

North Dakota Department of Transportation

INVITATION TO BID

NDDOT Contract # 50140357

Bid Number: 975-34-14-050-03	Bid Opening Date & Time: 02/25/2014 02:00 PM
Items: Construction Equipment Rental	Buyer: Marilyn Langehaug
Bid Mailing Address: 608 East Boulevard Avenue	Telephone Number: 701-328-4466
City, State, Zip: Bismarck, ND 58505-0700	Email: mlangehaug@nd.gov
Contract Period: 05/01/2014 TO 04/30/2015	Date Prepared: 02/06/2014

BID RESPONSE

Please submit your bid response on the attached forms in conformance with the instructions and specifications in the NDAC 04-12-01 – 04-12-16. One copy of your bid response must be returned to the North Dakota Department of Transportation (NDOT) prior to the time and date specified for the bid opening. Bid responses received after the time and day specified for the bid opening will be rejected. Mark envelope with word "BID" and the opening time and date. **If your bid response is accepted by NDDOT, then your bid response will constitute a binding contract.**

CONTRACT

This contract is made and entered into by and between NDDOT for the state of North Dakota (hereinafter state) and

Vendor Name Butler Machinery Company	Vendor Address PO Box 757 Bismarck, ND 58502
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(hereinafter vendor). In consideration of and for the acceptance by the state of the offer made by the vendor pursuant to the bid response, the vendor agrees and promises to sell, furnish, and deliver to the state, at the time, places, and prices specified in the bid response, all goods, merchandise, supplies, commodities, equipment, or other items contained in the bid response and for which the vendor has been awarded this contract by the state. The vendor shall fully perform this contract in accordance with the terms and conditions contained in the bid response including all specifications, rules, or regulations mentioned therein, and shall comply with all applicable provisions of the NDAC 04-12-01 – 04-12-16 promulgated by the State Purchasing Division; such manual being made a part of this contract by reference. The Risk Management Appendix and Civil Rights Appendix, both attached, are hereby incorporated into and made a part of this agreement.

The following must be completed by the vendor; failure to do so may result in the rejection of the vendors bid proposal.

Vendor Name Butler Machinery Company		
Mailing Address PO Box 757 Bismarck, ND 58502		
Telephone Number 701-250-1636	Fax Number 701-250-1608	E-mail Address lowellmalard@butler machinery.com

ROBERT JENSEN
Treasurer

Name & Title (Type or Print)

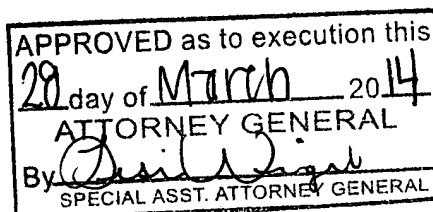
Robert Jensen, Treasurer
Signature

Date

To be signed by **Owner; Partner; Corp. Pres., Vice Pres., or other authorized Corp. Officer** or bid may be rejected. (if signed by other authorized Corp. Officer, please attach copy of Power of Attorney or other documentation showing authority to sign.)

FOR ND DEPARTMENT OF TRANSPORTATION USE ONLY Accepted by the state according to provisions of award.

Authorized Signature Grant Levi	Date 4/1/14
Recommended for approval <i>Mike Kiser</i>	Date 3-27-14
	Approximate contract amount \$62,700



CLA 7480 (Div. 50)



Butler Machinery Company

3401 33rd Street S
Fargo, ND 58104
701.232.0033 tel
701.298.1717 fax

April 25, 2012

To Whom It May Concern:

Please be advised that Robert L. Jensen, Treasurer is authorized to sign on behalf of North Central Rental and Leasing LLC and/or Butler Machinery Company. The officers on the Board of Directors for both North Central Rental and Leading and Butler Machinery Company are:

President: M. Dan Butler

Treasurer: Robert Jensen

Secretary: Twylah Blotsky

Please contact me at 701-298-1723 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Dan Butler".

M. Dan Butler
President

Butler Machinery Company and north Central Rental and Leasing LLC

OUR MISSION: To build long term relationships with our customers, founded on trust, generating mutual growth and success.

ABERDEEN | BISMARCK | DICKINSON | FARGO | GRAND FORKS | HANKINSON | HOOPLE | JAMESTOWN | MINOT | PIERRE | RAPID CITY | SIOUX FALLS

MAILING INSTRUCTIONS

Mail only one completed and signed request for bid document per envelope, unless instructed otherwise. Request for bid documents not signed or received after the date and time specified in the request for bid will be rejected.

BID IS: ☒ **SEALED** ☐ **NOT SEALED**

Address the envelope containing your response in the following manner:

BID NUMBER - 975-34-14-050-03
BID OPENING DATE/TIME - February 25, 2014, 2:00 p.m.
N. D. DEPT. OF TRANSPORTATION
PROCUREMENT, RM 222
608 E BOULEVARD AVE
BISMARCK ND 58505-0700

BIDDERS INSTRUCTIONS

1. **Acceptance/Rejection/Waiver.** The state of North Dakota reserves the right to accept or reject any or all bids and to waive minor irregularities or technicalities, provided such waiver does not substantially change the offer or provide a competitive advantage to any vendor, in the judgment of the state.
2. **Affirmative Action.** The contractor will take affirmative action in complying with all Federal and State requirements concerning fair employment and employment of handicapped, and concerning the treatment of all employees without regard to discrimination by reason of race, color, religion, sex, national origin, or disability/handicap.
3. **Assistance to Bidders with a Disability.** Bidders with a disability that need an accommodation must contact the Procurement Officer prior to the deadline for receipt of bids so that reasonable accommodations can be made.
4. **Alterations and/or Corrections.** The person signing the bid response must initial any or all manual alterations and/or corrections to the bid response. Those bid responses with alterations and/or corrections that are not initialed may be rejected.
5. **Award.** Award will be made to a responsive, responsible bidder with the lowest price considering conformity with specifications, terms of delivery, quality, and serviceability. NDDOT reserves the right to consider bids varying in minor respects from any specific requirements herein, but judged to meet the intent of this request.

Past performance may also affect the award at the discretion of the NDDOT. References must be furnished upon request by NDDOT.

Contracts are not awarded at the bid opening. Bid responses will be firm for 30 days, unless stated otherwise.

6. **Awards, Splitting of.** The state reserves the right to make awards by item, groups of items, or on the total low bid for all the items specified as indicated in the detailed specifications. Bidders interested only in the total low bid for all items are to state 'all or nothing' on their bid response.
7. **Bidder Checklist.** HAVE YOU REMEMBERED TO:
 - Bid F.O.B. Destination (Ship To: Address) Freight Prepaid.
 - Mark envelope as indicated.
 - Review Standard Terms and Conditions contained in this solicitation.
 - Sign your bid on the cover sheet.
 - Initial all bid/pricing changes you made.
 - Bid responses must be submitted in ink or type written.
 - Review and complete all requirements contained in this solicitation to ensure compliance.
8. **Bidder's Responsibility and Late Bids.** It is the bidder's responsibility to ensure that a bid response is physically deposited with the NDDOT Procurement Office prior to the date and time specified for the opening. Late bid responses will not be opened and will be rejected and returned regardless of the degree of lateness or the reasons. It is the bidder's responsibility to comply with the State of North Dakota's laws and regulations.

9. **Bid Summary.** Bid summaries are available when the bid has been awarded. When bids are issued using the State's electronic bidding system, the bid summary will be posted and available for download from:
<http://www.nd.gov/spo/>

Bid summaries will be mailed to those bidders who supply a self-addressed, stamped envelope with their bid response. A copy of the bid summary may also be obtained by visiting the NDDOT Procurement Office during normal working hours.

10. **Bid Bond.** Waived in this instance: however, bidder(s) failing to enter into a contract with this office, upon notification of award, may be subject to removal from the bidder's list.

11. **Clarifications, Bid Changes and Questions Deadline.** The Procurement Officer is the point of contact. Any irregularities, lack of clarity, requested bid changes and all questions regarding this bid and the procurement process must be addressed to the Procurement Officer referenced on the first page of this document not later than end of business February 18, 2014. (Contact information is indicated on cover page). If a bid amendment is required, it will generally be issued after this date.

The bidder is cautioned that the requirement of this solicitation can be altered only by written amendments and that verbal communications from whatever source are of no effect.

12. **Definitions.**

- Bidder - any person or firm submitting a competitive bid in response to a solicitation.
- Bid summary - a summary of all bid responses received by the NDDOT Procurement Office.
- Bid response - the executed document submitted by a bidder in response to a solicitation.
- Contract - a deliberate written agreement between two or more competent persons to perform specific act or acts.
- Contractor - any person or firm having a contract with a governmental body.
- Solicitation - the process of notifying prospective bidders that the state wishes to receive bids for furnishing goods or services.

13. **Deviation from Specifications Supplied by NDDOT.** Unless otherwise indicated by the bidder, it will be assumed that specifications will be met in all respects. Any deviation from the minimum specifications indicated herein must be clearly pointed out **PRIOR TO THE DEADLINE FOR RECEIPT OF QUESTIONS**; otherwise, it will be considered that the items offered are in strict compliance with these specifications, and the bidder will be held responsible.

14. **Electronic & Facsimile Bids.** Bid responses are not to be email attached or faxed to the NDDOT unless this transmittal method has been authorized by the Procurement Officer or bid document. (Contact the Procurement officer regarding additional requirements and exceptions.) Bid responses electronically submitted or faxed may be rejected as non-responsive.

15. **Freight/F.O.B. Destination.** Freight and transportation charges are to be included in the price of the products, unless otherwise specified in the solicitation. (F.O.B. - Free On Board).

16. **Indemnification.** The attached Equipment Rental Agreement will be incorporated into the contract.

Bidders must review the attached Equipment Rental Agreement for indemnification and insurance requirements.

Objections to any of the provisions must be in writing to the attention of the Procurement Officer by the time and date set for receipt of questions.

17. **Multiple Bid(s).** Bidders may submit more than one bid response(s) for the item(s) specified in the solicitation. Each bid submitted must comply in all aspects with the bid requirements and these instructions.

18. **Negotiation.** NDDOT reserves the right to negotiate with the successful bidder to ensure the best possible consideration is afforded to all concerned.

19. **Open Records.** After award, bid documents will be subject to the North Dakota open records law. Records are closed or confidential only if specifically stated in law. If a request for public information is received, the procurement officer will determine whether the information is an exception to the North Dakota open records law, and the information will be processed appropriately. Those interested in reviewing the bid file, are to make arrangements, with the NDDOT Procurement Office. The NDDOT Procurement Office hours are 8:00 a.m. - 12:00 p.m. and 1:00 p.m. - 5:00 p.m. Monday through Friday.

