



CITY OF WASHINGTON, ILLINOIS

City Council Agenda Communication

Meeting Date: May 16th, 2022

Prepared By: Brian Rittenhouse – Public Works Director

Agenda Item: Additional Purchase Authorization for Surcharge – LIN-23 Plow Truck.

Explanation: As you may recall on April 4th, 2022, the City Council approved the purchase of the Western Star Chassis in the amount of \$107,217.00. Since the time of the approval, Staff has been notified that there is an additional surcharge that applies as explained in the attached letter. As such, the total amount of the plow truck chassis is now \$113,017.00.

Fiscal Impact: Surcharge of \$5,800.00 bringing the total to \$113,017.00

Recommendation: Staff recommends authorization of additional surcharge.

Action Requested: Authorization for additional surcharge of \$5,800.00 for a total approval of 113,017.00 for the Plow Truck Chassis as a consent agenda item.

DAIMLER TRUCK

North America

April 19, 2022

To: All Freightliner & Western Star Dealers (US/CAN)

Subject: CY22/MY23 Pricing Surcharge Update – Freightliner & Western Star

Dear Dealer Partners,

As discussed with you yesterday, the continued challenging global and domestic economic conditions have made it necessary for Daimler Truck North America (DTNA) to implement an additional pricing surcharge on all MY23 Freightliner & Western Star trucks (details below). Increases are in addition to the \$2,900 - \$4,500 Total MY23 Surcharge announced in December 2021 for CY22/MY23 units.

This new surcharge will be applied on CY22 units with a schedule build date starting May 30th, 2022. Units with a schedule build date on or before May 29th, 2022 are price protected and will not be impacted by the newly updated surcharge.

DTNA is committed to release MY24 Pricing in Q3/2022.

Below are the updated Model Year 2023 Pricing Surcharge Details:

Values in USD

Models	Total MY23 Surcharge (as of January 1 st , 2022)	Additional Surcharge	Total MY23 Surcharge As of May 30 th **, 2022
Cascadia*/5700	\$4,200	\$5,700	\$9,900
4700/47X/4900/49X/122SD/6900	\$4,500	\$5,800	\$10,300
M2106/112 & 108/114SD	\$2,900	\$3,800	\$6,700

**Includes eCascadia*

*** Indicates schedule build date*

- The Total MY23 Surcharge fee applies to all units included in your CY22 Dealer Reservation System plan, including both Program and Concession reservations with a schedule build date of May 30th, 2022 or after.
- The total non-discountable surcharge will be presented as a single line item on the truck invoice.
- Dealers are responsible to update and include Total MY23 Surcharge on all current and future quotes for CY22/MY23.
- Total MY23 Surcharge is in addition to all previous CY22 Surcharges announced by DTNA including FCCC for the Tire Surcharge, DD13 Gen 5, CARB22, Standard Destination & Freight, etc.

Order Cancellation Guidelines:

- Entire backlog beginning 05/30 is cancellable until April 29th, 2022 (program and concession). This includes units inside the standard 90 day window from schedule build date.
- After April 29th, 2022 standard cancellation policies apply:
 - Program trucks are non-cancellable.
 - Cancellations will only be accepted outside of 90 days from schedule build date.
 - Q3 cancellations required by 5/31, Q4 cancellations required by 7/1.
 - All reorders required by 7/1 (CY22 closeout date).
 - Plans must be modified to reflect all cancellations and reorders.

- Cancelled orders will not result in plan volume forfeitures. All cancelled units (regardless of plan quarter) will be returned to dealer plans in their Q4 volumes and can be reordered as necessary. Concession for concession and program for program cancellation-reorder requirements still apply.
 - Per standard cancellation policy, all Top 50 cancellations cannot be repurposed and will revert back to DTNA.

