

RESOLUTION No. 100 of 2014

Moved by: 

A Resolution approving the lease/purchase of a new Case 580 SN Loader Backhoe from Groff Tractor and Equipment, Inc. of Mechanicsburg, Pennsylvania by way of a financing agreement with Real Lease, Inc. of Pittsford, New York.

WHEREAS, the City has determined the need for a new loader backhoe to be used in maintaining the City's streets and roads and performing other general maintenance services; and

WHEREAS, the City has been using and testing a Case 580 SN Loader Backhoe ("Equipment") furnished by Groff Tractor and Equipment, Inc. ("Dealer") on a trial basis over approximately the last four months; and

WHEREAS, the City desires to lease/purchase a new version of the Equipment from the Dealer for a net sales price of \$47,425.00 ("Purchase Price") which includes applicable fees and a trade in value of \$6,500.00 for the City's existing Case 580 K Loader Backhoe as set forth in a Dealer quote which is attached hereto as Exhibit "A"; and

WHEREAS, the City will finance the total Purchase Price through Real Lease, Inc. of Pittsford, New York for a period of 60 months, at a monthly payment of \$1,452.83, at 4.66% interest and pursuant to such other terms and conditions in a Municipal Lease Purchase Proposal which is attached hereto as Exhibit "B"; and

WHEREAS, at the end of the 60 month payment period, the City will be the full title owner of the Equipment; and

WHEREAS, City Council approves the lease/purchase of the Equipment.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF HARRISBURG, that the lease/purchase of a new Case 580 SN Loader Backhoe from Groff Tractor and Equipment, Inc. of Mechanicsburg, Pennsylvania is hereby approved.

BE IT FURTHER RESOLVED that the Mayor, Controller, and other appropriate City officials are authorized to take all steps necessary to effectuate the purpose of this Resolution.

I second this resolution: 

Passed the City Council October 14 2014

Wanda K. Williams

President of City Council

[Signature]

City Clerk

YEAS		NAYS
	MR. ALLATT	
	MR. BALTIMORE	
	MS. DANIELS	
	MR. KOPLINSKI	
	MS. REID	
	MS. WILSON	
	MRS. WILLIAMS	
Yeas	<u>7</u>	
Nays	<u>0</u>	

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Exhibit “A”



Your #1 Source for Everything Under Construction

TRACTOR & EQUIPMENT, INC.

City of Harrisburg
Public Works

June 9, 2014

Deputy Director David West

We are pleased to quote a **NEW CASE 580 SUPER N LOADER BACKHOE** with the following specifications:

- Cab with Heat & Air/ 1 Door
- Radio
- 4 Wheel Drive
- Mechanical Suspension Seat w/ Armrest
- Pilot Controls with Power Lift
- S-Type Power Shift Transmission
- Extendedahoe
- Single Acting Auxiliary Hydraulics
- Combo Flip Over Stabilizer Pads
- Auto Ride Control
- Toolbox
- 4 Corner Strobe Lights
- Dual Batteries (Cold Weather Package)
- 82" Loader Bucket w/ Bolt on Edge
- 24" Heavy Duty Dirt Bucket
- All other Standard Equipment Included
- 1 Year / 1000 Hr Full Machine Warranty/ 2 Year / 2000 Hr Powertrain Warranty

LIST PRICE: \$ 153,829

DGS DISCOUNT (40%): - \$ 61,531.60

ADDITIONAL DISCOUNT: - \$ 8,547.40

TRADE VALUE OF CASE 580k: - \$ 6,500

NET PRICE: \$ 77,250

Thank you for the opportunity to quote your equipment needs.