20. **Performance Bond.** Successful bidders will not be required to furnish a performance bond; however, failure to perform satisfactorily will result in the immediate termination of the contract(s) and bidders may be subject to removal from the bidder's list.

21. **Preparation of Bid.** Bids will be accepted on NDDOT forms only. If the document is located on the State Procurement Office website, then bidder is to download the document and type or write their responses as indicated by the bid document. Alteration of the bid document may be cause for bid rejection. Bidders are cautioned to examine specifications and all instructions. Failure to do so will be at the bidder's risk.

22. **Pricing.** Unit prices are to be stated in United States currency and based on the unit of measurement specified in the solicitation, F.O.B. Destination, to the NDDOT delivery locations specified herein.

In the event of mathematical differences between the unit price and extended total, the unit price will prevail.

23. **Protest of Award.** An interested party may protest the award within seven days after receiving notice in accordance with N.D.C.C. 54-44.4-12 and N.D.A.C. 4-12-14.

24. **Receipt of Bids.** All sealed bids received by the NDDOT Procurement Office will be opened and read in Room 222, 608 East Boulevard Avenue, Bismarck, North Dakota, at the time specified in the solicitation.

25. **Rejection.** Bid responses may be rejected if:

- The bid response is not legible.
- The bid response is not submitted on the form supplied.
- The bid response is not completed as requested.
- The bid response is completed and/or signed in pencil.
- The bid response is faxed to the procurement office.
- The bid response is not signed by an authorized company representative.
- The bid response is not responsive to the specifications or other requirements of the solicitation.
- Changes to the bid response are not initialed.
- The bid response is received after the time and date specified.
- The bidder has not met Vendor Registration requirements or is suspended or debarred.
- The bid document has been altered by the bidder.
- The bidder is determined to be not responsible (N.D.A.C. 4-12-11-04).
- The price is not fair and reasonable
- Or a combination of above.

26. **Signature.** The bid must be signed manually in ink. The name and title of the person signing the bid response must be typed or printed above the signature. The bid must be signed by **Owner, Partner, Corp. Pres., Vice Pres., or other authorized Corp. Officer** or the bid may be rejected. If signed by other authorized Corp. Officer or representative, please attach a letter signed by the Owner, Partner, Corp. Pres., or Vice Pres. indicating the individual has authority to enter into a contract on behalf of the company (or a Power of Attorney).

27. **Supplemental Terms and Conditions.** Bids including supplemental terms and conditions will be accepted, but supplemental conditions that conflict with any conditions contained in this ITB or that diminish the State's rights will be considered null and void. The State is not responsible for identifying conflicting supplemental terms and conditions before issuing a contract award.

After award of contract:

- a) If a conflict arises between a supplemental term or condition included in the bid and a term or condition of the ITB, the term or condition of the ITB will prevail, and,
- b) If the State's rights would be diminished as a result of application of a supplemental term or condition included in the bid, the supplemental term or condition will be considered null and void.

Changes, modifications, additions, or alterations to the bid document could be cause for rejection of the submitted bid at the sole discretion of the NDDOT. Contact the Procurement Officer in writing prior to the deadline for clarifications.

28. **Taxes.** The State does not pay sales tax or federal excise tax. The state sales tax exemption number is E-2001. The federal tax-free transaction number is 45-0309764.

29. **Vendor Registration.** Bids will be accepted from bidders who are not currently Approved Bidders for the State of North Dakota; however, the successful bidder may be required to become approved prior to award, in accordance with N.D.C.C. 54-44.4-09. To become an Approved Bidder, you must: 1) register with the North Dakota Secretary of State (fees apply), and 2) submit a completed Bidder List Application to the ND State Procurement Office. Registration instructions and forms are available on-line at: www.nd.gov/spo/vendor. Contact the ND State Procurement Office at 701-328-2683 or infospo@nd.gov for assistance.

30. **Withdrawal or changes to a bid response prior to the bid opening date and time.** A bidder may withdraw or make a change to his bid response prior to the bid opening date and time. The request to make a change or withdraw must be in writing by a representative of the firm. The request to withdraw or change must be signed by the bidder or his designated representatives.

31. **Withdrawals after the bid opening date and time.** Withdrawals after the bid opening will be allowed only upon written approval from the NDDOT Procurement Office. Vendors continually withdrawing bids after the bid opening may be removed from the Vendor Database.

GENERAL CONTRACT TERMS AND CONDITIONS

1. **Applicable Law and Venue.** Any dispute arising out of this agreement will be resolved under the laws of the State of North Dakota.

2. **Binding Contract.** The acceptance of a bid response in writing by the purchasing agency constitutes a contract between the bidder and the State. Written acceptance from the purchasing agency will be in the form of a purchase order, notification of award, or contract. Any oral agreement or arrangement by a bidder with a State employee or purchasing agency will have no force or effect unless reduced to writing.

3. **Contract Management.** The day to day activities of the rental will be dealt with on the district level between district personnel and the awarded dealership(s). Any changes in the contract must be approved by the Procurement Officer.

4. **Contract Volume.** The quantities to be rented as indicated herein are best estimates. NDDOT reserves the right to vary actual quantities from those indicated at any time before the bid opening and by written notification to the contractor(s) after award and throughout the term of the contract.

5. **Service Locations.** Service and repair are critical. Bidders must identify their nearest service locations by district and describe their ability to keep their loaders running during the term of the contract with minimal down time. Bidders must include a narrative describing their ability to respond to breakdowns with emergency service or replacement equipment.

6. **Compliance with Laws, Nondiscrimination and Affirmative Action.** The contractor must, in performance of work under this contract, fully comply with all applicable federal, state or local laws, rules, regulations and policies, including those relating to nondiscrimination, affirmative action, accessibility and civil rights including Title VI of the Civil Rights Act of 1964. The contractor agrees to file all required reports on time, to make required payroll deductions, and to pay all taxes and premiums owed on time, including sales and use taxes and unemployment compensation and workers' compensation premiums. The contractor shall have and keep current at all times during the term of this contract all licenses and permits required by law.

7. **Contract Amendments, Waivers.** After a binding contract has been entered into, no changes (i.e. additions, substitutions, subcontracting or a price adjustment) may be made, unless prior approval has been obtained from the purchasing agency and Procurement Officer.

The terms of this contract shall not be waived, altered, modified, supplemented, or amended, in any manner whatsoever, except by written instrument signed by the parties. No waiver consent, modification or change of terms of this agreement shall bind either party unless in writing and signed by both parties. Such waiver, consent, modification, or change, if made shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this agreement.

8. **Contract Term and Renewal Option.** The NDDOT will enter into a contract which will be effective **beginning upon an acceptable delivery date to extend for a period of not more than twelve months.** This contract is non-renewable.

9. **Contract Termination.**

- a. **Termination without Cause.** This contract may be terminated by mutual consent of both parties, or by either party upon 30 days' written notice.
- b. **Termination for Lack of Funding or Authority.** The State may terminate this contract effective upon delivery of written notice to the contractor, or on any later date stated in the notice, under any of the following conditions:
 - i. If funding from federal, state, or other sources is not obtained and continued at levels sufficient to allow for purchase of the services or supplies in the indicated quantities or term. The contract may be modified by agreement of the parties in writing to accommodate a reduction in funds.
 - ii. If federal or state regulations or guidelines are modified, changed or interpreted in such a way that the services are no longer allowable or appropriate for purchase under this contract or are no longer eligible for the funding proposed for payments authorized by this contract.
 - iii. If any license or certificate required by law or regulation to be held by the contractor to provide the services required by the contract is for any reason denied, revoked or not renewed.Any such termination of this contract under (i), (ii), or (iii), above, shall be without prejudice to any obligations or liabilities of either party already accrued prior to such termination.
- c. **Termination for Cause.** The State by written notice of default to the contractor may terminate the whole or any part of this contract:
 - i. If the contractor fails to provide services required by this contract within the time specified herein or any extension thereof; or
 - ii. If the contractor fails to perform any of the other provisions of this contract, or so fails to pursue the work as to endanger performance of this contract in accordance with its terms and after receipt of written notice from the State, fails to correct such failures within ten days or such longer period as NDDOT may authorize.
 - iii. The rights and remedies of the State provided in the above clause related to defaults by the contractor are not exclusive and are in addition to any other rights and remedies provided by law or under this contract.
- d. **Termination, Deliveries.** If the contract is terminated for any reason, the contractor is responsible for delivery of all commodities and services ordered prior to the termination, unless those orders had been canceled by the Purchasing Agency or Entity.

10. **Contract Price Adjustment:** The Contract Unit Prices shall be firm for the twelve (12) months of the contract period.

11. **Inspection and Investigations.** The State reserves the right to conduct inspections and investigations related to the bidder and offered commodities or services to make determinations regarding compliance with the bid requirements and responsibility of the bidder.

12. **Billing and Payment Procedures:** Invoices are to be submitted to the individual districts. Failure to submit correct invoices to the appropriate NDDOT office may delay contractor payment.

Payment will normally be made within thirty days after delivery and acceptance of commodities or services under this contract and receipt of a correct invoice. All invoice and payment inquiries must be directed to the purchasing agency.

13. **Subcontracts, Assignment:** The contractor shall not subcontract, assign or transfer the contractor's interests or duties under this contract without express written consent of the purchasing agency.

14. **Successors in Interest:** The provisions of this agreement shall be binding upon and shall inure to the benefit of the parties hereto, and their respective successors and assigns.

15. **Receiving:** Deliveries must arrive at the designated destination(s) during normal business hours unless other shipping/receiving instructions are issued by NDDOT personnel. The contractor shall contact the NDDOT to schedule delivery dates and times at least 24 hours in advance of delivery.

All NDDOT offices will be closed in recognition of State holidays. Any day declared a holiday by the President or Governor will also be recognized by office closure.

16. **Specifications.** Bidders shall submit detailed manufacturer's specifications and literature along with the bid response.

17. **Equipment Rental Agreement (ERA).** Attached is an example of NDDOT's Equipment Rental Agreement which will serve as the rental agreement for the Lessor and the Lessee. Suppliers' rental agreements will not apply to this rental. Where the bid document and the ERA conflict, the bid specifications will prevail.

Objections to any of the provisions must be in writing to the attention of the Procurement Officer by the time and date set for receipt of questions.

After the contract has been awarded and as soon as the required insurance information is available; ERA(s) will be provided to the Lessor(s), to be signed and returned to the NDDOT.

18. **Equipment Summary:** An equipment summary will be maintained which will include the equipment data (vendor, serial number, make, model, description, unit value). Awarded contractors will provide serial numbers and assist in the maintenance of accurate data in the equipment summary.

BIDDER CHECKLIST

HAVE YOU REMEMBERED TO?

