

# CITY OF WILLIAMSPORT, PA RESOLUTION

RESOLUTION # 8874

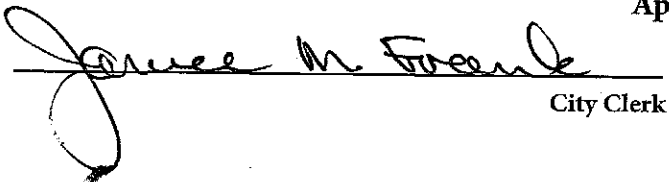
DATE 4-11-19

TITLE

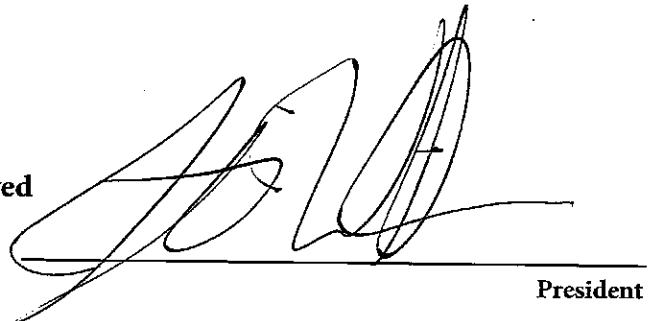
## A RESOLUTION AUTHORIZING THE EXECUTION OF A LEASE AGREEMENT FOR THE PURCHASE OF A 2019 CATERPILLAR 420 F2 BACKHOE

**BE IT HEREBY RESOLVED** that the City Council of the City of Williamsport authorizes the execution of a lease agreement between the City of Williamsport and Caterpillar Financial Services Corporation, 2120 West End Avenue, Nashville, Tennessee, 37203-0001, for lease payments on a new 2019 Caterpillar 420 F2 Backhoe approved by Resolution #\_\_\_\_\_, dated April 11, 2019, in the amount of three annual lease payments of \$20,837.59 for years 2020, 2021 and 2022. This purchase will be funded out of the Streets Department general operating budget equipment line item #2270-64010.

**BE IT FURTHER RESOLVED** that a copy of this resolution be forwarded to Caterpillar Financial Services Corporation.

  
\_\_\_\_\_  
City Clerk

Approved

  
\_\_\_\_\_  
President

**CITY OF WILLIAMSPORT**  
**DEPARTMENT OF STREETS, PARKS & FLOOD CONTROL**

**MEMO**

**To:** Mayor Gabriel J. Campana and Members of City Council  
**From:** Adam L. Winder  
**Subject:** Lease/Purchase Agreement  
**Date:** April 11, 2019

Attached for your review and approval is a resolution authorizing execution of a three year lease/purchase agreement with Caterpillar Financial Services Corporation, 2120 West End Avenue, Nashville, Tennessee, 37203-0001 for purchase of a 2019 Caterpillar 420 F2 Backhoe.

Caterpillar Financial Services Corporation submitted a proposal consisting of three annual payments of \$20,837.59 in 2019, 2020 and 2021. Funding for this lease will be allocated from the Streets Department equipment line item #2270-64010.

We are requesting that action be taken on this resolution on Thursday, April 11, 2019.

Attachments

# CONSTRUCTION EQUIPMENT TERMS AND CONDITIONS

## MANUFACTURER'S WARRANTY

The New Equipment or New Parts quoted herein ("New Products") MAY be subject to certain express warranties of that MANUFACTURER. Any MANUFACTURER'S New Product is subject to a warranty if any, SOLELY BY THE MANUFACTURER. CUSTOMER, BY ACCEPTING THIS QUOTATION/OFFER TO SELL, ACKNOWLEDGES THAT CUSTOMER HAS READ, UNDERSTANDS AND ACCEPTS MANUFACTURER'S WARRANTY (WARRANTIES) APPLICABLE TO THE MANUFACTURER'S NEW PRODUCTS.

## USED PRODUCTS

If equipment or parts other than New Products ("Used Products"), are being quoted herein, such Used Products are sold on an AS-IS basis, without any warranty whatsoever, except as may be expressly stated on the face hereof.

