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**TO:** Mayor Chuck Barney  
Members of the City Council

**FROM:** Jason Sorenson

**DATE:** April 20, 2018

**SUBJECT:** 2 SKID STEER LOADERS TRADE (PROJECT NUMBER 4177/STR046)

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**I. RECOMMENDED ACTION**

1. Recommend council approve a budget amendment to the 2018 Street Department budget for the purchase of 2 new skid steer loaders.

**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. These two machines are small frame skid steers used to clear snow on sidewalks and bridges. We trade these units in with around 150 hours on them which works out to a cost of usage of \$6.00 to \$7.00 per hour.*

B. Proposed Project

*In 2016 Public Works purchased these machines but didn't originally intend to trade them in. The vendor presented us with trade values in 2017 and decided we should take advantage and requested a similar budget amendment last year. This annual trade was missed when we put together the 2018 budget. The net cost to the City to exchange these two machines is \$2,000.*

C. Consultant Selection

*N/A*

**IV. IMPACT:**

A. Strategic Impact:

*N/A*

B. Service/Delivery Impact:

NA

C. Fiscal Impact:

Project Costs

(2) 2018 skid steer cost	\$32,388.00
Trade in for (2) 2017 skid steer	<u>\$30,388.00</u>
Net Cost	\$ 2,000.00

Project Funding

*Funding for the machines was not included in the 2018 budget. It is recommended the additional \$2,000.00 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**

*Budget Amendment*