

Meeting Date: 9/6/2016

Report Type: Consent

Report ID: 2016-00871

Title: Cooperative Purchase Agreement: Replacement Motor Grader

Location: Citywide

Recommendation: Pass a Resolution 1) authorizing the City Manager or the City Manager's designee to a) decrease the expenditure budget in the Department of Public Works (DPW) FY2016/17 operating budget (General Fund, Fund 1001) in the amount of \$46,823; b) increase the expenditure budget in the DPW multi-year operating project (MYOP) for replacement vehicles and equipment (I06150017, General Fund, Fund 1001) in the amount of \$46,823; c) increase the expenditure and revenue budgets in the DPW FY2016/17 operating budget (Fleet Fund, Fund 6501) in the amount of \$46,823; 2) approving the use of the Houston-Galveston Area Council (HGAC) cooperative purchase agreement with Pape Machinery, Inc. (Contract No. EM06-15) for the purchase of one replacement motor grader in an amount not to exceed \$202,217; 3) authorizing the use of an existing motor grader (equipment number 9019) as partial payment of the purchase price of the new motor grader, giving the City a credit of \$53,600 for the trade-in; and 4) authorizing the City Manager or the City Manager's designee to execute the purchase specified above.

Contact: Iseña Garcia, Program Specialist, (916) 808-1163; Mark Stevens, Fleet Manager, (916) 808-5869, Department of Public Works

Presenter: None

Department: Public Works Department

Division: Fleet Management

Dept ID: 15003211

Attachments:

1-Description/Analysis

2-Resolution

3-Agreement

City Attorney Review

Approved as to Form
Gary Lindsey
8/31/2016 11:22:05 AM

Approvals/Acknowledgements

Department Director or Designee: Jerry Way - 8/18/2016 7:06:16 AM

Description/Analysis

Issue Detail: The Department of Public Works (DPW), Fleet Management Division, has a customer requirement to purchase one replacement motor grader for the DPW, Maintenance Services Division. The motor grader will be used to level and grade roads for pavement maintenance throughout the City.

Policy Considerations: The recommendations in this report are in accordance with City Code Chapter 3.56.

Economic Impacts: None

Environmental Considerations:

California Environmental Quality Act (CEQA): No environmental review is necessary because the recommendations in this report involve the purchase of equipment and are not considered to be a project in accordance with Section 15378(b)(2) of the CEQA Guidelines.

Sustainability: The recommended purchase is consistent with the Fleet Sustainability Policy adopted by City Council on February 16, 2010 (Resolution No. 2010-083).

Commission/Committee Action: None

Rationale for Recommendation: After reviewing the available purchase options, Fleet Management has determined that using the cooperative purchase agreement with HGAC and Pape Machinery, Inc. represents the most advantageous purchasing strategy. The contract was competitively bid, and HGAC receives greater discounts from the manufacturer due to a higher purchase volume than the City would receive if issuing its own bid.

In an ongoing effort to maximize cost savings and staff resources, many government agencies share contracting efforts through cooperative purchasing. This procurement approach increases pricing competitiveness and lowers operating costs through volume buying. When comparing the administrative costs of procurement, staff considers product research, source selection, specifications, advertising, staff reports, awarding, protest, and administration of the contract. It is often more cost-effective to eliminate the cost and time spent on these administrative processes and purchase items and services through a cooperative purchasing program.

The City has used both regional and national cooperative purchase agreements to complement its own contracting initiatives. Cooperative purchasing enables City departments to evaluate a broader range of contracting opportunities and to share resources with other jurisdictions. Cooperative purchasing also leverages internal and external resources to maximize cost savings opportunities for the City.

Financial Considerations: Pape Machinery, Inc. has agreed to accept the City's existing motor grader as partial payment of the purchase price of the replacement motor grader, and give the City a credit of \$53,600 for the trade-in. The total amount for the purchase, including tax and the trade-in credit, is \$202,217.