## CLEVELAND BROTHERS' WARRANTIES

Cleveland Brothers gives, in respect to the New Products of Cleveland Brothers (i.e., exchange components or assemblies rebuilt by Cleveland Brothers) sold, and work performed, under the terms of this Quotation/Offer to Sell "Work" -- SUBJECT TO CUSTOMER'S ADHERENCE TO CUSTOMER'S RESPONSIBILITIES, AS PROVIDED IN THE PARAGRAPH SO TITLED BELOW -- the following express warranties:

- 1) Cleveland Brothers warrants the labor involved in any Work to be free from workmanship deficiency that will cause the Product to be defective as follows:
  - a. Flat rate or quoted fixed price Work is warranted for one hundred eighty (180) days from the date such Work is completed;
  - b. Time and material hourly Work is warranted for ninety (90) days from the date such Work is completed; and
  - c. Special terms expressly stated on the face hereof;

- 2) Cleveland Brothers warrants any New Products of Cleveland Brothers that are used in any Work -- for one hundred eighty (180) days from the date such Work is completed -- to be free from defects in materials and workmanship;

- 3) If any Work fails to conform to these warranties, Cleveland Brothers will, at a location of Cleveland Brothers' choice and during Cleveland Brothers' normal working hours, replace any defective parts or correct any deficiencies in workmanship if such defects in parts or deficiencies in workmanship are verified by the inspection of an authorized Cleveland Brothers employee. Such replacement of parts or correction of deficiencies in workmanship will be initiated as soon, after verification, as manpower and necessary parts and equipment are available to Cleveland Brothers.

## DISCLAIMER OF OTHER WARRANTIES

THE WARRANTIES CLEVELAND BROTHERS GIVES IN THE IMMEDIATELY PRECEDING PARAGRAPH ARE EXCLUSIVE. CLEVELAND BROTHERS DISCLAIMS ALL OTHER WARRANTIES, EXPRESS, IMPLIED OR STATUTORY AND SPECIFICALLY DISCLAIMS ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

## SAFETY AND HEALTH STANDARDS

Use of the Products ordered herein may require Customer to comply with various federal, state or local laws, rules, regulations, or safety codes including, but not limited to, the Occupational Safety and Health Act ("OSHA"), current regulations and standards applicable under OSHA ("OSHA Standards") and the Federal Coal Mine Health and Safety Act of 1969 ("Coal Mine Act"). CUSTOMER HEREBY ASSUMES THE ENTIRE RESPONSIBILITY FOR THE INSTALLATION OF SAFETY GUARDS AND DEVICES AS FEDERAL, STATE OR LOCAL LAWS, RULES, REGULATIONS OR SAFETY CODES (INCLUDING OSHA, THE OSHA STANDARDS AND THE COAL MINE ACT) MAY DICTATE. NOTWITHSTANDING THAT CLEVELAND BROTHERS MAY NOT PROVIDE SUCH GUARDS OR DEVICES WITH THE PRODUCTS ORDERED HEREIN. CUSTOMER HEREBY RELEASES CLEVELAND BROTHERS AND CLEVELAND BROTHERS' OFFICERS, AGENTS AND EMPLOYEES FROM ANY AND ALL CLAIMS ARISING FROM ANY USE OF THE PRODUCTS ORDERED HEREIN IN VIOLATION OF THE DICTATES OF ANY FEDERAL, STATE OR LOCAL LAWS, RULES, REGULATIONS OR SAFETY CODES (INCLUDING OSHA, THE OSHA STANDARDS AND THE COAL MINE ACT).

## DISCLAIMER OF TORT LIABILITY

Customer specifically understands and agrees that Cleveland Brothers, and Cleveland Brothers' officers, agents and employees, shall not be liable in tort -- whether based on strict liability, or any other theory of tort liability -- for any action or failure to act in respect to the manufacture of the Products quoted herein, or for any action or failure to act in respect to the workmanship involved in Products used in any Work. IT IS THE PARTIES' INTENT AND THE INTENT OF THIS PROVISION TO ABSOLVE AND PROTECT CLEVELAND BROTHERS AND CLEVELAND BROTHERS' OFFICERS, AGENTS AND EMPLOYEES FROM ANY AND ALL TORT LIABILITY.

