
MEMORANDUM



TO: City Council
FROM: Bob Gerold, Public Works Director
SUBJECT: **CIP Grader Purchase**
DATE: March 25, 2021

The Public Works Department has budgeted for replacing our current motor grader, Caterpillar model 135H that was purchased in 1996 and currently has 5400 hours on it. In 2021 with a Caterpillar model 140 AWD Motor Grader. We have \$350,000 in the CIP and the MN dot contract with all attachments is for \$348,853.

Staff would like to trade in our old unit to Ziegler, the unit will be appraised and the salesman has stated they will give us \$10,000 over the appraised value. This is because we had to go to a larger machine, the one we originally were looking at (Caterpillar model 120 AWD) no longer has the ability to have a wing blade mounted on it from changes to the frame. Preliminary estimates for trade in is \$40,000.

I will be at the meeting to answer any questions.

If the Council agrees, a motion to purchase would be in order