This purchase will be made from the DPW FY2016/17 operating budget (Fleet Fund, Fund 6501) and charged to the DPW MYOP (I06150017, General Fund, Fund 1001) for replacement vehicles and equipment. A transfer of \$46,823 in expenditure budget from the DPW operating budget (General Fund, Fund 1001) to the MYOP noted above, and an equivalent increase in the DPW expenditure and revenue budgets (Fleet Fund, Fund 6501) is required because the amount originally budgeted was based on a prior purchase and did not account for manufacturer price increases. Upon completion of these budget adjustments, sufficient funds will be available to make the recommended purchase.

Local Business Enterprise (LBE): Pape Machinery, Inc. is an LBE.

RESOLUTION NO. 2016-

Adopted by the Sacramento City Council

September 6, 2016

COOPERATIVE PURCHASE AGREEMENT: REPLACEMENT MOTOR GRADER

BACKGROUND

- A. The Department of Public Works (DPW), Fleet Management Division, has a customer requirement to purchase one replacement motor grader for the DPW, Maintenance Services Division. The motor grader will be used to level and grade roads for pavement maintenance throughout the City.
- B. Pape Machinery, Inc. has agreed to accept the City's existing motor grader as partial payment of the purchase price of the replacement motor grader, and give the City a credit of \$53,600 for the trade-in. The total amount for the purchase, including tax and the trade-in credit, is \$202,217.
- C. This purchase will be made from the DPW FY2016/17 operating budget (Fleet Fund, Fund 6501) and charged to the DPW MYOP (I06150017, General Fund, Fund 1001) for replacement vehicles and equipment. A transfer of \$46,823 in expenditure budget from the DPW operating budget (General Fund, Fund 1001) to the MYOP noted above, and an equivalent increase in the DPW expenditure and revenue budgets (Fleet Fund, Fund 6501) is required because the amount originally budgeted was based on a prior purchase and did not account for manufacturer price increases. Upon completion of these budget adjustments, sufficient funds will be available to make the recommended purchase.
- D. In accordance with City Code Section 3.56.240, the City Manager, where advantageous to the City, may, by cooperative purchase agreements approved by the City Council, purchase supplies or nonprofessional services through legal contracts of other governmental jurisdictions or public agencies without separate competitive bidding by the City.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1a. The City Manager or the City Manager's designee is authorized to decrease the expenditure budget in the DPW FY2016/17 operating budget

(General Fund, Fund 1001) in the amount of \$46,823.

- Section 1b. The City Manager or the City Manager's designee is authorized to increase the expenditure budget in the DPW MYOP for replacement vehicles and equipment (I06150017, General Fund, Fund 1001).
- Section 1c. The City Manager or the City Manager's designee is authorized to increase the expenditure and revenue budgets in the DPW FY2016/17 operating budget (Fleet Fund, Fund 6501) in the amount of \$46,823.
- Section 2. The use of the Houston-Galveston Area Council (HGAC) cooperative purchase agreement with Pape Machinery, Inc. (Contract No. EM06-15) for the purchase of one replacement motor grader in an amount not to exceed \$202,217 is approved.
- Section 3. The use of an existing motor grader (equipment number 9019) as partial payment of the purchase price of the new motor grader, giving the City a credit of \$53,600 for the trade-in is approved.
- Section 4. The City Manager or the City Manager's designee is authorized to execute the purchase specified above.

A CONTRACT BETWEEN
HOUSTON-GALVESTON AREA COUNCIL
Houston, Texas
AND
PAPE' MACHINERY, INC.
Eugene, Oregon

This Contract is made and entered into by the **Houston-Galveston Area Council of Governments**, hereinafter referred to as **H-GAC**, having its principal place of business at 3555 Timmons Lane, Suite 120, Houston, Texas 77027, AND, **Pape' Machinery, Inc.**, hereinafter referred to as the **CONTRACTOR**, having its principal place of business at 355 Goodpasture Island Road, number 300, Eugene, Oregon 97401.

