



TO: Mayor Chuck Barney
Members of the City Council

FROM: Jason Sorenson

DATE: March 13, 2018

SUBJECT: SKID STEER LOADER TRADE (PROJECT NUMBER 4271/STR045)

I. RECOMMENDED ACTION

1. Recommend council approve a budget amendment to the 2018 Street Department budget for the purchase of a new skid steer loader.

II. DEPARTMENT CONTACT PERSONS

Dan Jonasson, Director of Public Works 857-4140
Jason Sorenson, Assistant Director of Public Works 857-4140

III. DESCRIPTION

A. Background

Over the past few years Public Works has bid multiple skid steers with a guaranteed annual trade amount. This program has helped the departments be more productive by having a new machine under warranty with minimal downtime for repairs. The trade deals work out to a rate of \$5-\$11 per hour which is less than typical rental rates for a similar piece of equipment.

B. Proposed Project

In 2017, a track skid steer was purchased for the Street Department with a guaranteed trade-in value. When the 2018 budget was put together, this trade was inadvertently not included to the capital purchases. The purchase price for the new machine is \$51,012.00 with a trade value of \$47,512.00. The net cost to the City is \$3,500.00.

C. Consultant Selection

N/A

IV. IMPACT:

A. Strategic Impact:

N/A

B. Service/Delivery Impact:

NA

C. Fiscal Impact:

Project Costs

2018 track skid steer cost	\$51,012.00
Trade in for 2017 skid steer	\$47,512.00
Net Cost	\$3,500.00

Project Funding

Funding for the machine was not included in the 2018 budget. It is recommended the additional \$3,500.00 come from remaining funds from a turf mower that came in below budget.

V. ALTERNATIVES

N/A

VI. TIME CONSTRAINTS

N/A

VII. LIST OF ATTACHMENTS