## EXCLUSIVE REMEDY AND EXCLUSION OF CONSEQUENTIAL DAMAGES

Customer specifically understands and agrees that Customer's sole and exclusive remedy for breach of warranty, defective Work, tortious conduct or any other cause of action against CLEVELAND BROTHERS or CLEVELAND BROTHERS' officers, agents or employees, if any, shall be as provided in the express warranties contained in the paragraph above titled "CLEVELAND BROTHERS' Warranties." CUSTOMER SPECIFICALLY UNDERSTANDS AND AGREES THAT NO OTHER REMEDY (INCLUDING BUT NOT LIMITED TO CLAIMS FOR INCIDENTAL, CONSEQUENTIAL, SPECIAL OR PUNITIVE DAMAGES, FOR ANY CAUSE WHATSOEVER, OR INJURY TO PERSONS (INCLUDING DEATH RESULTING THEREFROM) OR PROPERTY OR ANY OTHER CONSEQUENTIAL, ECONOMIC OR INCIDENTAL LOSS) SHALL BE AVAILABLE.

## CUSTOMER'S RESPONSIBILITIES

- 1) Customer will at all times operate and maintain the Products in accordance with the instructions outlined in the Maintenance and Operation Instruction Book furnished at time of purchase.

- 2) Any damage to the Products that results from Customer's continued use of the Products after a defect has been recognized by Customer is Customer's sole responsibility and Cleveland Brothers has no responsibility to repair or correct any damage that results from Customer's continued use of the Products after a defect has been recognized by Customer.

- 3) Customer shall be liable to Cleveland Brothers for all expenses incurred by Cleveland Brothers if servicemen are called to the job by the Customer and Customer refuses to permit the requested work to be performed.

- 4) Customer shall make payment for all Products and/or all Work in accordance with the credit and payment policies of Cleveland Brothers that are in effect at the time the Products are sold or the Work is performed.

- 5) Customer grants Cleveland Brothers the right to operate Customer's equipment for purposes of testing or inspecting the Product at Cleveland Brothers' location or at Customer's location.

## OTHER TERMS AND CONDITIONS

1) OFFER AND ACCEPTANCE: This Quotation/Offer to Sell is not an acceptance of the terms and conditions of any prior or subsequent offer or order of Customer and any such terms and conditions are expressly rejected. This Quotation/Offer to Sell is an offer by Cleveland Brothers to Customer. Customer, by accepting this Quotation/Offer to Sell, accepts Cleveland Brothers' offer contained herein and such acceptance of this offer is expressly limited to

its terms. Any subsequent submission of an order or similar document to Cleveland Brothers covering the Products or Work quoted herein also constitutes an unqualified acceptance of this offer notwithstanding terms and conditions in said order or other document to the contrary. Under no circumstances shall any terms and conditions of Customer's business forms that are inconsistent with the terms and conditions of this Quotation/Offer to Sell become part hereof. Upon acceptance, this Quotation/Offer to Sell shall become the final written expression of agreement between Cleveland Brothers and Customer, constituting the entire contract between Customer and Cleveland Brothers and superseding all previous communications, either verbal or written. This Quotation/Offer to Sell may be modified only by a writing signed by a corporate officer of Cleveland Brothers. Reference herein to any order or other communication is only for the purpose of identifying the Products or Work ordered. Notwithstanding the foregoing, Cleveland Brothers reserves the right to correct minor errors and omissions committed by Cleveland Brothers' employee while completing this Quotation/Offer to Sell. This right to correct includes, but is not limited to, sales tax, freight, insurance, filing fees, spelling, serial numbers, legal name, payment dates, etc. Such errors will be unilaterally corrected by Cleveland Brothers.