ARTICLE 1: SCOPE OF SERVICES

The parties have entered into a **Earth Moving & Construction Equipment** Contract to become effective as of June 1, 2015, and to continue through May 31, 2017 (the "Contract"), subject to extension upon mutual agreement of the **CONTRACTOR** and **H-GAC**. **H-GAC** enters into the Contract as Agent for participating governmental agencies, each hereinafter referred to as **END USER**, for the purchase of **Earth Moving & Construction Equipment** offered by the **CONTRACTOR**. The **CONTRACTOR** agrees to sell **Earth Moving & Construction Equipment** through the **H-GAC** Contract to **END USERS**.

ARTICLE 2: THE COMPLETE AGREEMENT

The Contract shall consist of the documents identified below in order of precedence:

1. The text of this Contract form, including but not limited to, Attachment A
2. General Terms and Conditions
3. Bid Specifications No:EM06-15, including any relevant suffixes
4. **CONTRACTOR's** Response to Bid No:EM06-15, including but not limited to, prices and options offered

All of which are either attached hereto or incorporated by reference and hereby made a part of this Contract, and shall constitute the complete agreement between the parties hereto. This Contract supersedes any and all oral or written agreements between the parties relating to matters herein. Except as otherwise provided herein, this Contract cannot be modified without the written consent of both parties.

ARTICLE 3: LEGAL AUTHORITY

CONTRACTOR and **H-GAC** warrant and represent to each other that they have adequate legal counsel and authority to enter into this Contract. The governing bodies, where applicable, have authorized the signatory officials to enter into this Contract and bind the parties to the terms of this Contract and any subsequent amendments thereto.

ARTICLE 4: APPLICABLE LAWS

The parties agree to conduct all activities under this Contract in accordance with all applicable rules, regulations, directives, issuances, ordinances, and laws in effect or promulgated during the term of this Contract.

ARTICLE 5: INDEPENDENT CONTRACTOR

The execution of this Contract and the rendering of services prescribed by this Contract do not change the independent status of **H-GAC** or **CONTRACTOR**. No provision of this Contract or act of **H-GAC** in performance of this Contract shall be construed as making **CONTRACTOR** the agent, servant or employee of **H-GAC**, the State of Texas or the United States Government. Employees of **CONTRACTOR** are subject to the exclusive control and supervision of **CONTRACTOR**. **CONTRACTOR** is solely responsible for employee payrolls and claims arising therefrom.

ARTICLE 6: END USER AGREEMENTS

H-GAC acknowledges that the **END USER** may choose to enter into an End User Agreement with the **CONTRACTOR** through this Contract and that the term of said Agreement may exceed the term of the **H-GAC** Contract. However this acknowledgement is not to be construed as **H-GAC's** endorsement or approval of the End User Agreement terms and conditions. **CONTRACTOR** agrees not to offer, agree to or accept from **END USER** any terms or conditions that conflict with or contravene those in **CONTRACTOR's** **H-GAC** contract. Further, termination of this Contract for any reason shall not result in the termination of the underlying End User Agreements entered into between **CONTRACTOR** and any **END USER** which shall, in each instance, continue pursuant to their stated terms and duration. The only effect of termination of this Contract is that **CONTRACTOR** will no longer be able to enter into any new End User Agreements with **END USERS** pursuant to this Contract. Applicable **H-GAC** order processing charges will be due and payable to **H-GAC** on any End User Agreements surviving termination of this Contract between **H-GAC** and **CONTRACTOR**.

ARTICLE 7:**SUBCONTRACTS & ASSIGNMENTS**

CONTRACTOR agrees not to subcontract, assign, transfer, convey, sublet or otherwise dispose of this Contract or any right, title, obligation or interest it may have therein to any third party without prior written notice to **H-GAC**. **H-GAC** reserves the right to accept or reject any such change. **CONTRACTOR** shall continue to remain responsible for all performance under this Contract regardless of any subcontract or assignment. **H-GAC** shall be liable solely to **CONTRACTOR** and not to any of its Subcontractors or Assignees.

