

# City of Monticello, Iowa

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Posted on March 05, 2019 at 2:00 p.m.

Monticello City Council Special Meeting March 06, 2019 @ 5:15 p.m.  
Monticello Renaissance Center, 220 E. 1<sup>st</sup> Street, Monticello, Iowa

<b>Mayor:</b>	Brian Wolken	<b>City Administrator:</b>	Doug Herman
<b>City Council:</b>		<b>Staff:</b>	
<b>At Large:</b>	Dave Goedken	<b>City Clerk/Treas.:</b>	Sally Hinrichsen
<b>At Large:</b>	Brenda Hanken	<b>Public Works Dir.:</b>	Brant LaGrange
<b>Ward #1:</b>	Rob Paulson	<b>City Engineer:</b>	Patrick Schwickerath
<b>Ward #2:</b>	Johnny Russ, Mayor Pro Tem	<b>Police Chief:</b>	Britt Smith
<b>Ward #3:</b>	Chris Lux	<b>Ambulance Dir.:</b>	Dawn Brus
<b>Ward #4:</b>	Tom Yeoman		

- **Call to Order – 5:15 P.M.**
- Pledge of Allegiance
- Roll Call
- Agenda Addition/Agenda Approval

## **Resolutions:**

1. **Resolution** to approve purchase of Backhoe for City of Monticello Public Works Dpt. (Clarifying action and desires of Council based upon new information received after March 4<sup>th</sup> meeting.)

**Adjournment:** Pursuant to §21.4(2) of the Code of Iowa, the City has the right to amend this agenda up until 24 hours before the posted meeting time.

City Council Meeting  
Prep. Date: 03/05/19  
Preparer: Doug Herman



Agenda Item:  
Agenda Date: 03/06/2019  
(Special Meeting)

**Agenda Items Description:** Resolution to approve purchase of backhoe for Public Works Dpt. and consideration of extended warranty.

**Type of Action Requested:** Motion; **Resolution;** Ordinance; Report; Public Hearing; Closed Session

**Attachments & Enclosures:**

Proposed Resolution
Warranty Information

**Fiscal Impact:**

Budget Line Item:	
Budget Summary:	Streets
Expenditure:	\$55,000 (Plus Ext. Warranty)
Revenue:	

**Synopsis:** The Council approved of the purchase of a backhoe at the March 4<sup>th</sup> meeting, however, inaccurate information was provided with regard to the warranty. This meeting will clarify terms and give Council an opportunity to reconsider purchase and warranty information

**Background Information:** The backhoe agreed to be purchased would replace the existing 2008 backhoe. During the March 4<sup>th</sup> meeting I informed the Council that it came with a 4 year warranty. The Council authorized the purchase with the condition that a 5<sup>th</sup> year of warranty be added.

After visiting with Greg Kromminga, Kromminga Motors, this morning he corrected me, informing me that there was a two year warranty. He then later corrected that, informing me that there was a one year warranty. We discussed extended warranties and we could purchase a two year extended bumper to bumper warranty with a zero deductible for \$2,791. There were other extended warranty options but of all the options it was pretty clear that this was the only option that made sense. For this extra fee we would have a full warranty for three years as opposed to one year.

Due to the fact that those differences are material in nature I wanted to schedule a very short Special Meeting to reconsider this issue. Mayor Wolken agreed to the scheduling of the meeting and this will be the only issue on the agenda. (The Mayor, Tom, Dave, and Chris will all be meeting with me tomorrow, upon the conclusion of this special meeting, to discuss the PW Director position as well.)

**Staff Recommendation:** I recommend that the Council reaffirm their decision to purchase the new backhoe and determine whether or not the extended warranty should be purchased.

# The City of Monticello, Iowa

IN THE NAME AND BY THE AUTHORITY OF THE CITY OF MONTICELLO,  
IOWA

RESOLUTION #19-

**Approving Purchase of "New Holland" backhoe from Kromminga Motors.**

**WHEREAS,** The City of Monticello City Council authorized the purchase of a new backhoe by Resolution #19-\_\_ on March 04, 2019, and

**WHEREAS,** The Resolution as approved indicated that the backhoe came with a four (4) year warranty which was thereafter determined to be inaccurate, the backhoe coming with a one (1) year warranty, and

**WHEREAS,** An additional "bumper to bumper" two (2) year warranty with no deductible can be purchased for the sum of \$2,791.00, and

**WHEREAS,** The City Council finds that the approval of the Backhoe purchase should be confirmed by this Resolution with the extended warranty to be purchased not be purchased

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of Monticello, Iowa does hereby reconfirm the prior approval of the purchase of a new 2015 New Holland Tractor - Loader Backhoe Model B95C TC T4, from Kromminga Motors as approved by Resolution 19-\_\_ and further approves the purchase of an extended two year warranty at a cost of \$2,791.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and caused the Great Seal of the City of Monticello, Iowa to be affixed hereto.  
Done this 6<sup>th</sup> day of March, 2019.