- 2) PRICE: The price of the Products and Work quoted herein, as stated above, is subject to change without notice. The actual sales price of the Products and Work shall be Cleveland Brothers' price in effect at the date of acceptance. If transportation charges are not included in the price of the Products and Work, as quoted above, the same shall be paid by Customer upon delivery. Transportation charges shall include all switching, spotting, drayage, demurrage and other transportation charges or taxes incurred at destination. Customer shall pay, in addition to the sales price applicable at the time of delivery, all excise, privilege, occupational, sales, use, personal property and other taxes, whenever due, and in the event the same are paid by Cleveland Brothers, Customer will reimburse Cleveland Brothers for the cost thereof forthwith upon demand by Cleveland Brothers.

- 3) CUSTOMER'S CREDIT: This Quotation/Offer to Sell contemplates a security interest in the Product, is subject to Cleveland Brothers' approval of Customer's credit on the actual delivery date, and Cleveland Brothers reserves the right to restrict the contract resulting from the acceptance hereof to a cash sale or to specify all credit terms and the security to be given for the extension of credit. Customer shall sign such security documents and financing statements as required by Cleveland Brothers. If Customer fails to make payments in accordance with the terms of the contract resulting from this Quotation/Offer to Sell, Cleveland Brothers may at its election defer any further shipments under such contract or terminate this Quotation/Offer to Sell and the contract resulting from the acceptance hereof and in any such case Customer waives all claims against Cleveland Brothers.

- 4) LATE PAYMENT AND/OR NONPAYMENT BY CUSTOMER: In the event that the invoice applicable to the Products and/or Work described herein is not paid by Customer by said invoice's due date, Customer shall pay a late/service charge of up to 3% of the total invoice amount for each month that said invoice remains unpaid. In the event of nonpayment by Customer, the cost incurred by CLEVELAND BROTHERS in collecting the indebtedness, including attorneys' fees and expenses, with interest at the maximum rate allowed by law from date of expenditure, shall be added to the principal amount of the indebtedness owed to CLEVELAND BROTHERS. The remedies provided by this paragraph are not exclusive and CLEVELAND BROTHERS may elect other remedies at law or in equity.

- 5) RISK OF LOSS AND TITLE: All risk of loss or damage to the Products shall pass to Customer upon delivery by Cleveland Brothers to a carrier for shipment. Title to the Products shall pass to Customer upon receipt by Cleveland Brothers of payment in full.

- 6) LAWS GOVERNING -- EXCLUSIVE VENUE -- STATUTE OF LIMITATIONS -- AND SEVERABILITY: This Quotation/Offer to Sell shall be governed by and construed under the laws of the Commonwealth of Pennsylvania notwithstanding delivery by Cleveland Brothers in a state other than Pennsylvania. Any suit by Cleveland Brothers may be brought in the United States District Court for the Western District of Pennsylvania at Pittsburgh or the Court of Common Pleas of Allegheny County, Pennsylvania. The Customer hereby knowingly and for due consideration agrees to the jurisdiction of the United States District Court for the Western District of Pennsylvania at Pittsburgh or the Court of Common Pleas of Allegheny County, Pennsylvania and waives all rights to contest the jurisdiction of these Courts. Any suit by Customer for breach of contract, for any alleged tortious conduct or any claim whatsoever brought in law or equity must be filed within one year from the date the cause of action accrued or be forever barred. Any such suit by Customer must be brought in the United States District Court for the Western District of Pennsylvania at Pittsburgh or the Court of Common Pleas of Allegheny County, Pennsylvania. If any provision of this Quotation/Offer to Sell shall for any reason be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision hereof, but this Quotation/Offer to Sell shall be construed as if such invalid or unenforceable provision had never been contained herein.

- 7) SECURITY INTEREST: Without waiving any rights to elect to proceed under applicable lien laws, the Customer grants a security interest in the Products furnished hereunder until the agreed price has been fully paid in United States currency; and in the event of a default in payment, Cleveland Brothers shall have all rights of repossession and other rights available to a secured party under the applicable laws. Customer will pay all costs of filing any financing, continuation or termination statement with respect to the purchase money security interest created hereby, and Cleveland Brothers is hereby irrevocably appointed Customer's attorney in fact to do all acts and things which Cleveland Brothers may deem necessary to perfect and continue the perfection of its purchase money security interest in the Product.