ARTICLE 8:**EXAMINATION AND RETENTION OF CONTRACTOR'S RECORDS**

CONTRACTOR shall maintain during the course of its work, complete and accurate records of items that are chargeable to **END USER** under this Contract. **H-GAC**, through its staff or its designated public accounting firm, the State of Texas, or the United States Government shall have the right at any reasonable time to inspect copy and audit those records on or off the premises of **CONTRACTOR**. Failure to provide access to records may be cause for termination of this Contract. **CONTRACTOR** shall maintain all records pertinent to this Contract for a period of not less than five (5) calendar years from the date of acceptance of the final contract closeout and until any outstanding litigation, audit or claim has been resolved. The right of access to records is not limited to the required retention period, but shall last as long as the records are retained. **CONTRACTOR** further agrees to include in all subcontracts under this Contract, a provision to the effect that the subcontractor agrees that **H-GAC'S** duly authorized representatives, shall, until the expiration of five (5) calendar years after final payment under the subcontract or until all audit findings have been resolved, have access to, and the right to examine and copy any directly pertinent books, documents, papers, invoices and records of such subcontractor involving any transaction relating to the subcontract.

ARTICLE 9:**REPORTING REQUIREMENTS**

CONTRACTOR agrees to submit reports or other documentation in accordance with the General Terms and Conditions of the Bid Specifications. If **CONTRACTOR** fails to submit to **H-GAC** in a timely and satisfactory manner any such report or documentation, or otherwise fails to satisfactorily render performance hereunder, such failure may be considered cause for termination of this Contract.

ARTICLE 10:**MOST FAVORED CUSTOMER CLAUSE**

If **CONTRACTOR**, at any time during this Contract, routinely enters into agreements with other governmental customers within the State of Texas, and offers the same or substantially the same products/services offered to **H-GAC** on a basis that provides prices, warranties, benefits, and or terms more favorable than those provided to **H-GAC**, **CONTRACTOR** shall notify **H-GAC** within ten (10) business days thereafter of that offering and this Contract shall be deemed to be automatically amended effective retroactively to the effective date of the most favorable contract, wherein **CONTRACTOR** shall provide the same prices, warranties, benefits, or terms to **H-GAC** and its **END USER**. **H-GAC** shall have the right and option at any time to decline to accept any such change, in which case the amendment shall be deemed null and void. If **CONTRACTOR** is of the opinion that any apparently more favorable price, warranty, benefit, or term charged and/or offered a customer during the term of this Contract is not in fact most favored treatment, **CONTRACTOR** shall within ten (10) business days notify **H-GAC** in writing, setting forth the detailed reasons **CONTRACTOR** believes aforesaid offer which has been deemed to be a most favored treatment, is not in fact most favored treatment. **H-GAC**, after due consideration of such written explanation, may decline to accept such explanation and thereupon this Contract between **H-GAC** and **CONTRACTOR** shall be automatically amended, effective retroactively, to the effective date of the most favored agreement, to provide the same prices, warranties, benefits, or terms to **H-GAC**.

The Parties accept the following definition of routine: A prescribed, detailed course of action to be followed regularly; a standard procedure.

EXCEPTION: This clause shall not be applicable to prices and price adjustments offered by a bidder, proposer or contractor, which are not within bidder's/ proposer's control [example; a manufacturer's bid concession], or to any prices offered to the Federal Government and its agencies.

ARTICLE 11:**SEVERABILITY**

All parties agree that should any provision of this Contract be determined to be invalid or unenforceable, such determination shall not affect any other term of this Contract, which shall continue in full force and effect.