\_\_\_\_\_  
Brian Wolken, Mayor

Attest:

\_\_\_\_\_  
Sally Hinrichsen, Monticello City Clerk



**NEW HOLLAND CONSTRUCTION PROTECTION PLAN QUOTE**

**Quote #: 3788795**

**2015 NEW HOLLAND CONSTRUCTION LOADER BACKHOE B95C**

**Quote Date: March 5, 2019**

**MFR Base Warranty Start Date: 3/15/2019**

**Current Machine Hours: 0**

**Equipment Retail Value: \$85,000**

**Plan Type: New**

**Equipment Usage: Commercial**

**Salesperson: Greg Kromminga**

**Customer Name: city of Monticello**

**Quote Category: Commercial**

**Note: The Protection Period shown includes the Manufacturer's base warranty period. Amounts shown below are in \$USD.**

<b>Protection Period/Plan Option</b>	<b>Cost</b>	<b>Deductible</b>
36 / 3000 (Premier)	\$2,791.00	\$0.00

This plan is eligible for mileage reimbursement. Mileage will be reimbursed at \$1.50 per mile up to a maximum of 150 miles per occurrence and will have a \$300 aggregate contract limit. Mileage reimbursement is subject to deductible requirements.

**Quotes are valid for the following periods(whichever occurs first):**

- **30 days**
- **Expiration of the Manufacturer's Base Warranty Period**
- **Expiration of any existing PPP Contract**

This literature is descriptive only. The precise protection afforded is subject to the terms, conditions and exclusions of the contract as issued. Program participation is subject to customer credit qualification and/or other underwriting requirements. Programs may be changed or cancelled without notice. Capitalized terms used in this literature, unless defined herein, have the meanings assigned to them in the contract as issued.

## PURCHASED PROTECTION PLAN MASTER PARTS SCHEDULE

This Plan excludes protection for any component that is not listed on the "Master Parts Schedule", including any resulting or consequential damage to a "covered component" that is caused by or results from the failure of a component not listed on the Master Parts Schedule, for the Plan Option selected. In the event of an eligible failure, the deductible selected for any New Equipment Purchased Protection Plan will be applied to each eligible failure. Please see the Terms and Conditions document, as issued, for complete Plan details. Note: Dealer installed options are not eligible for reimbursement.

