

TO: Mayor and City Council

FROM: Mike Althoff, Public Works Director

SUBJECT: Skid Loader Trade-in/Purchase

MEETING DATE: November 20th, 2018

BACKGROUND

For multiple years the city has decided to trade-in their skid loader on a new purchase. This is a good practice that I recommend we continue, it keeps the machine in warranty and usually saves money over the long run when priced correctly. I looked back at the past 5 years purchases and noticed an upward trend in prices. I believe what we have spent the last two years on the trade-in is not worth the cost savings versus the ongoing maintenance of the machine. Last year the department purchased a new 2017 left over model from Quality Forklift to reduce the purchase price; the cost for this trade exceeded \$10,000.00. At the time, it saved on costs to purchase the one year old model, but now leaves us with a two year old skid loader to trade.

I received bids from three dealers to see if there was a better deal in the area. Frontier Ag and Turf in Cannon Falls gave us the best bid, \$4,259.41; this trade will put us in a new 2019 model skid loader of the same size and type of our current one. They have a really good municipal pricing program and I think it would be beneficial for us to switch to a local dealer. They have a great snowplow maintenance program and local service department. The price beats the previous 5 years trade-in prices we have been paying for. I had my staff receive a demonstration from the company and get a chance to test drive the loader. Most of the comments were good. Frontier expects the price will drop next year when we have the model loader they sell with 1 year warranty left on the machine to trade-in. This would save us thousands of dollars over the next few years. I did contact 2 local references provided by the Frontier staff. Both recommend buying the machine and complimented the local staff.

REQUESTED COUNCIL ACTION

Approve the bid from Frontier Ag and Turf to trade in our current 2017 ASV RT75 skid loader and purchase a 2019 John Deere 325G Skid Loader.

Attachment(s):
Frontier Ag & Turf Bid

Quote Id: 18475752

Prepared For:
Cannon Falls Public Works



Prepared By: **Wade Gobin**

Frontier Ag & Turf
1185 4th Street South
Po Box 486
Cannon Falls, MN 55009

Tel: 507-263-4238
Fax: 507-263-4204
Email: wadeg@frontieragturf.com

Quote Summary

Prepared For:
 Cannon Falls Public Works
 Mike Althoff
 825 Cannon River Dr
 Cannon Falls, MN 55009

Prepared By:
 Wade Gobin
 Frontier Ag & Turf
 1185 4th Street South
 Po Box 486
 Cannon Falls, MN 55009
 Phone: 507-263-4238
 wadeg@frontieragturf.com

24 MONTH COMPREHENSIVE WARRANTY

Quote Id: 18475752

12 MONTH GUARANTEED UPTIME WITH LOANER MACHINE
 AVAILABLE

Created On: 05 November 2018

Last Modified On: 07 November 2018

Expiration Date: 30 November 2018

Equipment Summary	Suggested List	Selling Price	Qty	Extended
2019 JOHN DEERE 325G COMPACT TRACK LOADER - 1T0325GKCJJ339441	\$ 78,783.99	\$ 51,759.41 X	1 =	\$ 51,759.41

Equipment Total **\$ 51,759.41**

Trade In Summary	Qty	Each	Extended
2017 ASV RT75 - ASVRT075AHDS01140	1	\$ 47,500.00	\$ 47,500.00
PayOff			\$ 0.00
Total Trade Allowance			\$ 47,500.00

Trade In Total **\$ 47,500.00**

Quote Summary

Equipment Total	\$ 51,759.41
Trade In	\$ (47,500.00)
SubTotal	\$ 4,259.41
Est. Service Agreement Tax	\$ 0.00
Total	\$ 4,259.41
Down Payment	(0.00)
Rental Applied	(0.00)
Balance Due	\$ 4,259.41

Salesperson : X _____

Accepted By : X _____

Quote Id: 18475752

Customer: CANNON FALLS PUBLIC WORKS

2019 JOHN DEERE 325G COMPACT TRACK LOADER - 1T0325GKCJJ339441

Hours: 0 **Suggested List**
Stock Number: 0101358135 \$ 78,783.99
Selling Price
 \$ 51,759.41

Code	Description	Qty	Unit	Extended
00D0T	325G COMPACT TRACK LDR BASE	1	\$ 58,829.00	\$ 58,829.00

Standard Options - Per Unit

0871	PRM CAB W ISO SWITCH EH JS	1	\$ -1,587.00	\$ -1,587.00
0953	ISO SWITCHABLE CTLS & JS PPK	1	\$ 1,035.00	\$ 1,035.00
1050	TWO SPEED SKID STEER	1	\$ 2,033.00	\$ 2,033.00
1301	ENGINE TURBO 4TNV98CT	1	\$ 2,678.00	\$ 2,678.00
1501	ENGLISH OP MAN & DECALS	1	\$ 0.01	\$ 0.01
1741	LESS JDLINK	1	\$ 0.01	\$ 0.01
2645	WIDE ZIG ZAG 15.8" 400MM TRK	1	\$ 1,630.00	\$ 1,630.00
3004	STANDARD HYD & EH SELF & RC	1	\$ 1,250.00	\$ 1,250.00
4003	3" SEAT BELT W/2"SHLDR STRAP	1	\$ 265.00	\$ 265.00
5001	POWER QUIK TATCH	1	\$ 724.00	\$ 724.00
5204	CAB W/ HEAT, DEFROST & AIR	1	\$ 4,473.00	\$ 4,473.00
5550	DELUXE LIGHTING PACKAGE	1	\$ 900.00	\$ 900.00
6006	AIR RIDE SEAT (CLOTH W HEAT)	1	\$ 625.00	\$ 625.00
6501	REVERSING FAN DRIVE	1	\$ 830.00	\$ 830.00
8042	REAR VIEW CAMERA	1	\$ 850.00	\$ 850.00
8050	COLD START PACKAGE 110V	1	\$ 303.00	\$ 303.00
8060	PRE CLEANER	1	\$ 455.00	\$ 455.00
8342	RADIO AM/FM W/BLUETOOTH	1	\$ 600.00	\$ 600.00
8370	HD REAR GRILLE	1	\$ 486.00	\$ 486.00
8380	FOOTREST WITH FLOORMAT	1	\$ 144.00	\$ 144.00
8395	KEYLESS START	1	\$ 399.00	\$ 399.00
9052	HD 78 IN CONST BUCKET W EDGE	1	\$ 1,339.00	\$ 1,339.00
	FREIGHT	1	\$ 522.97	\$ 522.97

Standard Options Total **\$ 19,954.99**
Value Added Services Total **\$ 0.00**
Suggested Price **\$ 78,783.99**

Customer Discounts

Customer Discounts Total **\$ -27,024.58** **\$ -27,024.58**
Total Selling Price **\$ 51,759.41**

Original Factory Build Codes

Code	Description
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Quote Id: 18475752

Customer: CANNON FALLS PUBLIC WORKS

0871	PRM CAB W ISO SWITCH EH JS
0953	ISO SWITCHABLE CTLS & JS PPK
1050	TWO SPEED SKID STEER
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