

TO: Mayor Robinson and City Council

FROM: Mike Althoff, Public Works Director

SUBJECT: Grader Trade-in/Purchase

DATE: October 16, 2018

BACKGROUND

We contacted RDO Equipment for maintenance to be done on our current 1988 Caterpillar motor grader; the maintenance was in excess of \$6,000. At that time, due to the age of the grader, we decided to forgo any major repairs. RDO contacted us in regards to a trade-in option; the Cannon Falls Township is trading in their grader that is 11 years newer than ours and in significantly better condition. Our staff has reviewed the maintenance records of this grader and believes their quote for trade-in and purchase is of good value. The quote for the 1999 John Deere 772CH is \$15,000 with the trade in of the 1988 Caterpillar 140G Motor Grader. The proposal was reviewed by the Public Works Commission and they are recommending Council approval of the trade-in and purchase of equipment. I am recommending we use CIP funds for this purchase.

REQUESTED COUNCIL ACTION

Motion to approve RDO proposal for grader trade-in and purchase.

Attachment: RDO Equipment Proposal



JOHN DEERE

Investment Proposal (Quote)

RDO Equipment Co.
1236 60th Avenue NW Office A
Rochester MN, 55901
Phone: (507) 282-8888 - Fax: (507) 282-9079

Proposal for:
CITY OF CANNON FALLS
918 RIVER RD
CANNON FALLS, MN, 550091447
GOODHUE

Investment Proposal Date: 10/1/2018
Pricing Valid Until: 10/31/2018
Deal Number: 1122786
Customer Account#: 3954001
Sales Professional: Jerod Gadiant
Phone:
Fax:
Email: JGadiant@rdoequipment.com

Equipment Information

Quantity	Serial Number	Hours (approx.)	Status / Year / Make / Model Additional Items	Cash Price
1	DW772CH570278	7371	Used 1999 JOHN DEERE 772CH	\$55,000.00
Equipment Subtotal:				\$55,000.00

Trade Information

Serial Number	Year / Make / Model	Payoff Information	Trade In Hours	Trade In Value
72V11330	0 CAT 140G	\$0.00	9551	(\$40,000.00)
Total Trade In Value:				(\$40,000.00)
Trade Balance Owed:				\$0.00
Net Difference:				(\$40,000.00)

Purchase Order Totals

Balance:	\$15,000.00
Total Taxable Amount:	\$55,000.00
Tax Rate 3: (0%)	\$0.00
Sales Tax Total:	\$0.00
Sub Total:	\$15,000.00
Cash with Order:	\$0.00
Balance Due:	\$15,000.00

Equipment Options

Qty	Serial Number	Year / Make / Model	Description
1	DW772CH570278	1999 JOHN DEERE 772CH	A004 CAB/AC/HEAT B002 TALL CAB C002 AIR SEAT D002 CLOTH SEAT E002 PS TRANS F001 DIFF LOC G001 FWD H002 14X24 I002 RADIALS J002 3 PIECE RIMS K003 14 BLD L005 FRT HYD L007 SNOW WING L008 V PLOW L010 FRT HTCH L017 RADIO