

RESOLUTION NO. 24-22

A RESOLUTION APPROVING THE SALE AND LEASE-BACK OF A 2018 VACTOR

WHEREAS, the Village of Chatham (“Village”) is an Illinois Municipal Corporation existing and operating under the Illinois Municipal Code and the laws of the State of Illinois; and

WHEREAS, the Village currently leases a 2018 Vactor vacuum system mounted on a heavy duty chassis; and,

WHEREAS, the lease is nearing its end and the final balloon payment for the 2018 Vactor will come due on May 1, 2022, at which time the Village will obtain title to the 2018 Vactor; and,

WHEREAS, the Village is interested in purchasing a new 2023 HXX Single Engine Hydro Excavation Machine with Positive Displacement Vacuum System Mounted on a Heavy Duty Truck Chassis with an option to purchase to replace its 2018 Vactor; and,

WHEREAS, Village solicited quotations for such vehicle through Sourcewell; and,

WHEREAS, Coe Equipment, Inc. submitted a bid for a total of \$411,286.69 which included Coe Equipment paying the Village’s final balloon payment on the 2018 Vactor of \$179,700.00 to purchase the Village’s 2018 Vactor as further set forth below:

Factory Price:	\$366,653.75
2023 IH HV607 6x4 SBA Chassis:	\$105,056.00
Sourcewell Member Discount ID# 61766:	-\$37,173.06
Subtotal:	\$434,536.69
Additional Trade-In Value for 2016 Vactor SN 17-05V-16741:	-\$30,000.00
Proposal Note #6 - 2016 Vactor Rental:	\$6,750.00
Subtotal with Trade and 2016 Vactor Rental:	\$411,286.69

WHEREAS, it will take Coe Equipment, Inc. between 9 and 12 months to obtain and outfit the 2023 Machine; and,

WHEREAS, Coe Equipment has agreed to purchase the Village's 2018 Vector and lease it back to the Village at the cost of its monthly interest on the balloon payment loan, not to exceed \$750 per month and estimated to be not more than \$6,750 total, until the 2023 Truck can be delivered to the Village, with an estimated delivery date between 9 and 12 months; and,

WHEREAS, the parties have memorialized the terms of this agreement in the Sale and Leaseback Agreement attached hereto as **Exhibit A**; and,

WHEREAS, the Village Board of Trustees has determined it to be in the best interest of the Village to enter into the Sale and Leaseback Agreement attached hereto.

NOW THEREFORE, BE IT RESOLVED by the President and Board of Trustees of the Village of Chatham, Sangamon County, Illinois, as follows:

Section 1. Recitals. The foregoing recitals shall be and are hereby incorporated into and made a part of this Resolution as if fully set forth in this Section 1.

Section 2. Approval of Purchase. The Village Board of Trustees hereby approves the Agreement with Coe Equipment for the sale of the 2018 Vector and leaseback of same as attached hereto as **Exhibit A**.

Section 3. Effective Date. This Resolution shall be in full force and effect from and after its passage and approval.

	AYE	NAY	ABSTAIN	ABSENT
KRISTEN CHIARO	✓			
ANDREW DETMERS	✓			
MEREDITH FERGUSON				✓
JOHN FLETCHER	✓			
BRETT GERGER	✓			
TIM NICE	✓			
DAVE KIMSEY				

TOTAL	5	-	-	1

APPROVED by the President of the Village of Chatham, Illinois this 26 day of April, 2022.



Dave Kimsey, Village President

Attest:



Dan Holden, Village Clerk

EXHIBIT A
Agreement with Coe Equipment, Inc.

SALE AND LEASEBACK AGREEMENT

This SALE AND LEASEBACK AGREEMENT (the "**Agreement**"), is entered into on April **27**, 2022, by and between the Village of Chatham, Illinois, an Illinois municipal corporation, ("**Seller**" or "**Village**"), and Coe Equipment, Inc., 5953 Cherry St. Rochester, IL 62563 ("**Purchaser**" or "**Coe**") (each, a "**Party**" and collectively, the "**Parties**").