### CONSTRUCTION EQUIPMENT

#### New Equipment Plans

#### PREMIER PLAN OPTION COVERED COMPONENTS

ENGINE	COMPACTION/PAVING EQUIPMENT	TRANSMISSION/AXLES/HYDROSTATICS
<ul style="list-style-type: none"> <li>- Air Intake Hose</li> <li>- Accessory Gears</li> <li>- Camshaft</li> <li>- Camshaft Bearings</li> <li>- Camshaft Drive Gear</li> <li>- Connecting Rods &amp; Bearings</li> <li>- Crankshaft Bearings &amp; Gear</li> <li>- Crankshaft Including Front and Rear Crankshaft Seals</li> <li>- Cylinder Heads/Head Gaskets</li> <li>- Cylinder Liners</li> <li>- Engine Block</li> <li>- Engine Oil Cooler</li> <li>- Engine Mounts And Supports</li> <li>- Engine Speed Controls.</li> <li>- Linkages, and Cables</li> <li>- Fan And Fan Drive</li> <li>- Filter Mount</li> <li>- Flywheel, Ring Gear</li> <li>- Front &amp; Rear Engine Covers and Seals</li> <li>- Front Damper</li> <li>- Fuel Lines</li> <li>- Fuel Tank</li> <li>- Muffler (excludes exhaust piping)</li> <li>- Oil Filler Tube</li> <li>- Oil Lines &amp; Hoses</li> <li>- Oil Pan &amp; Gaskets</li> <li>- Oil Pump</li> <li>- Pistons &amp; Rings</li> <li>- Pulleys</li> <li>- Pressure/Temperature Sensors &amp; Sending Units</li> </ul>	<ul style="list-style-type: none"> <li>- Radiator (excludes coolant reservoir/recovery tank)</li> <li>- Rocker Arm Assembly</li> <li>- Thermostats</li> <li>- Timing Gears</li> <li>- Valve Cover and Gasket</li> <li>- Water Piping (excludes hoses)</li> <li>- Water Pumps</li> <li>- .. and all internally lubricated parts within the above systems</li> <li> </li> <li style="text-align: center;"><b>Components Covered after Emission Warranty...</b></li> <li>- Catalytic Converter</li> <li>- Charge Air Cooler</li> <li>- Cold Start Enrichment Systems</li> <li>- Diesel Particulate Filter</li> <li>- Diesel Exhaust Fluid Tank and Dispensing System</li> <li>- Electronic Engine Control Module</li> <li>- EGR System Manifold</li> <li>- Injection Pump</li> <li>- Intake and Exhaust Manifold and Gaskets</li> <li>- Selective Catalytic Reduction System</li> <li>- Turbocharger and Gasket</li> <li>- Sensors, Solenoids &amp; Wiring</li> <li>- Harnesses used in these systems</li> <li>- Fuel Transfer Pump &amp; Gasket</li> </ul>	<ul style="list-style-type: none"> <li>- Eccentric Mechanism &amp; Bearings</li> <li>- Drum Seals</li> <li>- Propulsion System Hydraulic Components</li> <li>- Pump Drive</li> <li>- Reduction Unit</li> <li>- Splitter Box</li> <li>- Torque Hubs</li> <li>- Vibration System Hydraulic Components</li> <li> </li> <li>- Axle Housing</li> <li>- Axle Shaft</li> <li>- Clutch Discs(Wet Only)</li> <li>- Clutch Plates (Wet Only)</li> <li>- Control Rods</li> <li>- Counter Shaft Clutch</li> <li>- Differential Housing</li> <li>- Differential Pinion Gear/Ring Gear</li> <li>- Drive Axle Hub</li> <li>- Drive Shaft with Universal Joints</li> <li>- Drive Shaft Support Bearing</li> <li>- Electronic Transmission Controller and Valve</li> <li>- Enclosed Oil Immersed Chains and Sprockets</li> <li>- External Oil Lines</li> <li>- Filler Tubes (Transmission)</li> <li>- Final Drive Pinion</li> <li>- Final Drive Planetary Gears</li> <li>- Front Wheel Drive Sensors</li> <li>- Hydraulic Drive/Travel Motor</li> <li>- Hydraulic Drive Pump</li> <li>- Hydraulic Transmission-Control Valve</li> <li>- Hydrostatic /Hydraulic Pump Drives</li> <li>- Hydrostatic Motor</li> <li>- Hydrostatic Transmission Charge Pump</li> <li>- Hydrostatic Transmission Pump</li> <li>- Internal Lubricated Clutch Housings</li> <li> </li> <li>- Internal Transmission Control Linkage</li> <li>- Internal Wet Service Brakes</li> <li>- MFWD Axle/Differential Assembly including Driveshaft and U Joint</li> <li>- Planetary Gear Carrier</li> <li>- Pneumatic Valves</li> <li>- Rotary Hydraulic Manifold</li> <li>- Splitter Drive/Drop Box</li> <li>- Swing Motor and Swing Gear Box</li> <li>- Turntable Bearing</li> <li>- Torque Converter</li> <li>- Torque Converter Pump</li> <li>- Transfer Drive</li> <li>- Transmission Case</li> <li>- Transmission Gears, Bearings &amp; Shafts</li> <li>- Transmission Pump</li> <li>- Travel Control Valve</li> <li>- Travel &amp; Swing Sections (only) of Main Control Valve</li> <li>- Wet Steering Clutches</li> <li>- Undercarriage Roller And Idler Seals And Bearings</li> <li>- Undercarriage Tensioners</li> <li> </li> <li style="text-align: center;"><b>UNDERCARRIAGE EXCLUSIONS:</b> Sprocket, Tracks Pads, Bolts, Chains, Or Any Failure Due to Wear, Or Breakage Caused by Wear</li> </ul>

HYDRAULICS	FACTORY INSTALLED HEAT AND AIR CONDITIONING
<ul style="list-style-type: none"> <li>- Accumulator And Related Relief Valve</li> <li>- Brake Accumulator</li> <li>- Brake Pressure Sensor</li> <li>- Brake Pump, Brake Valve</li> <li>- Differential Lock Valve</li> <li>- Fan Pumps And Motors</li> <li>- Hydraulic Cylinders</li> <li>- Hydraulic Hoses and Piping</li> </ul>	<ul style="list-style-type: none"> <li>- Accumulator</li> <li>- Clutch</li> <li>- Compressor</li> <li>- Condenser</li> <li>- Dryer</li> <li>- Evaporator</li> <li> </li> <li>- Expansion Valve</li> <li>- Heater Core</li> <li>- Hoses and Lines (excludes fittings)</li> <li>- Pulley</li> <li>- Seals &amp; Gaskets</li> <li>- Temperature Control Programmers and Valves</li> </ul>

