



Public Works Annex
2405 Garrett Way
Pocatello, Idaho 83201
208.234.6250
Fax 208.478.7152

MEMO

TO: Mayor Blad and Members of City Council

FROM: Tom Kirkman, Deputy Public Works Director
Justin Armstrong, Water Department Superintendent

DATE: September 9, 2022


SUBJECT: Recommendation for Piggyback Lease
Caterpillar 330 Track Excavator

It is my recommendation that the City of Pocatello Water Department piggyback the Sourcewell bid contract #032119-CAT from Western States Caterpillar for the 5-year lease of one (1) new Caterpillar 330 Track Excavator in the sum of \$335,127.54, consisting of five (5) annual payments of \$33,858.03. This amount has been budgeted for in the FY23 Water Department budget.

As part of this lease, Water Department would be returning their previously leased equipment early, which provides, approximately, a \$9,600 credit applied toward the total cost of the equipment, lowering the annual lease payments.

The documentation quote from Western States Caterpillar and the accompanying loan paperwork to honor the piggyback price is attached for Council and Mayor approval. The Council may wish to authorize Mayor Blad to sign and execute the lease agreement/contract.

To: City Council and Mayor
From: Matt Kerbs, Deputy City Attorney
Date: September 26, 2022
Re: Cooperative Purchasing on Sourcewell Contract #032119-CAT



I have reviewed the above referenced documents and quote with Western States Caterpillar for procurement of a Caterpillar 330 Track Excavator, and have no legal concerns with the Council approving the purchase for \$335,127.54, as permitted in Idaho Code §67-2807, and authorizing the Mayor to sign and execute the agreement.

Borrower: City of Pocatello, ID
 330 Excavator
 SN TBD

Lender: Summit National Bank
 19 Montana Ave
 Laurel, MT 59044
 (406) 628-4220

Disbursement Date: October 1, 2022
 Interest Rate: 4.500

Repayment Schedule: Irregular
 Calculation Method: 365/360 U.S. Rule

Payment Number	Payment Date	Payment Amount	Interest Paid	Principal Paid	Remaining Balance
1	10-01-2022	33,858.03	0.00	33,858.03	301,269.51
2	10-01-2023	33,858.03	13,745.42	20,112.61	281,156.90
3	10-01-2024	33,858.03	12,862.93	20,995.10	260,161.80
4	10-01-2025	33,858.03	11,869.88	21,988.15	238,173.65
5	10-01-2026	33,858.03	10,866.67	22,991.36	215,182.29
6	10-01-2027	224,999.98	9,817.69	215,182.29	0.00
TOTALS:		394,290.13	59,162.59	335,127.54	

NOTICE: This is an estimated loan amortization schedule. Actual amounts may vary if payments are made on different dates or in different amounts.

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PAYMENT DATA

IRREGULAR PAY LOAN
 (Fixed Rate)

	<u>Financed</u>	<u>In Cash</u>					
AMOUNT REQUESTED:	\$335,127.54						
PREPAID FINANCE CHARGES:							
Doc Prep Fee		400.00					
SECURITY INTEREST CHARGES:	0.00						
NOTE AMOUNT:	\$335,127.54	\$400.00					
PAYMENT CALCULATION:							
Stream	No. of Pmts	Amount	Due	F/V	Index	Margin	Rate
1	5	\$33,858.03	Annually beginning 10-01-2022	F			4.500
2	1	\$224,999.98	One Paymently beginning 10-01-2027	F			4.500
Disbursement Date: 10-01-2022							
Due Date: 10-01-2027							
INTEREST RATE SELECTION:							
Interest Method:		365/360					
Interest Rate:		4.500					

FORM E
CONTRACT ACCEPTANCE AND AWARD



(Top portion of this form will be completed by Sourcewell if the vendor is awarded a contract. The vendor should complete the vendor authorized signatures as part of the RFP response.)

Sourcewell Contract #: 032119-CAT

Proposer's full legal name: Caterpillar Inc.

Based on Sourcewell's evaluation of your proposal, you have been awarded a contract. As an awarded vendor, you agree to provide the products and services contained in your proposal and to meet all the terms and conditions set forth in this RFP, in any amendments to this RFP, and in any exceptions that are accepted by Sourcewell.

The effective date of the Contract will be May 13, 2019 and will expire on May 13, 2023 (no later than the later of four years from the expiration date of the currently awarded contract or four years from the date that the Sourcewell Chief Procurement Officer awards the Contract). This Contract may be extended for a fifth year at Sourcewell's discretion.