ARTICLE 12:**DISPUTES**

Any and all disputes concerning questions of fact or of law arising under this Contract, which are not disposed of by agreement, shall be decided by the Executive Director of **H-GAC** or his designee, who shall reduce his decision to writing and provide notice thereof to **CONTRACTOR**. The decision of the Executive Director or his designee shall be final and conclusive unless, within thirty (30) days from the date of receipt of such notice, **CONTRACTOR** requests a rehearing from the Executive Director of **H-GAC**. In connection with any rehearing under this Article, **CONTRACTOR** shall be afforded an opportunity to be heard and offer evidence in support of its position. The decision of the Executive Director after any such rehearing shall be final and conclusive. **CONTRACTOR** may, if it elects to do so, appeal the final and conclusive decision of the Executive Director to a court of competent jurisdiction. Pending final decision of a dispute hereunder, **CONTRACTOR** shall proceed diligently with the performance of this Contract and in accordance with **H-GAC'S** final decision.

ARTICLE 13:**LIMITATION OF CONTRACTOR'S LIABILITY**

Except as specified in any separate writing between the CONTRACTOR and an END USER, CONTRACTOR's total liability under this Contract, whether for breach of contract, warranty, negligence, strict liability, in tort or otherwise, but excluding its obligation to indemnify H-GAC described in Article 14, is limited to the price of the particular products/services sold hereunder, and CONTRACTOR agrees either to refund the purchase price or to repair or replace product(s) that are not as warranted. In no event will CONTRACTOR be liable for any loss of use, loss of time, inconvenience, commercial loss, lost profits or savings or other incidental, special or consequential damages to the full extent such use may be disclaimed by law. CONTRACTOR understands and agrees that it shall be liable to repay and shall repay upon demand to END USER any amounts determined by H-GAC, its independent auditors, or any agency of State or Federal government to have been paid in violation of the terms of this Contract.

ARTICLE 14:**LIMIT OF H-GAC'S LIABILITY AND INDEMNIFICATION OF H-GAC**

H-GAC's liability under this Contract, whether for breach of contract, warranty, negligence, strict liability, in tort or otherwise, is limited to its order processing charge. In no event will H-GAC be liable for any loss of use, loss of time, inconvenience, commercial loss, lost profits or savings or other incidental, special or consequential damages to the full extent such use may be disclaimed by law. Contractor agrees, to the extent permitted by law, to defend and hold harmless H-GAC, its board members, officers, agents, officials, employees, and indemnities from any and all claims, costs, expenses (including reasonable attorney fees), actions, causes of action, judgments, and liens arising as a result of CONTRACTOR's negligent act or omission under this Contract. CONTRACTOR shall notify H-GAC of the threat of lawsuit or of any actual suit filed against CONTRACTOR relating to this Contract.

ARTICLE 15:**TERMINATION FOR CAUSE**

H-GAC may terminate this Contract for cause based upon the failure of CONTRACTOR to comply with the terms and/or conditions of the Contract; provided that H-GAC shall give CONTRACTOR written notice specifying CONTRACTOR'S failure. If within thirty (30) days after receipt of such notice, CONTRACTOR shall not have either corrected such failure, or thereafter proceeded diligently to complete such correction, then H-GAC may, at its option, place CONTRACTOR in default and the Contract shall terminate on the date specified in such notice. CONTRACTOR shall pay to H-GAC any order processing charges due from CONTRACTOR on that portion of the Contract actually performed by CONTRACTOR and for which compensation was received by CONTRACTOR.

ARTICLE 16:**TERMINATION FOR CONVENIENCE**

Either H-GAC or CONTRACTOR may cancel or terminate this Contract at any time by giving thirty (30) days written notice to the other. CONTRACTOR may be entitled to payment from END USER for services actually performed; to the extent said services are satisfactory to END USER. CONTRACTOR shall pay to H-GAC any order processing charges due from CONTRACTOR on that portion of the Contract actually performed by CONTRACTOR and for which compensation is received by CONTRACTOR.

