



Jess L. Greenwood, P.E.
Public Works Director – County Engineer

2140 Pioneer Road
Red Wing, MN 55066
Office: (651) 385.3025

TO: Honorable County Commissioners
Scott Arneson, County Administrator

FROM: Jess L. Greenwood, Public Works Director

RE: 20 October 2026 County Board Meeting
Cannon Falls Request for Gravel Road Grading and Maintenance Follow-up

Date: 14 October 2026

Summary

The Board of Commissioners requested a true cost analysis for expenses related to providing gravel road grading and maintenance for the City of Cannon Falls.

Attachment

Costing analysis spreadsheets

Background

Public Works staff received a Request for Proposal (RFP) from the City of Cannon Falls on September 16, 2026. The RFP details a request for gravel road grading and maintenance services for approximately 1.67 miles of road comprised of five different segments. The RFP estimated an approximate 15 hours of requested service annually that would be distributed over three grading events which amounts to 5 hours each time the County blades. Typical construction hourly rates for a motor grader and operator can range anywhere from \$125 - \$200 per hour with \$150 per hour being a typical number we see on contract work. At \$150/hour the requested work amounts to \$2,250 annually.

Compensation is proposed in two pieces according to the RFP; 1. Equipment billed using Mn/DOT rental rates, and 2. Labor billed at the County's hourly rates. Staff explored the Mn/DOT rental rates and determined that obtaining a rate specific to our equipment would require the purchase of a subscription and therefore those rates were no longer considered for this exercise.

Two scenarios and several options exist on the attached spreadsheets. It was unknown when developing the information if benefits should be included in the employee hourly rate so options with and without benefits are provided.

Time to accomplish this task was tracked and is included as a part of the second attachment.

Staff request that the Board of Commissioners determine an hourly rate for equipment, labor, and administrative processing prior to responding to the City of Cannon Falls request.

"To effectively promote the safety, health, and well-being of our residents"

Scenario 1: Equipment Billed Using GCPW Rental Rates and 1 FTE

WITH FRINGE BENEFITS					WITHOUT FRINGE BENEFITS				
	2026	2027	2028	2029		2026	2027	2028	2029
Motor Grader Rental Rate	\$ 107.00	\$ 108.28	\$ 109.58	\$ 110.90	Motor Grader	\$ 107.00	\$ 108.28	\$ 109.58	\$ 110.90
<i>1 FTE - W/Fringe Benefits</i>					<i>1 FTE - W/O Fringe Benefits</i>				
Zumbrota Operator	\$ 48.88	\$ 52.66	\$ 56.59	\$ 60.70	Zumbrota Operator	\$ 30.82	\$ 33.20	\$ 35.68	\$ 38.27
Red Wing Operator	\$ 53.34	\$ 57.22	\$ 61.30	\$ 65.55	Red Wing Operator	\$ 33.63	\$ 36.08	\$ 38.65	\$ 41.33
Kenyon Operator	\$ 68.90	\$ 70.96	\$ 73.08	\$ 75.27	Kenyon Operator	\$ 43.44	\$ 44.74	\$ 46.08	\$ 47.46
Equip/Labor Rate Per Hour	2026	2027	2028	2029	Equip/Labor Rate Per Hour	2026	2027	2028	2029
Zumbrota Operator	\$ 155.88	\$ 160.94	\$ 166.17	\$ 171.59	Zumbrota Operator	\$ 137.82	\$ 141.48	\$ 145.26	\$ 149.17
Red Wing Operator	\$ 160.34	\$ 165.51	\$ 170.88	\$ 176.45	Red Wing Operator	\$ 140.63	\$ 144.36	\$ 148.23	\$ 152.23
Kenyon Operator	\$ 175.90	\$ 179.24	\$ 182.67	\$ 186.17	Kenyon Operator	\$ 150.44	\$ 153.02	\$ 155.66	\$ 158.36
Include Administrative Time & Supplies					Include Administrative Time & Supplies				
<i>1 FTE - Billing/ Pmt Receipt Process W/Fringe Benefits</i>	2026	2027	2028	2029	<i>1 FTE - Billing/ Pmt Receipt Process W/O Fringe Benefits</i>	2026	2027	2028	2029
GCPW Admin Asst	\$ 48.88	\$ 52.66	\$ 56.59	\$ 60.70	GCPW Admin Asst	\$ 30.82	\$ 33.20	\$ 35.68	\$ 38.27
GCPW Accountant	\$ 64.79	\$ 69.64	\$ 74.70	\$ 80.05	GCPW Accountant	\$ 40.85	\$ 43.91	\$ 47.10	\$ 50.47
Paper (2 Sheets) 1- Customer 1- File	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	Paper (2 Sheets)	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02
Window Envelope	\$ 0.37	\$ 0.38	\$ 0.39	\$ 0.41	Window Envelope	\$ 0.37	\$ 0.38	\$ 0.39	\$ 0.41
Postage	\$ 0.82	\$ 0.87	\$ 0.92	\$ 0.97	Postage	\$ 0.82	\$ 0.87	\$ 0.92	\$ 0.97
Labor/Supplies Rate Per Hour	2026	2027	2028	2029	Labor/Supplies Rate Per Hour	2026	2027	2028	2029
GCPW Admin Asst	\$ 50.09	\$ 53.93	\$ 57.92	\$ 62.10	GCPW Admin Asst	\$ 32.03	\$ 34.47	\$ 37.01	\$ 39.67
GCPW Accountant	\$ 66.00	\$ 70.91	\$ 76.03	\$ 81.45	GCPW Accountant	\$ 42.06	\$ 45.18	\$ 48.43	\$ 51.87