John O'Leary
President & CEO

David Carson
SVP Sales & Marketing

Prepared for:
Kevin Schone
WASHINGTON CITY OF
301 Walnut St
Washington, IL 61571
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Prepared by:
Randy Janssen
TRUCK CENTERS, INC.
300 E. ASHLAND ST.
MORTON, IL 61550
Phone: 309-263-4240

Q U O T A T I O N

WESTERN STAR 47X

SET FORWARD AXLE - TRUCK
CUM L9 330 HP @ 2200 RPM; 2200 GOV RPM, 1000 LB-
FT @ 1200 RPM
ALLISON 3000 RDS AUTOMATIC TRANSMISSION WITH
PTO PROVISION
RS-23-160 23,000# R-SERIES SINGLE REAR AXLE
23,000# FLAT LEAF SPRING REAR SUSPENSION WITH
HELPER AND RADIUS ROD

DETROIT DA-F-16.0-5 16,000# FL1 71.0 KPI/3.74 DROP
SINGLE FRONT AXLE
16,000# FLAT LEAF FRONT SUSPENSION
111 INCH BBC CONVENTIONAL ALUMINUM CAB
4690MM (185 INCH) WHEELBASE, SFA ONLY
13.0MM X 87.0MM X 311.0MM STEEL FRAME
(0.51X3.43X12.24 INCH) 120 KSI
1475MM (58 INCH) REAR FRAME OVERHANG

			PER UNIT		TOTAL
VEHICLE PRICE	TOTAL # OF UNITS (1)	\$	113,017	\$	113,017
EXTENDED WARRANTY		\$	0	\$	0
DEALER INSTALLED OPTIONS		\$	0	\$	0
CUSTOMER PRICE BEFORE TAX		\$	113,017	\$	113,017

TAXES AND FEES

TAXES AND FEES	\$	0	\$	0
OTHER CHARGES	\$	0	\$	0

TRADE-IN

TRADE-IN ALLOWANCE		\$	(0)	\$	(0)
BALANCE DUE	(LOCAL CURRENCY)	\$	113,017	\$	113,017

COMMENTS:

Projected delivery on ___ / ___ / ___ provided the order is received before ___ / ___ / ___.

APPROVAL:

Please indicate your acceptance of this quotation by signing below:

Customer: X _____ Date: ___ / ___ / ___.

Daimler Truck Financial

Financing that works for you.

See your local dealer for a competitive quote from Daimler Truck Financial, or contact us at Information@dtfoffers.com.

Daimler Truck Financial offers a variety of finance, lease and insurance solutions to fit your business needs. For more information about our products and services, visit our website at www.daimler-truckfinancial.com.

**CITY OF WASHINGTON**

301 Walnut Street
Washington, IL 61571
PH: (309) 444-3196
FAX: (309) 444-9779

PURCHASE ORDER**PO Number:** 22-00278**Date:** 04/06/2022**Requisition #:** REQ00302**Vendor #:** TRUCK CE

ISSUED TO: TRUCK CENTERS, INC
300 EAST ASHLAND STREET
MORTON, IL 61550-

SHIP TO: WASHINGTON CITY HALL
Attn: JOANIE BAXTER
301 WALNUT ST
WASHINGTON, IL 61571

ITEM	UNITS DESCRIPTION	GL ACCT #	PROJ ACCT #	PRICE	AMOUNT
1	1 LIN-23 PLOW TRUCK - WESTERN STAR CHASSIS APPR. BY CITY COUNCIL 4/4/2022	502-000-800-1500		107,217.00	107,217.00

SUBTOTAL:	107,217.00
TOTAL TAX:	0.00
SHIPPING:	0.00
TOTAL	107,217.00

Authorized by: _____

1. Original Invoice plus one copy must be sent to: City of Washington, 301 Walnut Street, Washington, IL 61571.
2. Payment may be expected within 30 days of receipt of goods and invoice.
3. C.O.D. shipment will not be accepted.
4. Purchase Order numbers must appear on all shipping containers, packing slips and invoices. Failure to comply with the above request may delay payment.
5. All goods are to be shipped F.O.B. Destination unless otherwise stated.
6. All materials and services are subject to approval based on the description on the face of the purchase order or appendages thereof. Substitutions are not permitted without approval of the Requesting Department. Material not approved will be returned at no cost to the City.
7. All goods and equipment must meet or exceed all necessary city, state and federal standards and regulations.
8. Vendor or manufacturer bears risk of loss or damage until property received and/or installed.
9. Seller acknowledges that the buyer is an equal opportunity employer. Seller will comply with all equal opportunity laws and regulations that are applicable to it as a supplier of the buyer.
10. The City is exempt from all federal excise and state tax - ID# E9993-0811-07

Purchasing Department (309) 444-3196 FAX: (309) 444-9779