- ☐ Bid F.O.B. Destination (Ship To: Address) Freight Prepaid
- ☐ Mark bid envelope as indicated
- ☐ Review this solicitation document - then provide questions or objections by date specified
- ☐ Provide an authorized signature on the bid cover sheet
- ☐ Initial all bid or pricing changes you made
- ☐ Bid responses must be submitted in ink or type written
- ☐ Identify service locations
- ☐ Attach rental conditions and a brief narrative of your company's ability to respond to breakdowns with emergency service or replacement equipment
- ☐ Indicate bidders' award preference by district as requested
- ☐ Provide manufacturer's specifications and literature
- ☐ If offering more than one size, then attach a list of models

PLEASE ATTACH RENTAL CONDITIONS AND A BRIEF NARRATIVE OF YOUR COMPANY'S ABILITY TO RESPOND TO BREAKDOWNS WITH EMERGENCY SERVICE OR REPLACEMENT EQUIPMENT.

**NORTH DAKOTA DEPARTMENT OF TRANSPORTATION
SPECIFICATIONS FOR RENTAL OF
MOTORGRADERS, FOUR-WHEEL-DRIVE ARTICULATED WHEEL LOADERS,
TRACTOR BACKHOES, AND DOZERS**

The intent of this bid specification is to request pricing for the rental of motor graders, four-wheel-drive articulated wheel loaders, tractor backhoes, and dozers for general highway maintenance operations. The machines shall be new or used less than 200 hours and be of the current make and model. The contract rental period will be 12 months. All machine serial numbers shall be provided to the lessee as soon as they become available to allow for adequate time for insurance processing. Two working days notice shall be given to on site DOT personnel prior to delivery and pickup. Dealer shall be responsible for delivery to and pickup from the District Headquarters at no additional cost to the department. Quantities and locations are shown below. The quantities are estimates and could change depending on pricing. The department may not rent the motor graders, four-wheel-drive articulated wheel loaders, tractor backhoes, and dozers depending on the bid pricing. This will be determined once the bids are received. The Lessor can exchange any unit during the contract period as long as the Lessee always has a machine on site and meets the specification.

Motor graders, four-wheel-drive articulated wheel loaders, tractor backhoes, and dozers are to be used for an estimated 100 engine hours during the rental period of 12 months per machine. Additional hours over 100 shall be invoiced at the quoted hourly rate for hours over 100. Minimum payment for each machine shall be the hourly rate times the estimated usage of 100 hours. ($\text{\$Hourly Rate as bid} \times 100 \text{ hours} = \text{Minimum payment}$)

Lessee will carry physical damage insurance on the motor graders, four-wheel-drive articulated wheel loaders, tractor backhoes, and dozers. Lessee will accept responsibility for any breakage due to negligence done by them. The machines will have normal wear and tear from general use when returned. The dealer and DOT representative must agree on any excessive damage within 10 working days of the machines return. No claims for damage after the 10 working days will be permitted.

Lessor, or an authorized representative, shall provide 24-hour parts availability as feasible. Major repairs shall be done at the dealer's service facility. Lessee personnel will be responsible for daily maintenance, greasing, and checking fluids. Machines out of service for five working days or more shall require a replacement machine of similar features and horsepower to be setup and delivered to the assigned location as mutually agreed upon by the specific delivery lessee.

Lessor, or an authorized representative, shall provide all oil and filters for routine maintenance at no charge to the department. The routine maintenance will be performed by the lessee as required by the manufacturer and/or the operator's handbook. The lessor may require the maintenance be performed by the servicing dealer. If the lessor requires the routine maintenance be performed by the authorized servicing dealer, this shall be done at no cost to the department.

Lessor, or an authorized representative, shall at the time of delivery be available to make recommendations to prevent damage to the motor graders, AWD loaders, tractor backhoes, and dozers. Lessor, or an authorized representative, shall also at the time of delivery provide familiarization training to ensure efficient operation, identify daily maintenance items, lessor's requirements on the machines cleanliness, and basic operation.

Payment/compensation shall be paid as follows: 70% of the total price bid for 100 hours of use will be paid upon satisfactory acceptance of the contract and delivery of the machines. The remaining 30% plus any additional amount over 100 hours shall be paid upon satisfactory completion of the contract rental period. Invoices shall be addressed to the Districts receiving the machines.

MOTOR GRADER
(Caterpillar 140M2, John Deere 772GP, Volvo 946B or Similar Equivalent)

As a minimum, each motor grader unit shall be equipped with:

	COMPLY		COMMENTS
	YES	NO	
Minimum of 193 net HP diesel engine, can be larger	<u>X</u>	_____	_____
Oscillating 4 wheel tandem drive	<u>X</u>	_____	_____
Deluxe cab, ROPS, air conditioning/heat	<u>X</u>	_____	_____
Standard Instrumentation	<u>X</u>	_____	_____
Hour meter, must only mark time when engine is running	<u>X</u>	_____	_____
Joystick style steering controls	<u>X</u>	_____	_____
Suspension seat	<u>X</u>	_____	_____
Power shift transmission	<u>X</u>	_____	_____
Auxiliary front hydraulic outlets	<u>X</u>	_____	_____
Rear of cab power articulation	<u>X</u>	_____	_____
Right hand hydraulic snow wing with controls	<u>X</u>	_____	_____
Engine and hydraulic 120V heaters	<u>X</u>	_____	_____
Back up alarm	<u>X</u>	_____	_____
6X6 AWD required	<u>X</u>	_____	_____
Headlights, warning and tail lights, manufacturers standard	<u>X</u>	_____	_____
Full warranty throughout the rental period	<u>X</u>	_____	_____

The motor graders shall be delivered and training provided at the following locations:
 Delivery by May 1st 2014 to April 30th 2015:

District	Qty	Configuration	Bidder Agrees To Provide Equipment For The Following Districts		Equipment Availability Date
			Yes	No	
Bismarck	1	Standard	<u>X</u>	_____	<u>5-1-14</u>
Valley City	1	Standard	<u>X</u>	_____	<u>5-1-14</u>
Devils Lake	1	Standard	<u>X</u>	_____	<u>5-1-14</u>
Minot	1	Standard	<u>X</u>	_____	<u>5-1-14</u>
Dickinson	2	Standard	<u>X</u>	_____	<u>5-1-14</u>
Grand Forks	1	Standard	<u>X</u>	_____	<u>5-1-14</u>
Williston	1	Standard	<u>X</u>	_____	<u>5-1-14</u>
Fargo	1	Standard	<u>X</u>	_____	<u>5-1-14</u>
TOTAL	9				

Bidder must receive the entire award for this item (all or none): YES _____ NO X

ITEM NO. 1 MOTOR GRADER 9 EACH

\$209.00/HOUR

YEAR 2013/14 MAKE: Caterpillar MODEL: 140M2 AWD

BIDDER Butler Machinery Co.

AWD LOADER
(Caterpillar 924H, John Deere 444K, Case 521F, Volvo L60G or Similar Equivalent)

As a minimum each four-wheel-drive articulated wheel loader shall be equipped with:

	COMPLY		COMMENTS
	YES	NO	
Minimum of 120 HP diesel engine, can be larger	<u>X</u>	_____	_____
Full power shift with torque converter or hydrostatic	<u>X</u>	_____	_____
Deluxe cab, ROPS, air conditioning/heat	<u>X</u>	_____	_____
Standard Instrumentation	<u>X</u>	_____	_____
Hour meter, must only mark time when engine is running	<u>X</u>	_____	_____
Suspension seat	<u>X</u>	_____	_____
Single joystick hydraulic controls	<u>X</u>	_____	_____
3 rd valve hydraulics plumbed to the front of the loader arms	<u>X</u>	_____	_____
Four wheel drive	<u>X</u>	_____	_____
Limited slip differentials minimum, prefer differential lock	<u>X</u>	_____	_____
Hydraulic quick coupler with minimum of 2.5 yd. general purpose bucket with bolt on cutting edge installed on machine.	<u>X</u>	_____	_____
Engine heater, 120v	<u>X</u>	_____	_____
Hydraulic tank heater, 120v - or low viscosity fluid for winter time use. Please indicate which in comments	<u>X</u>	_____	_____
Back up alarm	<u>X</u>	_____	_____
Headlights, warning and tail lights, manufacturers standard	<u>X</u>	_____	_____
Full factory warranty throughout the rental period	<u>X</u>	_____	_____

The four-wheel-drive articulated wheel loader shall be delivered and training provided at the following locations:
 Delivery by May 1st 2014 to April 30th 2015:

District	Qty	Configuration	Bidder Agrees To Provide Equipment For The Following Districts		Equipment Availability Date
			Yes	No	
Valley City	1	Standard	<u>X</u>	_____	<u>5-1-14</u>
Dickinson	1	Standard	<u>X</u>	_____	<u>5-1-14</u>
Williston	1	Standard	<u>X</u>	_____	<u>5-1-14</u>
Fargo	1	Standard	<u>X</u>	_____	<u>5-1-14</u>
TOTAL	4				

Bidder must receive the entire award for this item (all or none): YES _____ NO X

ITEM NO. 2 AWD WHEEL LOADER 4 EACH

\$100.00/HOUR

YEAR 2013/14 MAKE: Caterpillar MODEL: 924K

BIDDER Butler Machinery Company

TRACTOR BACKHOE
(Caterpillar 420F, John Deere 410K, Case 580SN, Volvo BL60B or equivalent)

As a minimum, tractor backhoe shall be equipped with:

	COMPLY		COMMENTS
	YES	NO	
Minimum of 94 HP diesel engine, can be larger	<u>X</u>	_____	_____
Mechanical front wheel drive	<u>X</u>	_____	_____
Deluxe cab, ROPS, air conditioning/heat	<u>X</u>	_____	_____
Standard Instrumentation	<u>X</u>	_____	_____
Hour meter, must only mark time when engine is running	<u>X</u>	_____	_____
Suspension seat	<u>X</u>	_____	_____
Front bucket standard to fit machine single joystick controlled	<u>X</u>	_____	_____
Rear backhoe with extend a hoe option or a minimum 17' 11" digging depth approximate with standard bucket two joystick controlled	<u>X</u>	_____	_____
Engine heater, 120v	<u>X</u>	_____	_____
Hydraulic tank heater, 120v - or low viscosity fluid for winter time use. Please indicate which in comments	<u>X</u>	_____	_____
Back up alarm	<u>X</u>	_____	_____
Headlights, warning and tail lights, manufacturers standard	<u>X</u>	_____	_____
Full warranty throughout the rental period	<u>X</u>	_____	_____

The tractor backhoes shall be delivered and training provided at the following locations:
Delivery by May 1st 2014 to April 30th 2015:

District	Qty	Configuration	Bidder Agrees To Provide Equipment For The Following Districts		Equipment Availability Date
			Yes	No	
Fargo	1	Standard	<u>X</u>	_____	<u>5-1-14</u>
TOTAL	1				

Bidder must receive the entire award for this item (all or none): YES _____ NO X

ITEM NO. 3 TRACTOR BACKHOE 1 EACH

\$ 70.00 /HOUR

YEAR 2013/14 MAKE: Caterpillar MODEL: 420F

BIDDER Butler Machinery Co.

