



MEMORANDUM

DATE: December 10, 2018

TO: Dan Duchniak

FROM: Kelly Zylstra

RE: Backhoe/Loader Replacement

We prepared specifications and requested proposals to replace our 2009 Caterpillar 430E Loader/Backhoe which as of December 7th had 4,856 hours on it. It has been our practice to replace this type of equipment when it reaches 5,000 to 6,000 hours as after that point it starts to need repair work. It is also the time where we are able to maximize the amount we receive as a trade in on a new machine.

The Utility owns two backhoe/loaders used by crews to perform system maintenance such as main break repairs, hydrant replacements, valve replacements, and street & property services replacements. This proposed new machine will replace the older of the two machines.

Make and Model	Case 590SN Tractor Loader Backhoe	Caterpillar 430F2 ST Tractor Loader Backhoe
Supplier	Miller – Bradford & Risberg, Inc.	Fabick- Cat
Tractor/Loader/Backhoe	\$ 111,181.00	\$ 106,000.00
Hydraulic Thumb	\$ 3,100.00	\$ 6,500.00
Compactor	\$ 6,650.00	\$ 8,750.00
Hammer	\$ 10,200.00	\$ 18,500.00
Subtotal	\$ 131,131.00	\$ 139,750.00
Trade In	\$ (36,000.00)	\$ (45,000.00)
Total	\$ 95,131.00	\$ 94,750.00

Based on the bids, staff is recommending the purchase of the Caterpillar at the low bid of \$94,750.00. Funds will be taken from the Capital Fleet Account #3960. The account has \$110,000 in the 2019 budget.

Recommended Motion: Approve the purchase of one (1) 2018 Caterpillar 430F2 ST Backhoe/Loader from Fabick Cat for their proposal of \$94,750.00.