



# City of Grand Island

Tuesday, October 14, 2008

Council Session

## Item G9

**#2008-280 - Approving Bid Award for One (1) 81,000 Pound  
Landfill Compactor for the Solid Waste Division of the Public  
Works Department**

Staff Contact: Steven P. Riehle, City Engineer/Public Works Direc

# **Council Agenda Memo**

**From:** Steven P. Riehle, Public Works Director

**Meeting:** October 14, 2008

**Subject:** Approving Bid Award for One (1) 81,000 Pound Landfill Compactor for the Solid Waste Division of the Public Works Department

**Item #'s:** G-9

**Presenter(s):** Steven P. Riehle, Public Works Director

## **Background**

On September 16, 2008 the Solid Waste Division of the Public Works Department advertised for bids for one (1) 81,000 pound landfill compactor.

## **Discussion**

Three (3) bids were received and opened on October 6, 2008. The Solid Waste Division of the Public Works Department and the Purchasing Division of the City Attorney's Office have reviewed the bids that were received. The compactor bid by Al-Jon Manufacturing of Ottumwa, Iowa meets all of the specifications and based on an anticipated 4-year ownership, is the machine with the lowest net cost of ownership. A summary of the bids is shown below.

<i><b>Bidder</b></i>	<i><b>Base Price</b></i>	<i><b>Trade-In Price</b></i>	<i><b>Repurchase Price</b></i>	<i><b>Net Cost of Ownership</b></i>
Al-Jon Manufacturing LLC of Ottumwa, IA	\$556,922.00	\$113,750.00	4 Years/9250 hours = \$119,660.00	\$323,512.00
Nebraska Machinery Co. of Doniphan, NE	\$590,312.00	\$55,000.00	4 Years/9250 hours = \$200,000.00	\$335,312.00
Roadbuilders Machinery & Supply of Grand Island, NE	\$556,000.00	\$85,000.00	4 Years/9250 hours = \$108,000.00	\$363,000.00

Funds were budgeted for Fiscal Year 2009 and are available in Account No. 50530043-85615.

## **Alternatives**

It appears that the Council has the following alternatives concerning the issue at hand.  
The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

## **Recommendation**

Public Works Administration recommends that the Council approve the purchase of the Landfill Compactor from Al-Jon Manufacturing LLC of Ottumwa, Iowa.

## **Sample Motion**

Move to approve the purchase of the Lanfill Compactor from Al-Jon Manufacturing LLC of Ottumwa, Iowa.

*Purchasing Division of Legal Department*  
**INTEROFFICE MEMORANDUM**



Dale M. Shotkoski, Assistant City Attorney

*Working Together for a  
Better Tomorrow, Today*

**BID OPENING**

**BID OPENING DATE:** October 6, 2008 at 11:00 a.m.

**FOR:** (1) 81,000 Pound Landfill Compactor

**DEPARTMENT:** Public Works

**ESTIMATE:** \$630,000.00

**FUND/ACCOUNT:** 50530043-85615

**PUBLICATION DATE:** September 16, 2008

**NO. POTENTIAL BIDDERS:** 3

**SUMMARY**

<b>Bidder:</b>	<b><u>Nebraska Machinery Co.</u></b> Doniphan, NE	<b><u>Roadbuilders Machinery &amp; Supply</u></b> Grand Island NE
<b>Bid Security:</b>	Travelers Casualty & Surety	Fidelity & Deposit Co.
<b>Exceptions:</b>	None	Noted
<b>Base Price:</b>	\$590,312.00	\$556,000.00
<b>Trade-In:</b>	\$ 55,000.00	\$ 85,000.00
<b>Repurchase:</b>	2 years/4500 hours \$272,716.00	\$136,000.00
	3 years/6750 hours \$238,650.00	\$122,000.00
	4 years/9250 hours \$200,000.00	\$108,000.00
<b>Delivery Date:</b>	19 weeks	90-120 Days

<b>Bidder:</b>	<b><u>Al-jon Manufacturing LLC</u></b> Ottumwa, IA
<b>Bid Security:</b>	Arch Insurance Co.
<b>Exceptions:</b>	Noted
<b>Base Price:</b>	\$556,922.00
<b>Trade-In:</b>	\$113,750.00
<b>Repurchase:</b>	2 years/4500 hours \$186,968.00
	3 years/6750 hours \$157,053.00

**4 years/9250 hours    \$119,660.00**

**Delivery Date:        60 Days from Order Date**

**P1287**

R E S O L U T I O N    2008-280

WHEREAS, the City Of Grand Island invited sealed bids for one (1) 81,000 pound landfill compactor, according to plans and specifications on file with the Public Works Department; and

WHEREAS, on October 6, 2008 bids were received, opened and reviewed; and

WHEREAS, Al-Jon Manufacturing LLC of Ottumwa, Iowa submitted a bid in accordance with the terms of the advertisement of bids and plans and specifications and all other statutory requirements contained therein, at a base price of \$556,922.00, with a trade-in of \$113,750.00 and a guaranteed Repurchase Price at 4 years in the amount of \$119,660.00, for a net cost of ownership being \$323,512.00; and

WHEREAS, the bid of Al-Jon Manufacturing LLC is less than the estimate for such equipment.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of Al-Jon Manufacturing LLC of Ottumwa, Iowa at a base price of \$556,922.00, with a trade-in of \$113,750.00 and a guaranteed Repurchase Price at 4 years in the amount of \$119,660.00, for a net cost of ownership of \$323,512.00 for a 81,0000 Pound Landfill Compactor is hereby approved as the lowest responsible bid.

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Adopted by the City Council of the City of Grand Island, Nebraska, October 14, 2008.

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Margaret Hornady, Mayor

Attest:

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RaNae Edwards, City Clerk

Approved as to Form	<input type="checkbox"/>	_____
October 9, 2008	<input type="checkbox"/>	City Attorney