LGP DOZER

(Caterpillar D6N, Case 1650M, Deere 750K or Similar equivalent)

As a minimum, each dozer unit shall be equipped with:

	COMPLY		COMMENTS
	YES	NO	
150 HP approximate	<u>X</u>	<u> </u>	<u> </u>
36,000lb operating weight approximate	<u>X</u>	<u> </u>	<u> </u>
Deluxe cab, ROPS, air conditioning/heat	<u>X</u>	<u> </u>	<u> </u>
Standard Instrumentation	<u>X</u>	<u> </u>	<u> </u>
Hour meter, must only mark time when engine is running	<u>X</u>	<u> </u>	<u> </u>
Suspension seat	<u>X</u>	<u> </u>	<u> </u>
Engine heater, 120v	<u>X</u>	<u> </u>	<u> </u>
Hydraulic tank heater, 120v - or low viscosity fluid for winter time use. Please indicate which in comments	<u>X</u>	<u> </u>	<u> </u>
Low ground pressure track	<u>X</u>	<u> </u>	<u> </u>
Power angle tilt dozer blade 13' width approximate	<u>X</u>	<u> </u>	<u> </u>
Headlights, warning and tail lights, manufacturers standard	<u>X</u>	<u> </u>	<u> </u>
Full warranty throughout the rental period	<u>X</u>	<u> </u>	<u> </u>

OPTIONAL LGP DOZER

(Caterpillar D6K, Case 1150M, Deere 700K or Similar Equivalent)

	COMPLY		COMMENTS
	YES	NO	
125 HP approximate	<u>X</u>	<u> </u>	<u> </u>
29,500 lb operating weight approximate	<u>X</u>	<u> </u>	<u> </u>
Minimum 11' dozer blade	<u>X</u>	<u> </u>	<u> </u>
Meets all other above specifications for standard LGP Dozer	<u>X</u>	<u> </u>	<u> </u>

The dozers shall be delivered and training provided at the following locations:

Delivery by May 1st 2014 to April 30th 2015

District	Qty	Configuration	Bidder Agrees To Provide Equipment For The Following Districts		Equipment Availability Date
			Yes	No	
Bismarck	1	Standard	<u>X</u>	<u> </u>	<u>5-1-14</u>
Devils Lake	1	Standard	<u>X</u>	<u> </u>	<u>5-1-14</u>
Minot	1	Standard	<u>X</u>	<u> </u>	<u>5-1-14</u>
Dickinson	1	Standard	<u>X</u>	<u> </u>	<u>5-1-14</u>
Williston	1	Standard	<u>X</u>	<u> </u>	<u>5-1-14</u>
Fargo	1	Standard	<u>X</u>	<u> </u>	<u>5-1-14</u>
TOTAL	6				

Bidder must receive the entire award for this item (all or none): YES NO X**ITEM NO. 4 LGP DOZER 6 EACH**\$ 170.00 HOURYEAR 2013/14 MAKE: Caterpillar MODEL: D6N LGP**ITEM NO. 5 OPTIONAL LGP DOZER Quantity Unknown**\$ 116.00 HOURYEAR 2013/14 MAKE: Caterpillar MODEL: D6K LGPBIDDER Butler Machinery Co.

ITB 975-34-14-050-03, Construction Equipment Rental

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Butler Machinery Company is a ND based company with store locations in Bismarck, Dickinson, Minot, Fargo, Grand Forks, Jamestown and Devils Lake. Most of these stores share the same community as the NDDOT District Locations. Each facility has highly trained service personal that will be available to assist in the event of an equipment breakdown. If a piece is inoperable for an extended period of time, we will do our best to find a comparable replacement.

Please complete the information below as it applies to the bid that has been submitted:

PRIMARY CONTACT NAME AND BUSINESS LOCATION (Required)

PRIMARY CONTACT NAME Lowell Malard
BUSINESS NAME: Butler Machinery Company
MAILING ADDRESS: PO Box 757
CITY & STATE: Bismarck, ND ZIP CODE: 58502
PHONE NUMBER: 701-250-1636 TOLL FREE: 800-584-0890
FAX NUMBER: 701-250-1608 EMAIL: lowellmalard@butlermachinery.com

BISMARCK DISTRICT SERVICE FACILITY (Indicate 'Same as above' if applicable)

SERVICE CONTACT NAME Dustin Alderin
BUSINESS NAME: Butler Machinery Company
SERVICE ADDRESS: PO Box 757 3630 Miriam Ave
CITY & STATE: Bismarck, ND ZIP CODE: 58502
PHONE NUMBER: 701-250-1637 TOLL FREE: 800-584-0890
FAX NUMBER: 701-250-1610 EMAIL: dustinalderin@butlermachinery.com

VALLEY CITY DISTRICT SERVICE FACILITY (Indicate 'Same as above' if applicable)

SERVICE CONTACT NAME Matt Bassett
BUSINESS NAME: Butler Machinery Company
SERVICE ADDRESS: 1910 27th Avenue SE
CITY & STATE: Jamestown, ND ZIP CODE: 58402
PHONE NUMBER: 701-251-1400 TOLL FREE: 800-335-3851
FAX NUMBER: 701-253-6517 EMAIL: mattbassett@butlermachinery.com

DEVILS LAKE DISTRICT SERVICE FACILITY (Indicate 'Same as above' if applicable)

SERVICE CONTACT NAME Nathan Butler
BUSINESS NAME: Butler Machinery Company
SERVICE ADDRESS: 7910 Hwy 2 West
CITY & STATE: Devils Lake, ND ZIP CODE: 58301
PHONE NUMBER: 701-665-3800 TOLL FREE: _____
FAX NUMBER: 701-665-3817 EMAIL: nathanbutler@butlermachinery.com

MINOT DISTRICT SERVICE FACILITY (Indicate 'Same as above' if applicable)

SERVICE CONTACT NAME Dustin Alderin (Regional Field Dispatch)
BUSINESS NAME: Butler Machinery Company
SERVICE ADDRESS: 1505 Hwy 2 Bypass E
CITY & STATE: Minot, ND ZIP CODE: 58602
PHONE NUMBER: 701-250-1637 TOLL FREE: _____
FAX NUMBER: 701-250-1610 EMAIL: dustinalderin@butlermachinery.com

DICKINSON DISTRICT SERVICE FACILITY (Indicate 'Same as above' if applicable)

SERVICE CONTACT NAME Troy Pulscher (Regional Field Dispatch)
BUSINESS NAME: Butler Machinery Company
SERVICE ADDRESS: 2803 I-94 Business Loop E
CITY & STATE: Dickinson, ND ZIP CODE: 58602
PHONE NUMBER: 605-399-4022 TOLL FREE: _____
FAX NUMBER: 605-399-4010 EMAIL: troy.pulscher@butlermachinery.com

GRAND FORKS DISTRICT SERVICE FACILITY (Indicate 'Same as above' if applicable)

SERVICE CONTACT NAME Craig Lampros
BUSINESS NAME: Butler Machinery Company
SERVICE ADDRESS: 1201 S 46th St.
CITY & STATE: Grand Forks, ND ZIP CODE: 58208
PHONE NUMBER: 701-775-4238 TOLL FREE: 800-511-6873
FAX NUMBER: 701-780-7777 EMAIL: craiglampros@butlermachinery.com

WILLISTON DISTRICT SERVICE FACILITY (Indicate 'Same as above' if applicable)

SERVICE CONTACT NAME " Same as Minot"
BUSINESS NAME: _____
SERVICE ADDRESS: _____
CITY & STATE: _____ ZIP CODE: _____
PHONE NUMBER: _____ TOLL FREE: _____
FAX NUMBER: _____ EMAIL: _____

FARGO DISTRICT SERVICE FACILITY (Indicate 'Same as above' if applicable)

SERVICE CONTACT NAME Dale Rage

BUSINESS NAME: Butler Machinery Company

SERVICE ADDRESS: 3402 36th ST SW

CITY & STATE: Fargo, ND ZIP CODE: 58104

PHONE NUMBER: 701-280-3100 TOLL FREE: 800-726-7475

FAX NUMBER: 701-298-1810 EMAIL: dalerage@butlermachinery.com

SAMPLE DOCUMENT**EQUIPMENT RENTAL AGREEMENT**

North Dakota Department of Transportation
Financial Management Division, Rm. 22
608 East Boulevard Avenue
Bismarck, ND 58505-0700

NAME	LESSOR (VENDOR)	LESSEE (STATE)
		ND DEPARTMENT OF TRANSPORTATION
ADDRESS		608 E BOULEVARD AVENUE
CITY, STATE ZIP CODE		BISMARCK ND 58505-0700
CONTACT		MARILYN K. LANGEHAUG
PHONE NO		701-328-4466

DATE	RENTAL TERM	BEGINS ON	ENDS ON	
DAY (8HRS.)	RENTAL RATES * \$	TRANSPORTATION CHARGES IF APPLICABLE	METER READING OUT	
WEEK (44HRS.)	\$			
MONTH (176 HRS.)	\$	MINIMUM RENTAL AMOUNT GUARANTEED BY LESSEE	METER READING IN	
EXCESS HOURS BILLED AT	\$			
* RENTAL RATES ARE BASED ON HOUR METER USAGE				
EQUIPMENT WILL BE USED AT			LESSEE WILL NOT REMOVE THE EQUIPMENT FROM THIS LOCATION WITHOUT NOTIFICATION.	
SERIAL NUMBER	MAKE	MODEL	DESCRIPTION	UNIT VALUE

BILL TO INFORMATION					
NAME					
ADDRESS					
CITY		STATE		ZIP	
CONTACT		PHONE NO			

TERMS AND CONDITIONS**AGREEMENT:**

Lessor, in consideration of the covenants, promises, and agreements on the part of the Lessee, hereinafter contained, hereby leases the equipment to Lessee in accordance with the terms of this agreement.

AMENDMENTS:

The terms of this agreement shall not be waived, altered, modified, supplemented, or amended, in any manner whatsoever, except by written instrument signed by the parties.

TRANSPORTATION CHARGES:

Lessee shall pay to the Lessor transportation charges incurred by Lessor in delivering the equipment to Lessee, and shall pay all such charges to return the equipment to Lessor upon termination of the lease. If applicable, transportation charges may be included in the rental rate.

