

Staff Report to Council

Title: Landfill Compactor Tender

Report Number: Operations-2024-14

Director: Infrastructure &
Development

Manager: Operations

Meeting Date:
Wednesday, June 12, 2024

Date to be considered by Council:
Wednesday, June 12, 2024

Recommendation:

That Council award the contract to Marcel Equipment Limited in the amount of \$555,609.60 including the non-refundable HST for the purchase of one (1) reconditioned 2020 CAT 816K Landfill Compactor.

Executive Summary:

The 2024 capital budget includes the replacement of the landfill compactor. Requests for Proposals were advertised, and staff are recommending award to Marcel Equipment Limited in the amount of \$555,609.60 including the non-refundable HST and the trade-in of the current unit of \$45,000.

Strategic Priorities:

D.16-Ensure the Municipality provides value for money and long-term sustainability

Financial Considerations:

The total capital budget for this item in \$570,000.

Policy:

GC 2.17 Purchasing and Procurement Policy

Context and Background Information:

Requests for proposals were conducted with only one supplier, Marcel Equipment, submitting quotes for 4 different machine options. The fact that only one supplier bid was received is not unexpected due to the specialized type of unit being sought.

The four units submitted for consideration were as follows:

2014 816F C5448	\$475,000.00	7,515 HRS (Rebuilt engine at 6,674hrs)
2018 816K C2382	\$690,000.00	2,655 HRS
2019 816K C1095	\$525,000.00	7,510 HRS (REMAN engine at 6,327hrs)
2020 816K C1035	\$585,000.00	5,525 HRS (New engine at 4,600hrs)

Marcel Equipment, located in London, Ontario, has specialized in reconditioning landfill equipment, especially compactors, for the past 45 years.

Staff reviewed the submission and visited the dealer to view the machines. It was determined that the CAT 816K (2020) C1035 unit would be the preferred machine due to the low hours, condition and tendered price of the machine.

The total purchase price for the unit is \$585,000 plus the cost of a two-year warranty at \$6,000, less the trade in amount for the 2000 unit of \$45,000.

The trade in offer of \$45,000 for our 2000 compactor appears to be reasonable given the age and condition of the machine and the fact it has over 16,000 hours on the current engine.

Consultation Overview:

Staff viewed the 2020 model and were pleased with the overall condition of the machine. It has 5,525 original hours on with less than 1,000 hours on the new engine that was replaced under CAT factory warranty. The purchase price includes the delivery of the machine and the transportation of our machine to London.

Origin:

2024 Capital Budget

Implementation Considerations:

The unit is expected to be delivered mid-summer.

Risk Analysis:

The 5-year costs for repairs on the 2000 CAT exceed \$30,000 and requires an extensive list of further repairs. If the unit is not replaced in the very near future it is at risk of being tagged out of service due to ongoing issues. This could impede or possibly halt landfill operations.

Attachments: None

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