Scenario 2: Equipment Billed Using GCPW Rental Rates and 1 FTE - AVERAGE

WITH FRINGE BENEFITS					WITHOUT FRINGE BENEFITS				
	2026	2027	2028	2029		2026	2027	2028	2029
Motor Grader	\$ 107.00	\$ 108.28	\$ 109.58	\$ 110.90	Motor Grader	\$ 107.00	\$ 108.28	\$ 109.58	\$ 110.90
1 FTE (AVERAGE) All Current Hwy Equip Ops - W/Fringe Benefits	\$ 57.61	\$ 61.27	\$ 65.11	\$ 68.92	1 FTE (AVERAGE) All Current Hwy Equip Ops - W/O Fringe Benefits	\$ 36.32	\$ 38.63	\$ 41.05	\$ 43.45
Equip/Labor Rate Per Hour	2026	2027	2028	2029	Equip/Labor Rate Per Hour	2026	2027	2028	2029
	\$ 164.61	\$ 169.56	\$ 174.69	\$ 179.82		\$ 143.32	\$ 146.92	\$ 150.63	\$ 154.35
OR					OR				
Motor Grader	\$ 107.00	\$ 108.28	\$ 109.58	\$ 110.90	Motor Grader	\$ 107.00	\$ 108.28	\$ 109.58	\$ 110.90
1 FTE (AVERAGE) All Hwy Equip Ops - W/Fringe Benefits	\$ 55.85	\$ 59.81	\$ 63.66	\$ 67.50	1 FTE (AVERAGE) All Hwy Equip Ops - W/O Fringe Benefits	\$ 35.22	\$ 59.81	\$ 63.66	\$ 42.56
Includes 2 Current Vacant Positions					Includes 2 Current Vacant Positions				
Equip/Labor Rate Per Hour	2026	2027	2028	2029	Equip/Labor Rate Per Hour	2026	2027	2028	2029
	\$ 162.85	\$ 168.10	\$ 173.24	\$ 178.40		\$ 142.22	\$ 168.10	\$ 173.24	\$ 153.46
Include Administrative Time & Supplies	2026	2027	2028	2029	Include Administrative Time & Supplies	2026	2027	2028	2029
1 FTE (AVERAGE) - Billing/ Pmt Receipt Process W/Fringe Benefits	\$ 56.83	\$ 61.15	\$ 65.64	\$ 70.37	1 FTE (AVERAGE) - Billing/ Pmt Receipt Process W/O Fringe Benefits	\$ 35.84	\$ 38.56	\$ 41.39	\$ 44.37
Paper (2 Sheets) 1- Customer 1- File	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	Paper (2 Sheets) 1- Customer 1- File	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02
Window Envelope	\$ 0.37	\$ 0.38	\$ 0.39	\$ 0.41	Window Envelope	\$ 0.37	\$ 0.38	\$ 0.39	\$ 0.41
Postage	\$ 0.82	\$ 0.87	\$ 0.92	\$ 0.97	Postage	\$ 0.82	\$ 0.87	\$ 0.92	\$ 0.97
Labor/Supplies Rate Per Hour	2026	2027	2028	2029	Labor/Supplies Rate Per Hour	2026	2027	2028	2029
	\$ 58.04	\$ 62.42	\$ 66.98	\$ 71.77		\$ 37.04	\$ 39.83	\$ 42.72	\$ 45.77

Staff Time to Prepare Information	Fringe Benefits	
Accountant Time to Prepare Spreadsheet	With	Without
Plan/Data Entry/Format Spreadsheet	\$ 566.91	\$ 357.44
Director Time	With	Without
Explain, Review, Write, Format	\$ 455.46	287.17
Total	\$ 1,022.37	\$ 644.61