OPERATION OF EQUIPMENT:

Lessee agrees that the equipment will be operated only by competent employees and will not be operated beyond the manufacturer's rated capacity nor improperly cared for or abused. The Lessee will pay for all costs of operation including regular maintenance and all repairs necessary due to improper use. Lessor shall supply all information necessary for Lessee to properly prepare operators and maintenance for their responsibilities. The equipment shall be returned to Lessor in as good condition as received, less reasonable wear and tear.

REPAIRS:

The expense of all major repairs made during the rental period, which shall be made by the Lessor's maintenance personnel, including labor, parts, mileage and other items will be paid by the Lessor unless required repairs are due to abuse or misuse of the equipment. The Lessee agrees to pay for repair of damaged tires or excessive wear. Cuts resulting in permanent damage to a tire will be subject to repair or replacement by Lessee if due to improper use or abuse. If the machine is down for more than 24 hours due to repairs, Lessor will issue credit of the prorated rental rate, or replace with a like or similar machine, if mutually agreed upon, or the agreement may be terminated and credited accordingly.

WARRANTY:

Lessor assigns to Lessee, for and during the term of this agreement, so long as Lessee shall not be in default, all manufacturer's warranties and guarantees, express or implied, issued on or applicable to the equipment.

ALTERATIONS AND MODIFICATIONS OF EQUIPMENT:

Lessee shall not make any additions, attachments, alterations or improvements to the equipment without the prior written consent of Lessor. Any addition, attachment, alteration or improvement of equipment shall belong to and become the property of Lessor unless, at the request of the Lessor, it is removed prior to the return of such item of equipment by Lessee. Lessee shall be responsible for all costs relating to such removal and shall restore such item of equipment to its operating condition that existed at the time it became subject to the applicable lease.

LIABILITY:

Lessee and Lessor each agrees to assume its own liability for any and all claims of any nature including all costs, expenses and attorneys' fees which may in any manner result from or arise out of this agreement.

INSURANCE:

Insurance shall be secured and kept in force during the term of this agreement, from insurance companies or a government self-insurance pool authorized to do business in the state of North Dakota, to include the following coverage:

- 1) Lessee and Lessor shall provide commercial general liability with minimum liability limits of \$250,000 per person and \$1,000,000 per occurrence.
- 2) Lessee shall provide property insurance insuring the full and true value of the equipment. Insurance policy shall name Lessee as insured and Lessor as an additional insured and loss payee thereof as Lessor's interest may appear. An Evidence of Property Insurance shall be provided to the Lessor by the Lessee.

The insurance coverage listed above shall meet the following additional requirements:

- 1) Any deductible or self insured retention amount or other similar obligation shall be the sole responsibility of the party purchasing the coverage.
- 2) This insurance may be in policy or policies of insurance, primary and excess, including the so-called umbrella or catastrophe form and must be placed with insurers rated "A" or better by A. M. Best Company Inc., provided any excess policy follows form for coverage. "Follows form" means the excess policy must be written with the same terms and conditions as the policy to which is in excess.
- 3) Either party may request a certificate of insurance evidencing the required coverage that is in effect and providing that the coverage may not be canceled or modified without thirty (30) days prior written notice to the other party.
- 4) Failure to provide insurance as required in this agreement is a material breach of contract.

TAXES:

The State does not pay sales tax or most federal taxes. The State's sales tax exemption number is E-2001. The federal tax free transaction number is 45-70-0010K. the federal employer identification number is 45-6002432.

INSPECTION:

Lessee agrees to permit Lessor or its representatives to inspect equipment leased hereunder at all reasonable times upon request of Lessor.

TERMINATION:

- a. This agreement may be terminated by mutual consent of both parties, or by either party upon 30 day's notice, in writing or delivered by certified mail or in person.
- b. In addition, Lessee may terminate this agreement effective upon delivery of written notice to the Lessor, or at such later date as may be established by Lessee, under any of the following conditions:
 - 1) If Lessee funding from federal, state, or other sources is not obtained and continued at levels sufficient to allow for purchase of the indicated quantity of services. The agreement may be modified unilaterally to accommodate a reduction in funds.
 - 2) If federal or state regulations or guidelines are modified, changed, or interpreted in such a way that the services are no longer allowable or appropriate for purchase under this agreement or are no longer eligible for the funding proposed for payments authorized by this agreement.
 - 3) If any license or certificate required by law or regulation to be held by the Lessor to provide the services required by the agreement is for any reason denied or revoked.

Any such termination of this agreement under (1), (2), or (3), above, shall be without prejudice to any obligations of either party already accrued prior to such termination.

- c. Either party, by written notice, may terminate the whole or any part of this agreement:
 - 1) If either party fails to provide services called for by this agreement within the time specified herein or any extension thereof; or
 - 2) If either party fails to perform any other provisions of this agreement, or so fails to pursue the work as to endanger performance of this agreement in accordance with its terms, and after receipt of written notice from either party, fails to correct such failures within ten days or such longer period as either party may authorize.

LESSEE AGREES TO:

- 1 Notify Lessor of any change in agreed location.
- 2 Not sublease, rent or loan above equipment.
- 3 Not hold Lessor responsible for weather conditions, such as rain, snow, etc. No credit is expected because of these conditions.
- 4 Notify Lessor immediately of any mechanical failure, at which time a decision will be made who is responsible for repairs.
- 5 Pay a clean up charge for excessively dirty equipment.

PURCHASE ORDER:

A Purchase Order will not be issued as a result of this agreement. The executed agreement will bind the contractual obligation of the Lessee. Purchase Orders or Claim for Payments will be executed for payment of monthly invoices.

RENTAL PAYMENTS:

Lessee shall pay Lessor, upon invoice, rental payments. Payment for itemized additional charges is upon invoice. All rent and other amounts payable by Lessee to Lessor hereunder shall be paid to Lessor at the address specified above or at such other place as Lessor may designate in writing to Lessee.

LATE PAYMENTS:

Customary late charges on accounts not paid within thirty (30) days of invoice are allowable, not to exceed the maximum rate of interest permitted by law.

EXTENDED RENTAL PERIOD:

Lessee shall notify Lessor of extended rental needs. Lessee reserves the right to negotiate seasonal rates with the Lessor and may opt to extend the agreement upon mutual consent.

REQUEST FOR BID:

If a written request for bid for the equipment rental was solicited, any accompanying specific terms, conditions and specifications therein will become part of this agreement.

GOVERNING LAW AND VENUE:

Notwithstanding any rules regarding the choice of law or venue, it is agreed by the parties that this agreement shall be governed by and construed in accordance with applicable Federal Law and the laws of the state of North Dakota, at the time the agreement was executed. All disputes arising from this agreement shall be brought in the South Central District Court of the state of North Dakota.

MERGER AND WAIVER:

This agreement constitutes the entire agreement between the parties. No waiver, consent, modification, or change of terms of this agreement shall bind either party unless in writing and signed by both parties. Such waiver, consent, modification, or change, if made, shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this agreement. The Lessor, by the signature below of its authorized representative, hereby acknowledges that the Lessor has read this agreement, understands it, and agrees to be bound by its terms and conditions.

LESSOR (Vendor) TO BE SIGNED BY OWNER; PARTNER; CORPORATE PRESIDENT; VICE PRESIDENT. OR OTHER AUTHORIZED CORPORATE OFFICER OR BID MAY BE REJECTED. (IF SIGNED BY OTHER CORP. OFFICER, PLEASE ATTACH COPY OF POWER OF ATTORNEY OR OTHER DOCUMENTATION SHOWING AUTHORITY TO SIGN.)	
NAME (TYPE OR PRINT) :	TITLE :
SIGNATURE :	DATE :

LESSEE (Agency)	
APPROVED AS TO SUBSTANCE BY :	DATE :
AGENCY DIRECTOR SIGNATURE :	DATE:

SAMPLE DOCUMENT

RENTAL EQUIPMENT RETURN FORM

Check lights for damage:

Check sheet metal and fiber glass for damage:

Check cab roof, antenna, mirrors, and glass for damage:

Check cab interior for smoking, tears, etc.:

Check all tires/tracks for damage (take pictures if any tires/tracks are in question):

Date: _____

Model: _____

Serial Number: _____

Hours: _____

Dealer: _____

Dealer Signature: _____

District: _____

District Signature: _____

**NORTH DAKOTA DEPARTMENT OF TRANSPORTATION
CIVIL RIGHTS APPENDIX**

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the Contractor), agrees as follows:

1. Compliance with Regulations: The Contractor shall comply with the regulations relative to nondiscrimination in federally-assisted programs of the Department of Transportation, Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.
2. Nondiscrimination: The Contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, national origin, sex, age, disability/handicap, or income status**, in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Contractor shall not participate, either directly or indirectly, in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.
3. Solicitations for Subcontracts, Including Procurements of Materials and Equipment: In all solicitations, either by competitive bidding or negotiation, made by the Contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the Contractor of the Contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, national origin, sex, age, disability/handicap, or income status.**
4. Information and Reports: The contractor shall provide all information and reports required by the Regulations, or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the North Dakota Department of Transportation or the Federal Highway Administration to be pertinent to ascertain compliance with such Regulations, orders, and instructions. Where any information required of a Contractor is in the exclusive possession of another who fails or refuses to furnish this information, the Contractor shall so certify to the North Dakota Department of Transportation, or the Federal Highway Administration, as appropriate, and shall set forth what efforts it has made to obtain the information.
5. Sanctions for Noncompliance: In the event of the Contractor's noncompliance with the nondiscrimination provisions of this contract, the North Dakota Department of Transportation shall impose such contract sanctions as it or the Federal Highway Administration may determine to be appropriate, including but not limited to:
 - a. withholding of payments to the Contractor under the contract until the Contractor complies, and/or
 - b. cancellation, termination, or suspension of the contract, in whole or in part.
6. Incorporation of Provisions: The Contractor shall include the provisions of paragraphs 1 through 6 in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto.

The Contractor shall take such action with respect to any subcontract or procurement as the North Dakota Department of Transportation or the Federal Highway Administration may direct as a means of enforcing such provisions, including sanctions for noncompliance provided, however, that in the event a Contractor becomes involved in, or is threatened with, litigation by a subcontractor or supplier as a result of such direction, the Contractor may request the North Dakota Department of Transportation to enter into such litigation to protect the interests of the State; and, in addition, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

**The Act governs race, color, and national origin. Related Nondiscrimination Authorities govern sex, 23 U.S.C. 324; age, 42 U.S.C. 6101; disability/handicap, 29 U.S.C. 790; and low income, E.O. 12898.