- 8) PRODUCT LINK: In the event equipment is equipped with Product Link, Customer agrees to allow this data to be accessed by Caterpillar and/or its dealers. Customer understands data concerning equipment, its condition, and its operation is being transmitted by Product Link to Caterpillar Inc., its affiliates (Caterpillar), and/or its dealers to enhance service and to improve upon Caterpillar products and services. The information transmitted may include: machine serial number, machine location, and operational data, including but not limited to: service meter hours, fault codes, emissions data, fuel usage, software and hardware version numbers, and installed attachments. Caterpillar Inc. recognizes and respects customer privacy. Caterpillar will not sell or rent collected information to any other third party and will exercise reasonable efforts to keep the information secure.

- 9) TRADES: Purchaser warrants to Cleveland Brothers Equipment Co., Inc. (hereinafter referred to as the "Seller" or "Cleveland" except where full name is used) the trade-in to be free from any lien, encumbrance, security interest or other charge, and the undersigned hereby certifies that he has full authority and right to dispose, sell or trade-in the same at time of transfer to Seller. \_\_\_\_\_ (initial)

Customer: Jacob J. Campa

By: Mayer Date: 4-11-19

Title: \_\_\_\_\_

Manager's Signature: \_\_\_\_\_

**Caterpillar Financial Services Corporation**

**Finance Proposal**

**CUSTOMER**

Name: CITY OF WILLIAMSPORT

Address .....  
 City .....  
 State .....  
 Zip code .....  
 County .....

Good if:  
 Acknowledged by ..... May-02-19  
 Funded by ..... May-02-19

**DEALER**

CLEVELAND BROTHERS EQUIPMENT CO., INC.  
 Sales person .....  
 Dealer contact .....  
 Telephone .....

Quote number ..... 620-8114  
 Fax number .....  
 Quote date ..... 04/02/2019  
 Quote time ..... 14:15:41

**FINANCE PROPOSAL**

This is Caterpillar Financial Services Corporation's confirmation of the following finance proposal. This is a proposal only and is subject to credit approval, execution of documentation, and execution and approval of the application survey.

Financing type ..... GOVERNMENTAL ..... Quoted by ..... b153sjb  
 Number of payments ..... 3 Annual ..... Report created by ..... b153sjb  
 Payments ..... in Arrears

	Model	Ann. Hours	Qty	Sale Price	Down Payment	Amount Financed	Payment	Balloon	Fixed Rate
New	420F2	500	1	116,500.00	60,000.00	56,800.00	20,837.59	1.00	4.9500

Special Conditions:

420F2  
 Model Year - 2019, Standard Environment; Major Attachments-Ride Control, 4x4, Air Conditioning, Cab, E-Stick Extendable; Blades/Buckets/Rippers-Quick Coupler, Backhoe Bucket, Thumb Hydraulic, Autoshift Transmission, General Purpose Bucket

	Model	Insurance	Payment w/Insurance
New	420F2	1,290.51	22,128.10

The estimate for insurance is provided through Caterpillar Insurance Company (Provided by Westchester Insurance Company in Rhode Island) and is not an offer to contract for insurance.

**CONDITIONS**

- Insurance:** The customer must provide evidence of physical damage and liability insurance in an amount and from an insurance carrier satisfactory to CFSC. CFSC must be named on the policies, as loss payee and additional insured, as applicable, and a certificate of insurance, in form and substance acceptable to CFSC, must be provided to CFSC.
- Taxes:** All taxes are the responsibility of the customer and may or may not be included in the above payment amount.
- Equipment:** The equipment cannot be delivered until all documents are executed by CFSC. All equipment must reside in the United States at all times.
- Approval:** This proposal is subject to, among other things, final pricing, credit approval and document approval by CFSC.

The terms and conditions outlined herein are not all-inclusive and are based upon information provided to date. This proposal may be withdrawn or modified by Lessor at anytime. This proposal does not represent an offer or commitment by CFSC to enter into a transaction or to provide financing, and does not create any obligation for CFSC. A commitment to enter into the transaction described herein may only be extended by CFSC after this transaction has been approved by all appropriate credit and other authorities within CFSC.

