



# MEMO

## DEPARTMENT OF PUBLIC WORKS

To: Board of Public Works  
From: Jake Van Gompel, Street Superintendent  
Date: August 18, 2025  
Re: Agenda Item 2a, Recommendation for Award of Grader

### **Background information:**

Back in July when the grader replacement was first discussed lease options were looked at and determined not to be a financially responsible route for this tractor. Rental options was an avenue requested to investigate. The biggest concern and questions with the rental piece are whether a tractor will be available and if it will be of the right configuration. Currently, Cat is unable to commit to having a tractor available for the winter and John Deere confirmed they will not have any available. If available in the future, Cat rental prices would be around \$10,000 a month where John Deere would be \$5,900 a month with a 40hr a month maximum. These rental prices do not include the wing which would have to be purchased at \$33,000.

Rental equipment is an operating expense. Moving \$30,000 from capital/debt services to general operating expenses for rent would inevitably take funding away from other department priorities.

The city did have two graders in the fleet for thirty plus years. In 2024 the city went in the direction of a second loader instead of replacing the grader because of the low hours of operation, the demand for help in other collections, and the overall operational changes where the second loader was going to be better utilized. With the size and growth of our city, a grader is a vital piece of equipment for emergency operations.

A cost comparison table was put together on a 10,15-, and 20-year purchase vs rent option. (attached)

### **Strategic Plan:**

To continue providing a high quality of life through services and to maintain a safe community the Street Department replaces older equipment to keep up with demand of a growing city and limit downtime.

### **Budget:**

The grader replacement is budgeted for in the 2025 Capital Improvement budget.

**Recommended action:**

Authorize Street Superintendent to award bid for the replacement of the 1991 John Deere Grader to Fabick Cat for \$398,900. And to sell the current grader outright.

	<b>Buy(20)</b>	<b>Rent(20)</b>	<b>Buy(15)</b>	<b>Rent(15)</b>	<b>Buy(10)</b>	<b>Rent(10)</b>
Useful Life	20	20	15	15	10	10
Purchase Price	\$365,900.00	\$-	\$365,900.00	\$-	\$365,900.00	\$-
Rental Price (Assuming 4 mo/yr and 3% increase/year)	\$-	\$634,140.84	\$-	\$438,934.37	\$-	\$270,547.55
Wing Package	\$33,000.00	\$33,000.00	\$33,000.00	\$33,000.00	\$33,000.00	\$33,000.00
Modification for Wing (Assume new rental every 5 year x \$5000?)	\$-	\$15,000.00	\$-	\$10,000.00	\$-	\$5,000.00
Prev. Maintenance(estimated \$600/year w/3% increase)	\$16,122.22	\$-	\$11,159.35	\$-	\$6,878.33	\$-
Repairs (estimated over life)	\$102,452.00	\$-	\$54,885.00	\$-	\$29,272.00	\$-
Resale	(\$30,000.00)	\$-	(\$80,000.00)	\$-	(\$150,000.00)	\$-
Total Price Option Grader Unit 251	\$487,474.22	\$682,140.84	\$384,944.35	\$481,934.37	\$285,050.33	\$308,547.55
Cost per year	\$24,373.71	\$34,107.04	\$25,662.96	\$32,128.96	\$28,505.03	\$30,854.76

Brooks Tractor Adam Alberson <a href="mailto:AAlberson@BrooksTractor.com">AAlberson@BrooksTractor.com</a>	Phone: 920.336.5711 Cell: 920.366.8160 Address: 1031 Lawrence Drive De Pere, WI 54115
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Grader Cost:	\$404,672.00
Unit #251 Trade in value:	\$15,000.00
Bid Bond:	\$20,233.60
36 Month Lease \$6,926.75 per month	Buy Out: \$212,157.82
72 Month Lease \$4,978.18 per month	Buy Out: \$171,360.00

Fabick Cat Trevor Quillico <a href="mailto:Trevor.Quillico@FabickCat.com">Trevor.Quillico@FabickCat.com</a>	Phone: 920.498.8000 Cell: 920.371.4792 Address: 2818 Mid Valley Drive De Pere, WI 54115
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Grader Cost:	\$398,900	low bid by: \$5,772.00
Unit #251 Trade in value:	\$12,000	
Bid Bond:	5% of bid amount through Travelers Casualt	
36 Month Lease \$7,267.67 per month	Buy Out: \$223,125.00	
48 Month Lease \$6,309.83 per month	Buy Out: \$203,280.00	
60 Month Lease \$5,650.87 per month	Buy Out: \$188,475.00	

Miller-Bradford & Risberg, Inc. Chad Kelly <a href="mailto:CKelly@miller-bradford.com">CKelly@miller-bradford.com</a>	Phone: 920.338.5800 Cell: 920.241.1733 Address: 3203 French Road De Pere, WI 54115
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Grader Cost:	\$ -0-
Unit #251 Trade in value:	\$ -0-
	Declined to bid due to being unable to meet
	the bid spec. Specifically horsepower, center blade and the wing size.

United Rentals Shane Christman <a href="mailto:Schristma@UR.Com">Schristma@UR.Com</a>	Phone: 920.337.0777 Cell: 920.932.0099 Address:
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Grader Cost:	\$ -0-
Unit #251 Trade in value:	\$ -0-
	Declined to bid due to not being able to find
	Unit that will meet specifications.