EQUIPMENT RENTAL AGREEMENT

North Dakota Department of Transportation
Financial Management Division, Rm. 22
608 East Boulevard Avenue
Bismarck, ND 58505-0700

NAME	LESSOR (VENDOR)	LESSEE (STATE)
	Butler Machinery Company	N.D. Department of Transportation
ADDRESS	P.O. Box 757	608 E. Boulevard Avenue
CITY, STATE ZIP CODE	Bismarck, ND 58502	Bismarck, ND 58505-0700
CONTACT	Dustin Alderin (in Minot)	Marilyn Langehaug, Purchasing Agent II
PHONE NO	701-250-1637 dustinalderin@butlermachinery.com	701-328-4466

DATE : March 4, 2014		RENTAL TERM	BEGINS ON May 1, 2014	ENDS ON April 30, 2015
RENTAL RATES DAY (8HRS.) \$ 0.00 WEEK (44HRS.) \$ 0.00 MONTH (176 HRS.) \$ 0.00 EXCESS HOURS BILLED AT \$ 209.00 * RENTAL RATES ARE BASED ON HOUR METER USAGE		TRANSPORTATION CHARGES IF APPLICABLE None MINIMUM RENTAL AMOUNT GUARANTEED BY LESSEE \$209.00 per Hour, 100 Hour Minimum		METER READING OUT METER READING IN
Equipment will be used at Minot District.				LESSEE WILL NOT REMOVE THE EQUIPMENT FROM THIS LOCATION WITHOUT NOTIFICATION.
SERIAL NUMBER	MAKE	MODEL	DESCRIPTION	UNIT VALUE
M9J00533	CATERPILLAR	140 M2 AWD	2014 MOTOR GRADER	\$464,647

BILL TO INFORMATION					
NAME	North Dakota Dept. Of Transportation				
	Minot District Office				
ADDRESS	1305 Hwy. 2 Bypass East				
CITY	Minot	State	N.D.	ZIP	58701-7922
CONTACT	Monte Lee, Maintenance Supt.	Phone No	701-857-6905		

TERMS AND CONDITIONS

AGREEMENT:

Lessor, in consideration of the covenants, promises, and agreements on the part of the Lessee, hereinafter contained, hereby leases the equipment to Lessee in accordance with the terms of this agreement.

AMENDMENTS:

The terms of this agreement shall not be waived, altered, modified, supplemented, or amended, in any manner whatsoever, except by written instrument signed by the parties.

TRANSPORTATION CHARGES:

Lessee shall pay to the Lessor transportation charges incurred by Lessor in delivering the equipment to Lessee, and shall pay all such charges to return the equipment to Lessor upon termination of the lease. If applicable, transportation charges may be included in the rental rate.

OPERATION OF EQUIPMENT:

Lessee agrees that the equipment will be operated only by competent employees and will not be operated beyond the manufacturer's rated capacity nor improperly cared for or abused. The Lessee will pay for all costs of operation including regular maintenance and all repairs necessary due to improper use. Lessor shall supply all information necessary for Lessee to properly prepare operators and maintenance for their responsibilities. The equipment shall be returned to Lessor in as good condition as received, less reasonable wear and tear.

REPAIRS:

The expense of all major repairs made during the rental period, which shall be made by the Lessor's maintenance personnel, including labor, parts, mileage and other items will be paid by the Lessor unless required repairs are due to abuse or misuse of the equipment. The Lessee agrees to pay for repair of damaged tires or excessive wear. Cuts resulting in permanent damage to a tire will be subject to repair or replacement by Lessee if due to improper use or abuse. If the machine is down for more than 24 hours due to repairs, Lessor will issue credit of the prorated rental rate, or replace with a like or similar machine, if mutually agreed upon, or the agreement may be terminated and credited accordingly.

WARRANTY:

Lessor assigns to Lessee, for and during the term of this agreement, so long as Lessee shall not be in default, all manufacturer's warranties and guarantees, express or implied, issued on or applicable to the equipment.

ALTERATIONS AND MODIFICATIONS OF EQUIPMENT:

Lessee shall not make any additions, attachments, alterations or improvements to the equipment without the prior written consent of Lessor. Any addition, attachment, alteration or improvement of equipment shall belong to and become the property of Lessor unless, at the request of the Lessor, it is removed prior to the return of such item of equipment by Lessee. Lessee shall be responsible for all costs relating to such removal and shall restore such item of equipment to its operating condition that existed at the time it became subject to the applicable lease.

LIABILITY:

Lessee and Lessor each agrees to assume its own liability for any and all claims of any nature including all costs, expenses and attorneys' fees which may in any manner result from or arise out of this agreement.

INSURANCE:

Insurance shall be secured and kept in force during the term of this agreement, from insurance companies or a government self-insurance pool authorized to do business in the state of North Dakota, to include the following coverage:

- 1) Lessee and Lessor shall provide commercial general liability with minimum liability limits of \$250,000 per person and \$1,000,000 per occurrence.
- 2) Lessee shall provide property insurance insuring the full and true value of the equipment. Insurance policy shall name Lessee as insured and Lessor as an additional insured and loss payee thereof as Lessor's interest may appear. An Evidence of Property Insurance shall be provided to the Lessor by the Lessee.

The insurance coverage listed above shall meet the following additional requirements:

- 1) Any deductible or self insured retention amount or other similar obligation shall be the sole responsibility of the party purchasing the coverage.
- 2) This insurance may be in policy or policies of insurance, primary and excess, including the so-called umbrella or catastrophe form and must be placed with insurers rated "A" or better by A. M. Best Company Inc., provided any excess policy follows form for coverage. "Follows form" means the excess policy must be written with the same terms and conditions as the policy to which is in excess.
- 3) Either party may request a certificate of insurance evidencing the required coverage that is in effect and providing that the coverage may not be canceled or modified without thirty (30) days prior written notice to the other party.
- 4) Failure to provide insurance as required in this agreement is a material breach of contract.

TAXES:

The State does not pay sales tax or most federal taxes. The State's sales tax exemption number is E-2001. The federal tax free transaction number is 45-70-0010K. the federal employer identification number is 45-6002432.

INSPECTION:

Lessee agrees to permit Lessor or its representatives to inspect equipment leased hereunder at all reasonable times upon request of Lessor.

TERMINATION:

- a. This agreement may be terminated by mutual consent of both parties, or by either party upon 30 day's notice, in writing or delivered by certified mail or in person.
- b. In addition, Lessee may terminate this agreement effective upon delivery of written notice to the Lessor, or at such later date as may be established by Lessee, under any of the following conditions:
 - 1) If Lessee funding from federal, state, or other sources is not obtained and continued at levels sufficient to allow for purchase of the indicated quantity of services. The agreement may be modified unilaterally to accommodate a reduction in funds.
 - 2) If federal or state regulations or guidelines are modified, changed, or interpreted in such a way that the services are no longer allowable or appropriate for purchase under this agreement or are no longer eligible for the funding proposed for payments authorized by this agreement.
 - 3) If any license or certificate required by law or regulation to be held by the Lessor to provide the services required by the agreement is for any reason denied or revoked.

Any such termination of this agreement under (1), (2), or(3), above, shall be without prejudice to any obligations of either party already accrued prior to such termination.

- c. Either party, by written notice, may terminate the whole or any part of this agreement:
 - 1) If either party fails to provide services called for by this agreement within the time specified herein or any extension thereof; or
 - 2) If either party fails to perform any other provisions of this agreement, or so fails to pursue the work as to endanger performance of this agreement in accordance with its terms, and after receipt of written notice from either party, fails to correct such failures within ten days or such longer period as either party may authorize.

LESSEE AGREES TO:

- 1 Notify Lessor of any change in agreed location.
- 2 Not sublease, rent or loan above equipment.
- 3 Not hold Lessor responsible for weather conditions, such as rain, snow, etc. No credit is expected because of these conditions.
- 4 Notify Lessor immediately of any mechanical failure, at which time a decision will be made who is responsible for repairs.
- 5 Pay a clean up charge for excessively dirty equipment.

PURCHASE ORDER:

A Purchase Order will not be issued as a result of this agreement. The executed agreement will bind the contractual obligation of the Lessee. Purchase Orders or Claim for Payments will be executed for payment of monthly invoices.

RENTAL PAYMENTS:

Lessee shall pay Lessor, upon invoice, rental payments. Payment for itemized additional charges is upon invoice. All rent and other amounts payable by Lessee to Lessor hereunder shall be paid to Lessor at the address specified above or at such other place as Lessor may designate in writing to Lessee.

LATE PAYMENTS:

Customary late charges on accounts not paid within thirty (30) days of invoice are allowable, not to exceed the maximum rate of interest permitted by law.

EXTENDED RENTAL PERIOD:

Lessee shall notify Lessor of extended rental needs. Lessee reserves the right to negotiate seasonal rates with the Lessor and may opt to extend the agreement upon mutual consent.

REQUEST FOR BID:

If a written request for bid for the equipment rental was solicited, any accompanying specific terms, conditions and specifications therein will become part of this agreement.

GOVERNING LAW AND VENUE:

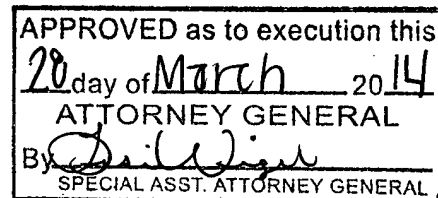
Notwithstanding any rules regarding the choice of law or venue, it is agreed by the parties that this agreement shall be governed by and construed in accordance with applicable Federal Law and the laws of the state of North Dakota, at the time the agreement was executed. All disputes arising from this agreement shall be brought in the South Central District Court of the state of North Dakota.

MERGER AND WAIVER:

This agreement constitutes the entire agreement between the parties. No waiver, consent, modification, or change of terms of this agreement shall bind either party unless in writing and signed by both parties. Such waiver, consent, modification, or change, if made, shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this agreement. The Lessor, by the signature below of its authorized representative, hereby acknowledges that the Lessor has read this agreement, understands it, and agrees to be bound by its terms and conditions.

LESSOR (Vendor)	
TO BE SIGNED BY OWNER, PARTNER, CORPORATE PRESIDENT, VICE PRESIDENT, OR OTHER AUTHORIZED CORPORATE OFFICER OR BID MAY BE REJECTED. (IF SIGNED BY OTHER CORP. OFFICER, PLEASE ATTACH COPY OF POWER OF ATTORNEY OR OTHER DOCUMENTATION SHOWING AUTHORITY TO SIGN.)	
NAME (TYPE OR PRINT):	TITLE:
ROBERT JENSEN Treasurer	
SIGNATURE:	DATE:
<i>Robert Jensen, Treasurer</i>	3/25/2014

LESSEE (Agency)	
APPROVED AS TO SUBSTANCE BY:	DATE:
<i>Mike Kiss</i>	3-27-14
AGENCY DIRECTOR SIGNATURE:	DATE:
for Grant Levi <i>[Signature]</i>	4/1/14





OP ID: JW

EVIDENCE OF PROPERTY INSURANCEDATE (MM/DD/YYYY)
03/27/2014

THIS EVIDENCE OF PROPERTY INSURANCE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE ADDITIONAL INTEREST NAMED BELOW. THIS EVIDENCE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS EVIDENCE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE ADDITIONAL INTEREST.