ARTICLE 17:**CIVIL AND CRIMINAL PROVISIONS AND SANCTIONS**

CONTRACTOR agrees that it will perform under this Contract in conformance with safeguards against fraud and abuse as set forth by H-GAC, the State of Texas and the acts and regulations of any funding entity. CONTRACTOR agrees to notify H-GAC of any suspected fraud, abuse or other criminal activity related to this Contract through filing of a written report promptly after it becomes aware of such activity.

ARTICLE 18:**GOVERNING LAW & VENUE**

This Contract shall be governed by the laws of the State of Texas. Venue and jurisdiction of any suit or cause of action arising under or in connection with this Contract shall lie exclusively in Harris County, Texas. Disputes between END USER and CONTRACTOR are to be resolved in accord with the law and venue rules of the state of purchase. CONTRACTOR shall immediately notify H-GAC of such disputes.

ARTICLE 19:**PAYMENT OF H-GAC ORDER PROCESSING CHARGE**

CONTRACTOR agrees to sell its products to END USERS based on the pricing and other terms of this Contract, including, but not limited to, the payment of the applicable H-GAC order processing charge. On notification from an END USER that an order has been placed with CONTRACTOR, H-GAC will invoice CONTRACTOR for the applicable order processing charge. Upon delivery of any product/service by CONTRACTOR and acceptance by END USER, CONTRACTOR shall, within thirty (30) calendar days or ten (10) business days after receipt of payment, whichever is less, pay H-GAC the full amount of the applicable order processing charge, whether or not CONTRACTOR has received an invoice from H-GAC. For sales made by CONTRACTOR based on this contract, including sales to entities without Interlocal Contracts, CONTRACTOR shall pay the applicable order processing charges to H-GAC. Further, CONTRACTOR agrees to encourage entities who are not members of H-GAC's Cooperative Purchasing Program to execute an H-GAC Interlocal Contract. H-GAC reserves the right to take appropriate actions including, but not limited to, contract termination if CONTRACTOR fails to promptly remit H-GAC's order processing charge. In no event shall H-GAC have any liability to CONTRACTOR for any goods or services an END USER procures from CONTRACTOR.

ARTICLE 20: LIQUIDATED DAMAGES

Any liquidated damages terms will be determined between CONTRACTOR and END USER at the time END USER's purchase order is placed.

ARTICLE 21: PERFORMANCE AND PAYMENT BOND FOR INDIVIDUAL ORDERS

H-GAC's contractual requirements DO NOT include a Performance & Payment Bond (PPB), and offered pricing should reflect this cost saving. However, CONTRACTOR must be prepared to offer a PPB to cover any specific order if so requested by END USER. CONTRACTOR shall quote a price to END USER for provision of any requested PPB, and agrees to furnish the PPB within ten business (10) days of receipt of END USER's purchase order.

ARTICLE 22: CHANGE OF CONTRACTOR STATUS

CONTRACTOR shall immediately notify H-GAC, in writing, of ANY change in ownership, control, dealership/franchisee status, Motor Vehicle license status, or name, and shall also advise whether or not this Contract shall be affected in any way by such change. H-GAC shall have the right to determine whether or not such change is acceptable, and to determine what action shall be warranted, up to and including cancellation of Contract.

ARTICLE 23: LICENSING REQUIRED BY TEXAS MOTOR VEHICLE BOARD [IF APPLICABLE]

CONTRACTOR will, for the duration of this Contract, maintain current licenses that are required by the Texas Motor Vehicle Commission Code. If at any time during this Contract period, any CONTRACTOR'S license is not renewed, or is denied or revoked, CONTRACTOR shall be deemed to be in default of this Contract unless the Motor Vehicle Board issues a stay or waiver. Contractor shall promptly provide copies of all current applicable Texas Motor Vehicle Board documentation to H-GAC upon request.

IN WITNESS WHEREOF, the parties have caused this Contract to be executed by their duly authorized representatives.