Ron Caruso
717-443-2948

MECHANICSBURG
6779 Carlisle Pike
Mechanicsburg, PA 17050
(717) 766-7671
(717) 766-1580 (f)

EPHRATA
20 Stauffer Lane
Ephrata, PA 17522
(717) 738-0220
(717) 738-4317 (f)

STATE COLLEGE
210 Rolling Ridge rd
Bellefonte, PA 16823
(814) 353-8400
(814) 353-8403 (f)

CRANBERRY TWP
100 Smith Drive
Cran. Twp, PA 16066
(724) 898-1535
(724) 898-1540 (f)

NEW STANTON
963 S. Center Ave
New Stanton, PA 15672
(724) 755-0124
(724) 755-0128 (f)

EBENSBURG
4355 Adm Peary Hwy
Ebensburg, PA 15931
(814) 472-7300
(814) 472-7303 (f)

FREDERICK
5859 Urbana Pike
Frederick, MD 21704
(301) 663-3185
(301) 662-8929 (f)

Exhibit “B”



BUSINESS | MUNICIPAL | ENERGY
1200 Pittsford-Victor Road
Pittsford, NY 14534
Phone: (585) 419-9190 / Fax: (585) 419-9110
www.RealLease.com

September 11, 2014

City of Harrisburg
10 North Street
Harrisburg, PA 17101

Dear:

Real Lease, Inc. is pleased to present the following Municipal Lease Purchase Proposal for the City of Harrisburg. Approval of this commitment by the City of Harrisburg shall constitute the City of Harrisburg application to Real Lease, Inc. The terms and provisions are subject to Lessor's cost and availability of funds, acceptance, and approval of management of Lessor and are pursuant to the following terms and conditions.

LESSOR: Real Lease, Inc. ("RLI") its affiliates, assigns or nominees

LESSEE: City of Harrisburg

EQUIPMENT: New Case 580 SN Loader Backhoe.

EQUIPMENT COST: It is anticipated that the total cost of the equipment will not exceed \$77,425.00. This amount includes a cost of issuance for the amount of \$175.00

LEASE PAYMENT & TERM: Sixty (60) monthly lease payments of \$1,452.83 each. Current municipal rate is 4.66%.

RATE: The preceding costs are estimates, and thus, the payment amount would be changed in proportion to the actual cost – (Equipment Cost x Lease Factor). Proposed Lease payments are inclusive of all lease origination and filing fees. Lessor will pay the vendor the purchase price of the equipment upon the Lessee's acceptance of the equipment.

INDEX:

The quotes provided in this Commitment are firm until **September 26, 2014** unless extended in writing by Real Lease, Inc. At that time the quote will be adjusted in conjunction with the corresponding Treasury instruments as published in the Wall Street Journal and SWAPS as published in the H-15 Report. The municipal rate is a function of Lease Term, Date(s), Equipment Cost and Lease Factor. The municipal rate may fluctuate up or down based on changes to these variables.

OPTION AT LEASE
EXPIRATION:

At the lease expiration, the Lessee, shall have the right to purchase the equipment for one dollar (\$1.00), assuming the lease is not in default and all terms and conditions of the lease have been met.

NET LEASE:

This lease will be a net lease transaction with maintenance and acceptable insurance coverage the responsibility of the Lessee.

Lessor is in compliance with all necessary regulations to implement a financing of this type. Our financing allows the Lessee to select, at its option, the best and lowest cost equipment for its needs from any vendor, while providing the Lessee with financial, legal and tax experience necessary to implement this financing in a prompt, efficient and cost effective manner.

We appreciate the opportunity to provide lease financing for your upcoming equipment needs and look forward to working with you in the future. If the foregoing meets with your approval, please sign the acceptance below and return it to me evidencing your acknowledgment of such acceptance. If you should have any questions or would like further information, please do not hesitate to call me at (585) 419-7913.

Very truly yours,

Michael Ruocco

Michael Ruocco
Vice President & Municipal Program Manager

ACCEPTANCE

We hereby approve the leasing Commitment as presented in the above letter. The foregoing is acknowledged and accepted as of the ____ day of _____, 2014.

City of Harrisburg

BY: _____

TITLE: _____

BY: _____

TITLE: _____

