



**MEETING DATE: APRIL 8, 2025**

# **REQUEST FOR DECISION - TO COUNCIL**

## **SUBJECT**

**2025 SALE OF GRADERS**

## **RECOMMENDATION**

THAT the County of Vermilion River send two CAT 140 Graders to Ritchie Bros. Auctioneers with the guaranteed minimum of \$423,500.00 less a 10 per cent commission, netting \$381,150.00.

## **DETAILS**

Background:

Annually Public work sells used equipment as replacements are received. This is done in accordance with the purchasing policy and the disposal of County Materials policy.

Discussion:

Public Works is proposing the sale of two 2019 CAT 140 graders. One with approximately 8,072 hours, and another with 9,044 hours. Normally Public works will purchase three graders and sell three graders annually, however this year it is recommended that two be sold and one of the graders be kept in the fleet as a loaner. This is help prevent the amount of down time in a grader beat as machines are either down for maintenance or broke down. For example, this past winter it averaged that there were three to four graders broke down at any given time and for various reasons. The second reason it is recommended that this grader be kept is due to the recent replacements it has had to the unit. It has had an engine replaced and transmission re-built in the past few years and can see a longer return possible for the unit.

For the sale of the remaining two graders, Public Works ran an advertisement to sell the graders privately for the month of March, and received no submissions. Public Works also requested guaranteed minimum's from two auctioneers that specialize in the sale of construction equipment.



The best value to the County of Vermilion River is with Ritchie Bros. Auctioneers whose commission is 10 per cent with a guarantee of \$423,500.00 which would net the County \$381,150.00.

The second companies submission was a commission of eight (8) per cent with a guarantee of \$385,000.00 which would net the County \$354,200.00.

With both companies, if the graders as a package sell for more than the minimum, then the commission percentage would apply with the additional amounts as well.

Relevant Policy/Legislation Practices:

AD004 – Purchasing policy

AD009 – Disposal of County Materials & Items

Desired Outcome (s): To sell the graders at auction with a guaranteed minimum.

Response Options: To sell the graders via auction.

To keep the graders.

To try to sell the graders privately again.

## IMPLICATIONS OF RECOMMENDATION

Organizational: N/A

Financial: Sale of Asset (Revenue)

Communication Required: None



Implementation:  
Upon Council Approval

## ATTACHMENTS

PREPARED BY: Ben McPhee

DATE: April 1, 2025