Background

A. Seller currently has one balloon payment left on its 2016 Vactor SN 17-05V-16741 ("**2018 Vactor**") in the amount of \$179,700.00 due May 1, 2022. Coe has presented a proposal to the Village for a 2023 Single Engine Hydro Excavation Machine with Positive Displacement Vacuum System Mounted on a Heavy Duty Chassis ("**2023 Machine**") which, among other things, includes the Village agreeing to transfer and assign, and Coe agreeing to assume from the Village, the Village's 2018 Vactor; and Coe has agreed to lease said 2018 Vactor back to the Village while the 2023 Machine is built and outfitted. To consummate this transaction, Coe has agreed to make the final balloon payment on the 2018 Vactor for the Village, to take ownership of the 2018 Vactor, lease it back to the Village at an approximate cost of \$750.00 per month not to exceed \$6,750.00 total, and provide the Village a \$30,000.00 trade in credit on its 2023 Machine. This Agreement is intended to supplement Quote Number 2021-39922 dated March 14, 2022 provided by Coe to the Village.

Agreement

In consideration of the foregoing background which is incorporated by this reference, and in consideration of the mutual covenants and provisions set forth in this Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto covenant and agree as follows:

1. **Final Balloon Payment.** Coe agrees to pay the final balloon payment of \$179,700.00 to BB Community Leasing Services on or before May 1, 2022, on behalf of the Village for the 2018 Vactor.

2. **Assignment and Bill of Sale.** Seller does hereby grant, bargain, transfer, sell, assign, convey, alienate, remise, release, set over and deliver ("**Transfer**") to and unto Purchaser, its successors and assigns, all of its current and future right, title and interest in and to the 2018 Vactor, and Purchaser hereby accepts such Transfer. Coe shall provide a trade-in value of the 2018 Vactor of \$30,000.00 to be applied to the purchase price of the 2023 Machine.

3. **Leaseback.** Purchaser hereby agrees to lease the 2018 Vactor to the Seller for \$750.00 per month and agrees that the lease will remain in effect until Purchaser delivers the 2023 Machine to Seller or upon 30 days written notice of termination delivered by Seller to Purchaser.

4. **Consents and Approvals; No Violation.** Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will violate any provision of the Illinois Municipal Code or the Village Ordinances, or, to the best knowledge of the Parties, violate, or conflict with, or constitute a default (or constitute an event which, with notice or lapse of time or both, would constitute a default) under, or as of closing give rise to any right of termination, cancellation or acceleration under, any note, bond, mortgage, indenture, license, agreement, lease or other instrument or obligation to which either Party is a party or by

which it or the 2018 Vactor or 2023 Machine may be bound, or violate any statute or law or any judgment, decree, order, regulation or rule of any court or governmental body.

5. **Title to Assets; Encumbrances; Condition.** Seller has, or will have at the time of Transfer, good and marketable title to the 2018 Vactor, and Seller's interest therein as owner of the 2018 Vactor will be transferred free of existing liens and encumbrances.

6. **Governing Law.** This Agreement shall be governed by and construed in accordance with the domestic Laws of the State of Illinois without giving effect to any choice or conflict of Law provision or rule that would cause the application of the Laws of any jurisdiction other than the State of Illinois.

7. **Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. No party hereto may assign either this Agreement or any of his, her, or its rights, interests, or obligations hereunder without the prior written approval of the other party hereto.

8. **Amendment and Waivers.** No amendment or waiver of any provision of this Agreement shall be valid unless the same shall be in writing and signed by each of the parties hereto. No waiver by any party of any default, misrepresentation, or breach of warranty or covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

9. **Further Assurances.** In case any further action is necessary or desirable to carry out the purposes of this Agreement, each of the parties hereto will use commercially reasonable efforts to take, or cause to be taken or do, or cause to be done, such further action (including the execution and delivery of such further instruments and documents) as any other party may reasonably request.


10. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument. Any counterpart signature page delivered by electronic means or by facsimile transmission shall be deemed to have the same force and effect as an originally executed signature page.

[SIGNATURE PAGE FOLLOWS]

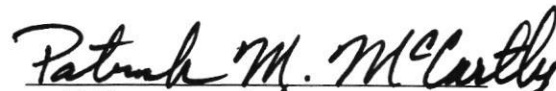
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IN WITNESS WHEREOF, intending to be legally bound, the following parties hereto have executed this Agreement as of the day and year first above written.

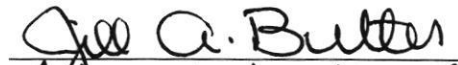
COE EQUIPMENT, INC.

By: 
Its: Treasurer
Scott Ostrowsky

VILLAGE OF CHATHAM

By: 
Its: Village Manager

ATTEST:

By: 
Its: Administrative Asst.