Signed for Houston-Galveston
Area Council, Houston, Texas:



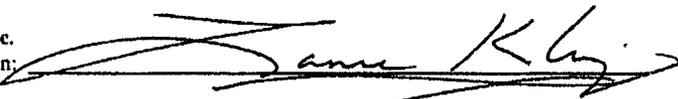
Jack Steele, Executive Director

Attest for Houston-Galveston
Area Council, Houston, Texas:



Deidre Vick, Director of Public Services
Date: 4/29, 20 15

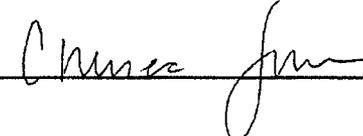
Signed for Pape' Machinery, Inc.
Eugene, Oregon:



Printed Name & Title: Lance Kling Inventory/Procurement Manager

Date: April 23rd, 20 15

Attest for Pape' Machinery, Inc.
Eugene, Oregon:



Printed Name & Title: Chelsea Jones Corporate Sales Coordinator

Date: April 23rd, 20 15

Attachment A
Pape' Machinery, Inc.
Earth Moving & Construction Equipment
Contract No. EM06-15

H-GAC Product Code	Item Description	Percentage Discount off Retail/List Price
23A	Deere Wheeled Excavator Pricing Catalog Price Sheet Effective 2/12/2015	28%
23B	Deere (Small) Crawler Excavator Pricing Catalog Price Sheet Effective 2/12/2015	13%
23C	Deere (Medium) Crawler Excavator Pricing Catalog Price Sheet Effective 2/12/2015	20%
23D	Deere (Large) Crawler Excavator Pricing Catalog Price Sheet Effective 2/12/2015	13%
23E	Deere (Small) Crawler Dozers Pricing Catalog Price Sheet Effective 2/12/2015	8%
23F	Deere (Medium) Crawler Dozer Pricing Catalog Price Sheet Effective 2/12/2015	11%
23G	Deere (Large) Crawler Dozer Pricing Catalog Price Sheet Effective 2/12/2015	10%
23H	Deere High Speed Dozer Pricing Catalog Price Sheet Effective 2/12/2015	10%
23I	Deere Waste Handler Dozer Pricing Catalog Price Sheet Effective 2/12/2015	10%
23J	Deere Motor Graders Pricing Catalog Price Sheet Effective 2/12/2015	28%
23K	Deere (Small) Wheel Loaders Pricing Catalog Price Sheet Effective 2/12/2015	16%
23L	Deere (Medium) Wheel Loaders Pricing Catalog Price Sheet Effective 2/12/2015	26%
23M	Deere (Large) Wheel Loaders Pricing Catalog Price Sheet Effective 2/12/2015	19%
23N	Deere Waste Handler Wheel Loader Pricing Catalog Price Sheet Effective 2/12/2015	2%
23O	Deere Backhoe Loaders Pricing Catalog Price Sheet Effective 2/12/2015	25%
23P	Deere Track Loader Pricing Catalog Price Sheet Effective 2/12/2015	13%
23Q	Deere Articulated Dump Truck Pricing Catalog Price Sheet Effective 2/12/2015	8%
23R	Deere Landscape Loader Pricing Catalog Price Sheet Effective 2/12/2015	16%



Mr. Mark Stevens
 City of Sacramento
 5730 24th Street #1
 Sacramento, CA 95822
 Revised: 8-1-16

Dear Mark,

Following our recent discussions regarding pricing on a new John Deere model 670G motor grader, and per your request, I am pleased to offer the following revised HGAC price information on this model for your review and consideration. This revision includes the additional machine options per Gabriel Morales and includes the trade-in value for your 2000 John Deere model 670C grader.