AGENCY Vaaler Insurance/Bismarck PO Box 933 Bismarck, ND 58502 Rollin C. Mehlhoff		PHONE (A/C, No, Ext): 701-258-2800		COMPANY Great American Insurance Co Prop & IM Division 6300 S Syracuse Way, Suite 295 Centennial, CO 80111			
FAX (A/C, No): 701-258-2838		E-MAIL ADDRESS:					
CODE:		SUB CODE:					
AGENCY CUSTOMER ID #: NDDE-07							
INSURED ND Dept. of Transportation Financial Management Division 608 E Boulevard Ave Bismarck, ND 58505				LOAN NUMBER BUTLER MACH		POLICY NUMBER IMP118755911	
				EFFECTIVE DATE 07/01/13		EXPIRATION DATE 07/01/14	
				<input type="checkbox"/> CONTINUED UNTIL TERMINATED IF CHECKED			
				THIS REPLACES PRIOR EVIDENCE DATED:			

PROPERTY INFORMATION

LOCATION/DESCRIPTION

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS EVIDENCE OF PROPERTY INSURANCE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

COVERAGE INFORMATION

COVERAGE / PERILS / FORMS	AMOUNT OF INSURANCE	DEDUCTIBLE
Blanket Equipment leased/rented (leased/rented 12 mos or less) ACV = Actual Cash Value Maximum per Item Maximum per loss	ACV \$600,000 \$3,000,000	\$15,000


REMARKS (Including Special Conditions)

Location: NDDOT Minot District
Rental Term: May 1, 2014 - April 30, 2015
Make: Caterpillar
Model: 140 M2 AWD
Year: 2014
S/N: M9J00560
Value: \$464,647

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

ADDITIONAL INTEREST

NAME AND ADDRESS Butler Machinery(Bismarck) PO Box 757 Bismarck, ND 58502	MORTGAGEE		ADDITIONAL INSURED
	LOSS PAYEE		<input checked="" type="checkbox"/> Lessor
	LOAN #		
	AUTHORIZED REPRESENTATIVE 		

EQUIPMENT RENTAL AGREEMENT

North Dakota Department of Transportation
Financial Management Division, Rm. 22
608 East Boulevard Avenue
Bismarck, ND 58505-0700

NAME	LESSOR (VENDOR)	LESSEE (STATE)
	Butler Machinery Company	N.D. Department of Transportation
ADDRESS	P.O. Box 757	608 E. Boulevard Avenue
CITY, STATE ZIP CODE	Bismarck, ND 58502	Bismarck, ND 58505-0700
CONTACT	Valley City – Matt Bassett	Marilyn Langehaug, Purchasing Agent II
PHONE NO	701-250-1637 701-253-6521 mattbassett@butlermachinery.com	701-328-4466

DATE:		March 4, 2014		RENTAL TERM	BEGINS ON May 1, 2014	ENDS ON April 30, 2015
DAY (8HRS.)		RENTAL RATES		TRANSPORTATION CHARGES IF APPLICABLE		METER READING OUT
		\$ 0.00		None		
WEEK (44HRS.)		\$ 0.00		MINIMUM RENTAL AMOUNT GUARANTEED BY LESSEE		
MONTH (176 HRS.)		\$ 0.00		\$209.00 per Hour, 100 Hour Minimum		METER READING IN
EXCESS HOURS BILLED AT		\$ 209.00				
* RENTAL RATES ARE BASED ON HOUR METER USAGE						
Equipment will be used at Valley City District.						LESSEE WILL NOT REMOVE THE EQUIPMENT FROM THIS LOCATION WITHOUT NOTIFICATION.
SERIAL NUMBER		MAKE	MODEL	DESCRIPTION		UNIT VALUE
M9J00560		CATERPILLAR	140 M2 AWD	2014 MOTOR GRADER		\$464,647

BILL TO INFORMATION					
NAME	North Dakota Department Of Transportation				
	Valley City District Office				
ADDRESS	1524 8 th Avenue SW				
CITY	Valley City	STATE	N.D.	ZIP	58072-4200
CONTACT	Kent Kosse, Maintenance	PHONE NO	701-845-8813		

TERMS AND CONDITIONS

AGREEMENT:

Lessor, in consideration of the covenants, promises, and agreements on the part of the Lessee, hereinafter contained, hereby leases the equipment to Lessee in accordance with the terms of this agreement.

AMENDMENTS:

The terms of this agreement shall not be waived, altered, modified, supplemented, or amended, in any manner whatsoever, except by written instrument signed by the parties.

TRANSPORTATION CHARGES:

Lessee shall pay to the Lessor transportation charges incurred by Lessor in delivering the equipment to Lessee, and shall pay all such charges to return the equipment to Lessor upon termination of the lease. If applicable, transportation charges may be included in the rental rate.

OPERATION OF EQUIPMENT:

Lessee agrees that the equipment will be operated only by competent employees and will not be operated beyond the manufacturer's rated capacity nor improperly cared for or abused. The Lessee will pay for all costs of operation including regular maintenance and all repairs necessary due to improper use. Lessor shall supply all information necessary for Lessee to properly prepare operators and maintenance for their responsibilities. The equipment shall be returned to Lessor in as good condition as received, less reasonable wear and tear.

REPAIRS:

The expense of all major repairs made during the rental period, which shall be made by the Lessor's maintenance personnel, including labor, parts, mileage and other items will be paid by the Lessor unless required repairs are due to abuse or misuse of the equipment. The Lessee agrees to pay for repair of damaged tires or excessive wear. Cuts resulting in permanent damage to a tire will be subject to repair or replacement by Lessee if due to improper use or abuse. If the machine is down for more than 24 hours due to repairs, Lessor will issue credit of the prorated rental rate, or replace with a like or similar machine, if mutually agreed upon, or the agreement may be terminated and credited accordingly.

WARRANTY:

Lessor assigns to Lessee, for and during the term of this agreement, so long as Lessee shall not be in default, all manufacturer's warranties and guarantees, express or implied, issued on or applicable to the equipment.

ALTERATIONS AND MODIFICATIONS OF EQUIPMENT:

Lessee shall not make any additions, attachments, alterations or improvements to the equipment without the prior written consent of Lessor. Any addition, attachment, alteration or improvement of equipment shall belong to and become the property of Lessor unless, at the request of the Lessor, it is removed prior to the return of such item of equipment by Lessee. Lessee shall be responsible for all costs relating to such removal and shall restore such item of equipment to its operating condition that existed at the time it became subject to the applicable lease.

LIABILITY:

Lessee and Lessor each agrees to assume its own liability for any and all claims of any nature including all costs, expenses and attorneys' fees which may in any manner result from or arise out of this agreement.

INSURANCE:

Insurance shall be secured and kept in force during the term of this agreement, from insurance companies or a government self-insurance pool authorized to do business in the state of North Dakota, to include the following coverage:

- 1) Lessee and Lessor shall provide commercial general liability with minimum liability limits of \$250,000 per person and \$1,000,000 per occurrence.
- 2) Lessee shall provide property insurance insuring the full and true value of the equipment. Insurance policy shall name Lessee as insured and Lessor as an additional insured and loss payee thereof as Lessor's interest may appear. An Evidence of Property Insurance shall be provided to the Lessor by the Lessee.

The insurance coverage listed above shall meet the following additional requirements:

- 1) Any deductible or self insured retention amount or other similar obligation shall be the sole responsibility of the party purchasing the coverage.
- 2) This insurance may be in policy or policies of insurance, primary and excess, including the so-called umbrella or catastrophe form and must be placed with insurers rated "A" or better by A. M. Best Company Inc., provided any excess policy follows form for coverage. "Follows form" means the excess policy must be written with the same terms and conditions as the policy to which is in excess.
- 3) Either party may request a certificate of insurance evidencing the required coverage that is in effect and providing that the coverage may not be canceled or modified without thirty (30) days prior written notice to the other party.
- 4) Failure to provide insurance as required in this agreement is a material breach of contract.

TAXES:

The State does not pay sales tax or most federal taxes. The State's sales tax exemption number is E-2001. The federal tax free transaction number is 45-70-0010K. the federal employer identification number is 45-6002432.

INSPECTION:

Lessee agrees to permit Lessor or its representatives to inspect equipment leased hereunder at all reasonable times upon request of Lessor.

TERMINATION:

- a. This agreement may be terminated by mutual consent of both parties, or by either party upon 30 day's notice, in writing or delivered by certified mail or in person.
- b. In addition, Lessee may terminate this agreement effective upon delivery of written notice to the Lessor, or at such later date as may be established by Lessee, under any of the following conditions:
 - 1) If Lessee funding from federal, state, or other sources is not obtained and continued at levels sufficient to allow for purchase of the indicated quantity of services. The agreement may be modified unilaterally to accommodate a reduction in funds.
 - 2) If federal or state regulations or guidelines are modified, changed, or interpreted in such a way that the services are no longer allowable or appropriate for purchase under this agreement or are no longer eligible for the funding proposed for payments authorized by this agreement.
 - 3) If any license or certificate required by law or regulation to be held by the Lessor to provide the services required by the agreement is for any reason denied or revoked.

Any such termination of this agreement under (1), (2), or (3), above, shall be without prejudice to any obligations of either party already accrued prior to such termination.

- c. Either party, by written notice, may terminate the whole or any part of this agreement:
 - 1) If either party fails to provide services called for by this agreement within the time specified herein or any extension thereof; or
 - 2) If either party fails to perform any other provisions of this agreement, or so fails to pursue the work as to endanger performance of this agreement in accordance with its terms, and after receipt of written notice from either party, fails to correct such failures within ten days or such longer period as either party may authorize.

LESSEE AGREES TO:

- 1 Notify Lessor of any change in agreed location.
- 2 Not sublease, rent or loan above equipment.
- 3 Not hold Lessor responsible for weather conditions, such as rain, snow, etc. No credit is expected because of these conditions.
- 4 Notify Lessor immediately of any mechanical failure, at which time a decision will be made who is responsible for repairs.
- 5 Pay a clean up charge for excessively dirty equipment.