Sourcewell Authorized Signatures:

DocuSigned by:
Jeremy Schwartz
C0ED2A139D0648B
SOURCEWELL DIRECTOR OF OPERATIONS AND
PROCUREMENT/CPO SIGNATURE

Jeremy Schwartz
(NAME PRINTED OR TYPED)

DocuSigned by:
Chad Coquette
7E4288F817A64C0...
SOURCEWELL EXECUTIVE DIRECTOR/CEO SIGNATURE

Chad Coquette
(NAME PRINTED OR TYPED)

Awarded on May 10, 2019

Sourcewell Contract # 032119-CAT

Vendor Authorized Signatures:

The Vendor hereby accepts this Contract award, including all accepted exceptions and amendments.

Vendor Name Caterpillar Inc.

Authorized Signatory's Title North America Industry Manager

Patrick Kearns
VENDOR AUTHORIZED SIGNATURE

Patrick Kearns
(NAME PRINTED OR TYPED)

Executed on May 10, 2019

Sourcewell Contract # 032119-CAT

Products & Services

Sourcewell contract 032119-CAT gives access to the following types of goods and services:

- Motor graders
- Backhoe & wheel loaders
- Skid steer, multi-terrain, & compact track loaders
- Dozer & wheel excavators
- Material handlers
- Landfill equipment
- Articulated trucks & rigid frame trucks
- Wheel tractor scrapers
- Telehandlers
- Pavers, compactors, cold planers, & reclaimers
- Work tools & attachments
- Used equipment, rentals, parts, & service

Locate your local dealer or representative
(nongovernment site)

Additional information can be found on the vendor-provided, nongovernment website at:



Pocatello
 8403 S. 5th Ave Pocatello, ID 83204
 208.232.2640

SALES AGREEMENT

AGREEMENT: Q000252168-16
 AGREEMENT DATE: 9/7/2022
 AGREEMENT EXPIRES: 11/7/2021
 WAREHOUSE: Pocatello Machine Sales
 CUSTOMER NO.: 6963220
 CUSTOMER PO:
 SALESMAN: Jim E Betty

SOLD TO:
 City Of Pocatello
 Attn: City Treasurer
 PO Box 4169
 Pocatello, ID 83205-4169

SHIP TO:
 Street Dept
 2405 Garrett Way
 Pocatello, ID 83201-6152

Jim.Betty@wseco.com

ITEM DESCRIPTION	PRICE
2022 Caterpillar 330 Track Excavator S/N: WCH30155 SMU: 11 hrs ID:E0092412	\$318,976.13
<ul style="list-style-type: none"> ● Delivery Freight ● New Warranty - MS New Warranty 5 year / 2500 Hour GFSW 	
Caterpillar THUMB 329E/F,330F,330,330GC S/N: THC10372 YEAR: 2022 ID: E0094614	\$14,164.36
36" QT HD BKT S/N: 21QB63 YEAR: 2021 ID: E0094751	\$11,587.05
Governmental Buyback - Governmental Buyback 5 year/ 2500 \$225,000	\$0.00
TRADE	
2017 Caterpillar 330F S/N: MBX10556 SMU: 0 hrs	(\$194,600.00)
Payoff to summit National Bank \$185,000.00	

The trade proposal offered is based on the information you have provided and is contingent on a final inspection before the Agreement is accepted by both parties. If the proposed trade equipment hours increase by 200 hours over what has been specified herein or the inspection reveals an unexpected change in the equipment operation or the equipment, the trade proposal valuation will become invalid. The Trade Proposal will become final upon the execution of this Agreement by WSECO.

Notes		
	Before Tax Balance	\$150,127.54
	Sales Tax	\$0.00
	Trade Payoff	\$185,000.00
	Downpayment	\$0.00
	Net Due	\$335,127.54

Western States Equipment	City Of Pocatello
Order Received by _____	Approved and Accepted by _____
Title <u>Regional Sales Manager</u> Date _____	Title <u>Mayer</u> Date _____
	Warranty Document Received (initial) _____

Trade Ins: All trade-ins are subject to equipment being in as inspected condition by vendor at time of delivery of replacement machine purchase above. Purchaser hereby sells the trade in equipment described above to the vendor and warrants it to be free and clear of all claims, liens, and security interest except as shown above.
 Warranty: By initialing above the customer acknowledges that they have received a copy of the Western States Co/Caterpillar Warranty and has read and understands said warranty. All used equipment is sold as is where is and no warranty is offered or implied except as specified above.