ELECTRICAL	STRUCTURAL
<ul style="list-style-type: none"> <li>- Alternator</li> <li>- Gauges</li> <li>- Horn</li> <li>- Indicators</li> <li>- Instruments</li> <li>- Electronic Joysticks</li> <li>- Electric Motors</li> <li> </li> <li>- Sensors</li> <li>- Solenoid Valves</li> <li>- Starter and Starter Solenoid</li> <li>- Switches</li> <li>- Traction Control System</li> <li>- Voltage Regulator</li> <li>- Wiring Harnesses</li> <li> </li> <li style="text-align: center;"><small>WIRING HARNESS EXCLUSIONS: Rubbing, Chafing, Loose or Corroded Connections</small></li> </ul>	<ul style="list-style-type: none"> <li>- Backhoe Main Boom</li> <li>- Standard Backhoe Dipper Stick</li> <li>- Inner Dipper of the Extendable Arm</li> <li>- Excavator Dipper Stick</li> <li>- Excavator Booms</li> <li>- Wheel Loader/Skid Steer Loader Arms (excludes links and attachment plate)</li> </ul>

**PREMIER EXCLUSIONS**

Filters, Belts, Lubricants, Antifreeze, Burnt And/Or Pitted Valves, Breathers, Batteries, Loose/Broken bolts, Gas Struts, Electrical Components Not Listed Above, External Hydraulic Seals, Dry Clutches, External O-Rings And Bonded Washers, Hydraulic Quick Couplers, Hose Chafing, and Adjustments

**STAND-ALONE LEAKS MUST BE PRE-APPROVED BY THE PROGRAM ADMINISTRATOR AND WILL REQUIRE PRE-PHOTOS**

Internal oil seals/gaskets leaking which cause either the need for regular topping up of lubricant between regular service intervals, or a sudden escape of lubricant, may be covered. Internal oil seals/gaskets are oil seals/gaskets which are internal to the machine and do not have a face to the outside air.

External oil seals/gaskets that has oil escaping from an eligible reservoir, sump, housing or gearbox, where the correct level cannot be maintained to ensure proper operation, has developed a drip/run that reaches the ground, will damage surrounding components, or puddle in/on the machine, may be covered so long as the leak is an internal seal/gasket failure and cannot be attributed to wear or contamination. External oil seals/gaskets have an external face and are susceptible to wear and contamination damage. External oil seals/gaskets leaking but not requiring regular topping up of lubricant between regular service intervals, and which are found at service inspection, and have not been previously reported as a fault by the client, are not covered.

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Customer Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Dealer Signature: \_\_\_\_\_ Date: \_\_\_\_\_

# PHYSICAL DAMAGE INSURANCE AND PURCHASED PROTECTION PLAN

## AUTHORIZATION FORM (U.S. ONLY)

Customer Name: \_\_\_\_\_ Equipment Selling Price: \_\_\_\_\_

Make: \_\_\_\_\_ Model: \_\_\_\_\_ S/N: \_\_\_\_\_

### PHYSICAL DAMAGE INSURANCE (POI)

Provides coverage to repair or replace insured equipment in the event of direct physical loss or damage.

*Yes, I'm interested in purchasing Physical Damage Insurance underwritten by Wesco Insurance Company.*

# of months: \_\_\_\_\_ Deductible: \$ \_\_\_\_\_ Total Premium: \$ \_\_\_\_\_

*No, I'm not interested in purchasing Physical Damage Insurance coverage.*

Customer Signature: \_\_\_\_\_ Date: \_\_\_\_\_

### PURCHASED PROTECTION PLAN (PPP)

Helps protect eligible equipment beyond the Manufacturer's Base Warranty Period, and is recommended but is not required.

**New Equipment Plans** are available for Protection Periods of up to 60 total months or 7,500 total machine hours, including the Manufacturer's Base Warranty Period.

**Used Equipment Plans** are available for Protection Periods of up to 36 months or 6,000 machine hours for equipment that is beyond the Manufacturer's Base Warranty Period.

*Yes, I'm interested in purchasing the Purchased Protection Plan \_\_\_\_\_ option.*

PT-PP-PT-11 (Rev. 1/2016)

#### New Equipment Plan:

\_\_\_\_\_ Total Months or \_\_\_\_\_ Total Machine hours, whichever occurs first. PPP Cost: \$ \_\_\_\_\_

*Note: The total months and total machine hours selected include the Manufacturer's Base Warranty Period.*

#### Used Equipment Plan:

\_\_\_\_\_ Months or \_\_\_\_\_ Machine hours, whichever occurs first. PPP Cost: \$ \_\_\_\_\_

*Note: The number of months and machine hours selected commence on the PPP Plan Effective Date.*

*No, I'm not interested in purchasing protection beyond the Manufacturer's Base Warranty Period.*

Customer Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Dealer Name: \_\_\_\_\_ Dealer#/App#: \_\_\_\_\_ Salesperson: \_\_\_\_\_

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Form #50006 07/2016

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