staff recommends that the City Commission reject all bids received for the landfill compactor. authorize staff to re-advertise the equipment for bids using revised operational specifications and clearly defined bid evaluation requirements.

Background

The City solicited bids for the purchase of a landfill compactor to replace existing equipment used in daily landfill operations. Following review of the bids received, concerns arose related to available project funding, the clarity of the specifications, and bid evaluation process. While the bids provided information regarding the initial purchase price of the equipment, various expectations of the vendors for service was not defined for an “apples to apples” comparison.

Landfill compactors can vary considerably in productivity, fuel consumption, maintenance requirements, repair costs, and the number of operating hours required to perform the City's work. As a result, the lowest initial purchase price may not represent the lowest overall cost to the City.

Proposed Re-Bid Evaluation Process

The revised bid documents will include clear minimum operational requirements and will evaluate qualifying equipment based on the lowest estimated cost of ownership over a seven-year / 10,000-hour warranty period.

The City's current landfill compactor operates approximately 1,700 hours per year. This operating history will be the baseline for evaluating the cost of performing the City's required landfill work.

Each bidder will be required to provide information sufficient for the City to estimate total ownership and operating costs, including, but not limited to:





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- Initial equipment purchase price.
- Operational cost over the warranty period.
- Warranty coverage for seven years or 10,000 operating hours.
- Estimated annual operating hours required for the proposed equipment to perform the same amount of work currently completed by the City's existing compactor.

Additionally, liquidated damages related to service and inquiry response time as the city incurs additional costs due to the compactor down being unavailable.

The evaluation will recognize that different machines may have different productivity levels. The City's current equipment has approximately 1,700 operating hours per year; however, a more productive or efficient machine may be capable of completing the same work in fewer annual operating hours. Therefore, operating-cost calculations will be based on the hours reasonably expected to be required for each proposed machine.

Vendors will be required to provide sufficient operational and productivity information to support their proposed annual operating hours and associated operating costs.

Repair-cost estimates will also be based on the City's actual experience with its current equipment operating approximately 1,700 hours annually, with appropriate adjustments made for the anticipated annual operating hours of the equipment being proposed.

Bid Award

Following re-bid, responsive proposals meeting the City's minimum operational requirements will be evaluated using the defined seven-year / 10,000-hour cost-of-ownership methodology. The vendors will acknowledge various operational requirements prior to opening of their best and final bid offer.

The intent is to award the purchase to the responsive and responsible bidder providing the equipment with the **lowest evaluated cost of ownership while meeting the City's operational requirements**, rather than relying solely on the lowest initial purchase price.

Requested Action

Staff recommends that the City Commission: Reject all bids currently received for the landfill compactor.