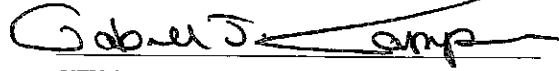
Caterpillar Financial Services Corporation  
 2120 West End Avenue, Nashville, TN 37203  
 (615)-341-1000

We appreciate the opportunity to provide you a proposal for this transaction.

Proposed by: \_\_\_\_\_ Acknowledged by: \_\_\_\_\_

Caterpillar Financial Services Corporation

Finance Proposal



Caterpillar Financial Services Corporation

CITY OF WILLIAMSPORT

Date



CONSTRUCTION EQUIPMENT QUOTATION/OFFER TO SELL AND SECURITY AGREEMENT

TO: CITY OF WILLIAMSPORT  
1550 W 3RD ST  
WILLIAMSPORT, PA 17701

DATE: April 1, 2019

ATTENTION: Adam Windor

**ONE NEW CATERPILLAR 420F2 ST BACKHOE LOADER**

CAB, DELUXE  
SEAT, DELUXE FABRIC  
AIR CONDITIONER  
RIDE CONTROL  
ENGINE, 74.5KW, C4.4 ACERT, T4F  
STICK, EXTENDABLE, 14FT  
PT, 4WD, **AUTOSHIFT**  
HYDRAULICS, MP, 6FCN/8BNK, ST  
LINES, COMBINED AUX, E-STCK  
BUCKET-HD, 16", 3.7 CFT  
QUICK COUPLER, PIN PULLER, \*CASE\*  
THUMB, HYDRAULIC  
BUCKET-MP, 1.3 YD3, BOCE

COLD WEATHER PACKAGE, 120V HRC  
PRODUCT LINK, CELLULAR, PL641  
COUNTERWEIGHT, 1015 LBS  
BELT, SEAT, 2" SUSPENSION  
INSTRUCTIONS, ANSI  
WORKLIGHTS (8) HALOGEN LAMPS  
TIRES, 340 80-18/500 70-24, MX  
STABILIZER PADS, FLIP-OVER  
MAGNETIC MOUNT BEACON

**Selling Price:**

**\$116,500.00**

**Warranty:**

STANDARD WARRANTY: 12 MONTH/UNLIMITED HOUR  
(6 MONTH TRAVEL TIME & MILES INCLUDED)  
5 YEAR/3,000 HOUR EXTENDED POWERTRAIN WARRANTY

**Trades:**

Model	Serial Number	Amount
2006 Caterpillar 420E	OHLS00957	\$30,000.00
<b>Total Trades:</b>		<b>\$30,000.00</b>

**Finance Summary:**

Selling Price	\$116,500.00
Total Trades	(\$30,000.00)
<b>Net Selling Price</b>	<b>\$86,500.00</b>

**Remarks: AVAILABLE UNDER STATE CONTRACT # 4400019950 PARENT CONTRACT # 4400019935**

THE FOREGOING QUOTATION IS EFFECTIVE FOR 30 DAYS.

**STANDARD TERMS:** SUBJECT TO CREDIT APPROVAL: NET 10 DAYS. UCC-1 FINANCING STATEMENT WILL BE FILED AND A \$300.00 DOCUMENTATION FEE WILL BE CHARGED IF NOT PAID IN FULL ON OR BEFORE 15 DAYS FROM DELIVERY DATE UNLESS OTHERWISE NOTED ON THE SALES CONTRACT.

**BY:** Justin M. Tillotson QN: S000096435

**DELIVERY:**

**LEAD TIME:** To be determined at the time of order

**ATTENTION:** THE TERMS AND CONDITIONS ON THE FACE AND REVERSE SIDE OF THIS QUOTATION/OFFER TO SELL - INCLUDING DISCLAIMERS OF WARRANTIES (INCLUDING MERCHANTABILITY), DISCLAIMERS OF TORT LIABILITY (INCLUDING NEGLIGENCE AND STRICT LIABILITY), LIMITATION OF REMEDIES AND EXCLUSIONS OF AND ANY ATTACHMENTS INCORPORATED HEREIN CONSTITUTE THE TERMS, CONDITIONS AND COVENANTS OF THIS QUOTATION/OFFER TO SELL.