The following pricing is based on current HGAC contract # EM06-15

8440T	670G MOTOR GRADER
1010	670G with Standard Hydraulic Controls
1140	John Deere PowerTech PSS 9.0L meets EPA FT4 Emissions (235 Net Peak hp)
1830	Engine Exhaust with Flat Black Stack for 9.0L (EPA FT4 only)
2575	No Grade Control Base Kit Installed
2775	No Topcon Radio Installation
1700	JDLINK Machine Monitoring System (3 years data subscription fees paid)
2820	Single Input Gearbox with Slip Clutch
7160	Grading Lights (18 Halogen Lights)
5025	Low Cab w/ Fixed Lower Front and Side Opening Windows
8810	Rear Camera
8210	Exterior Mounted Rearview Mirrors
8110	24-to-12 Volt Converter (15 amps peak / 10 amps continuous)
8420	No Radio
8310	Lower Front Window Wiper & Wiper
6120	Standard Fabric Air Suspension Seat with Armrests and Headrest
1240	200 amp Alternator
2010	12 Ft. x 24 In. x 7/8 In. with 6 In. x 5/8 In. Cutting Edge and 5/8 in. Hardware
1910	Blade Impact Absorption System
5520	Manual Shift Transmission
1410	Standard Fuel & Water Filtration
1610	Hydraulic Pump Disconnect
5710	Transmission Solenoid Valve Guard
6720	Front Scarifier
6850	No Rear Attachment
6520	Base Hydraulics w/ 1 Auxiliary Function Control
6610	Base Hydraulics- 4 Function Controls
4914	No Tire Brand Preference
9714	14.0-24 12 PR NO BRAND PREFERRED G2 WITH 3PC RIM

9298 Beacon with Flip Down Cab Beacon Bracket (RH)
 9120 Front Window Movable Sun Visor
 9210 Decelerator
 9220 5.0 lbs. multi purpose (ABC) Dry Chemical Fire Extinguisher
 9280 Slow Moving Vehicle (SMV) Sign
 8710 Sound Absorption Package

Total "Base Machine" List price;	\$ 369,889.00 + tax
Less 28% HGAC Discount per current Contract # EM06-15;	<u>(\$ 103,569.00)</u>
Total HGAC Base Machine Sales Price;	\$ 266,320.00 + tax
Plus Dealer PDI, Freight, Delivery;	\$ 8,965.00
Less Additional Pape Machinery Market Area Discount;	<u>(\$ 39,519.00)</u>
Total Final Machine Sales Price;	\$ 235,766.00 + tax
Plus 8.50% sales tax;	\$ 20,040.11
Plus \$ 1.75 per tire CA Tire Disposal Fee;	<u>\$ 10.50</u>
Total delivered price with Sales Tax and Tire Fee;	\$ 255,816.61
Less trade-in value for your 2000 John Deere model 670C motor grader s/n DW670CX575829;	<u>(\$ 53,600.00)</u>
Total delivered price with Sales Tax, Less Trade-In;	\$ 202,216.61

Prices are current but subject to escalation and do not include any applicable taxes or fees. This price quotation is firm for 60 days.

Mark, thank you for the opportunity to quote John Deere motor graders. Please do not hesitate to contact us should you have any questions or need any additional info.

Sincerely,

Mike Pilat

Mike Pilat – Territory Mgr., Corporate Accounts
 Pape Machinery
 2850 El Centro Rd.
 Sacramento, CA 95833 (916) 997-8626



2850 El Centro Rd.
Sacramento, CA 95833
916-922-7181

July 5, 2016

Mr. Mark Stevens
City of Sacramento
5730 24th St., Bldg. 1
Sacramento, CA 95822

Dear Mark,

Following our conversations regarding pricing for a new John Deere model 670G motor grader and my price quotation of 6-22-16, I am pleased to offer a trade-in value for your 2000 John Deere model 670C grader.

2000 John Deere model 670C motor grader, s/n DW670CX575829, in its current condition per our appraisal on 6-23-16, with 2,153 hours of use.

Trade value: \$ 53,600.

Our valuation will be valid for 90 days or unless the machine's condition or configuration significantly changes from when appraised.

Mark, thanks for the opportunity to provide this trade-in valuation to you. Please do not hesitate to contact me should you have any questions or need any additional information.

Sincerely,

Mike Pilat

Mike Pilat
Territory Manager / Corporate and Governmental Accounts