PURCHASE ORDER:

A Purchase Order will not be issued as a result of this agreement. The executed agreement will bind the contractual obligation of the Lessee. Purchase Orders or Claim for Payments will be executed for payment of monthly invoices.

RENTAL PAYMENTS:

Lessee shall pay Lessor, upon invoice, rental payments. Payment for itemized additional charges is upon invoice. All rent and other amounts payable by Lessee to Lessor hereunder shall be paid to Lessor at the address specified above or at such other place as Lessor may designate in writing to Lessee.

LATE PAYMENTS:

Customary late charges on accounts not paid within thirty (30) days of invoice are allowable, not to exceed the maximum rate of interest permitted by law.

EXTENDED RENTAL PERIOD:

Lessee shall notify Lessor of extended rental needs. Lessee reserves the right to negotiate seasonal rates with the Lessor and may opt to extend the agreement upon mutual consent.

REQUEST FOR BID:

If a written request for bid for the equipment rental was solicited, any accompanying specific terms, conditions and specifications therein will become part of this agreement.

GOVERNING LAW AND VENUE:

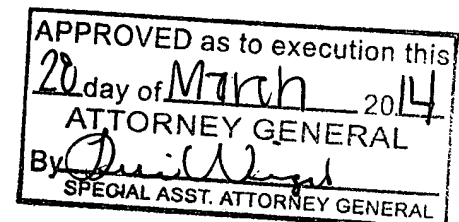
Notwithstanding any rules regarding the choice of law or venue, it is agreed by the parties that this agreement shall be governed by and construed in accordance with applicable Federal Law and the laws of the state of North Dakota, at the time the agreement was executed. All disputes arising from this agreement shall be brought in the South Central District Court of the state of North Dakota.

MERGER AND WAIVER:

This agreement constitutes the entire agreement between the parties. No waiver, consent, modification, or change of terms of this agreement shall bind either party unless in writing and signed by both parties. Such waiver, consent, modification, or change, if made, shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this agreement. The Lessor, by the signature below of its authorized representative, hereby acknowledges that the Lessor has read this agreement, understands it, and agrees to be bound by its terms and conditions.

LESSOR (Vendor)	
TO BE SIGNED BY OWNER; PARTNER; CORPORATE PRESIDENT; VICE PRESIDENT. OR OTHER AUTHORIZED CORPORATE OFFICER OR BID MAY BE REJECTED. (IF SIGNED BY OTHER CORP. OFFICER, PLEASE ATTACH COPY OF POWER OF ATTORNEY OR OTHER DOCUMENTATION SHOWING AUTHORITY TO SIGN.)	
NAME (TYPE OR PRINT):	TITLE:
ROBERT JENSEN Treasurer	
SIGNATURE: <i>Robert Jensen, Treasurer</i>	DATE: 3/25/2014

LESSEE (Agency)	
APPROVED AS TO SUBSTANCE BY:	DATE:
<i>Mike Kise</i>	3-27-14
AGENCY DIRECTOR SIGNATURE:	DATE:
for Grant Levi <i>Grant Levi</i>	4/1/14





EVIDENCE OF PROPERTY INSURANCE

OP ID: JW

DATE (MM/DD/YYYY)

03/27/2014

THIS EVIDENCE OF PROPERTY INSURANCE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE ADDITIONAL INTEREST NAMED BELOW. THIS EVIDENCE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS EVIDENCE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE ADDITIONAL INTEREST.

AGENCY Vaaler Insurance/Bismarck PO Box 933 Bismarck, ND 58502 Rollin C. Mehlhoff		PHONE (A/C, No, Ext): 701-258-2800		COMPANY Great American Insurance Co Prop & IM Division 6300 S Syracuse Way, Suite 295 Centennial, CO 80111	
FAX (A/C, No): 701-258-2838		E-MAIL ADDRESS:			
CODE:		SUB CODE:			
AGENCY CUSTOMER ID #: NDDE-07					
INSURED ND Dept. of Transportation Financial Management Division 608 E Boulevard Ave Bismarck, ND 58505		LOAN NUMBER BUTLER MACH		POLICY NUMBER IMP118755911	
		EFFECTIVE DATE 07/01/13		EXPIRATION DATE 07/01/14	
				<input type="checkbox"/> CONTINUED UNTIL TERMINATED IF CHECKED	
THIS REPLACES PRIOR EVIDENCE DATED:					

PROPERTY INFORMATION

LOCATION/DESCRIPTION

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS EVIDENCE OF PROPERTY INSURANCE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

COVERAGE INFORMATION

COVERAGE / PERILS / FORMS	AMOUNT OF INSURANCE	DEDUCTIBLE
Blanket Equipment leased/rented (leased/rented 12 mos or less) ACV = Actual Cash Value Maximum per item Maximum per loss	ACV \$600,000 \$3,000,000	\$15,000


REMARKS (Including Special Conditions)

Location: NDDOT Valley City District
Rental Term: May 1, 2014 - April 30, 2015
Make: Caterpillar
Model: 140 M2 AWD
Year: 2014
S/N: M9J00560
Value: \$464,647

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

ADDITIONAL INTEREST

NAME AND ADDRESS Butler Machinery(Bismarck) PO Box 757 Bismarck, ND 58502	MORTGAGEE	ADDITIONAL INSURED
	LOSS PAYEE	<input checked="" type="checkbox"/> Lessor
	LOAN #	
	AUTHORIZED REPRESENTATIVE 	

EQUIPMENT RENTAL AGREEMENT

North Dakota Department of Transportation
Financial Management Division, Rm. 22
608 East Boulevard Avenue
Bismarck, ND 58505-0700

NAME	LESSOR (VENDOR)	LESSEE (STATE)
	Butler Machinery Company	N.D. Department of Transportation
ADDRESS	P.O. Box 757	608 E. Boulevard Avenue
CITY, STATE ZIP CODE	Bismarck, ND 58502	Bismarck, ND 58505-0700
CONTACT	Fargo – Dale Rage	Marilyn Langehaug, Purchasing Agent II
PHONE NO	701-280-3100 dalerage@butlermachinery.com	701-328-4466

DATE :		March 15, 2014		RENTAL TERM	BEGINS ON May 1, 2014	ENDS ON April 30, 2015
DAY (8HRS.)		RENTAL RATES \$ 0.00		TRANSPORTATION CHARGES IF APPLICABLE		METER READING OUT
WEEK (44HRS.)		\$ 0.00		None		
MONTH (176 HRS.)		\$ 0.00		MINIMUM RENTAL AMOUNT GUARANTEED BY LESSEE		
EXCESS HOURS BILLED AT		\$ 209.00		\$209.00 per Hour, 100 Hour Minimum		METER READING IN
* RENTAL RATES ARE BASED ON HOUR METER USAGE						
Equipment will be used at Fargo District.						LESSEE WILL NOT REMOVE THE EQUIPMENT FROM THIS LOCATION WITHOUT NOTIFICATION.
SERIAL NUMBER		MAKE		MODEL		DESCRIPTION
M9J00605		CATERPILLAR		140M2 AWD		2014 MOTOR GRADER
						UNIT VALUE
						\$450,347

BILL TO INFORMATION					
NAME	North Dakota Department Of Transportation				
	Fargo District Office				
ADDRESS	503 – 38 th St South				
CITY	Fargo	State	N.D.	ZIP	58103-1198
CONTACT	Troy Gilbertson, Maintenance	Phone No	701-239-8904		

TERMS AND CONDITIONS

AGREEMENT:

Lessor, in consideration of the covenants, promises, and agreements on the part of the Lessee, hereinafter contained, hereby leases the equipment to Lessee in accordance with the terms of this agreement.

AMENDMENTS:

The terms of this agreement shall not be waived, altered, modified, supplemented, or amended, in any manner whatsoever, except by written instrument signed by the parties.

TRANSPORTATION CHARGES:

Lessee shall pay to the Lessor transportation charges incurred by Lessor in delivering the equipment to Lessee, and shall pay all such charges to return the equipment to Lessor upon termination of the lease. If applicable, transportation charges may be included in the rental rate.

OPERATION OF EQUIPMENT:

Lessee agrees that the equipment will be operated only by competent employees and will not be operated beyond the manufacturer's rated capacity nor improperly cared for or abused. The Lessee will pay for all costs of operation including regular maintenance and all repairs necessary due to improper use. Lessor shall supply all information necessary for Lessee to properly prepare operators and maintenance for their responsibilities. The equipment shall be returned to Lessor in as good condition as received, less reasonable wear and tear.

REPAIRS:

The expense of all major repairs made during the rental period, which shall be made by the Lessor's maintenance personnel, including labor, parts, mileage and other items will be paid by the Lessor unless required repairs are due to abuse or misuse of the equipment. The Lessee agrees to pay for repair of damaged tires or excessive wear. Cuts resulting in permanent damage to a tire will be subject to repair or replacement by Lessee if due to improper use or abuse. If the machine is down for more than 24 hours due to repairs, Lessor will issue credit of the prorated rental rate, or replace with a like or similar machine, if mutually agreed upon, or the agreement may be terminated and credited accordingly.

WARRANTY:

Lessor assigns to Lessee, for and during the term of this agreement, so long as Lessee shall not be in default, all manufacturer's warranties and guarantees, express or implied, issued on or applicable to the equipment.

ALTERATIONS AND MODIFICATIONS OF EQUIPMENT:

Lessee shall not make any additions, attachments, alterations or improvements to the equipment without the prior written consent of Lessor. Any addition, attachment, alteration or improvement of equipment shall belong to and become the property of Lessor unless, at the request of the Lessor, it is removed prior to the return of such item of equipment by Lessee. Lessee shall be responsible for all costs relating to such removal and shall restore such item of equipment to its operating condition that existed at the time it became subject to the applicable lease.

LIABILITY:

Lessee and Lessor each agrees to assume its own liability for any and all claims of any nature including all costs, expenses and attorneys' fees which may in any manner result from or arise out of this agreement.

INSURANCE:

Insurance shall be secured and kept in force during the term of this agreement, from insurance companies or a government self-insurance pool authorized to do business in the state of North Dakota, to include the following coverage:

- 1) Lessee and Lessor shall provide commercial general liability with minimum liability limits of \$250,000 per person and \$1,000,000 per occurrence.
- 2) Lessee shall provide property insurance insuring the full and true value of the equipment. Insurance policy shall name Lessee as insured and Lessor as an additional insured and loss payee thereof as Lessor's interest may appear. An Evidence of Property Insurance shall be provided to the Lessor by the Lessee.

The insurance coverage listed above shall meet the following additional requirements:

- 1) Any deductible or self insured retention amount or other similar obligation shall be the sole responsibility of the party purchasing the coverage.
- 2) This insurance may be in policy or policies of insurance, primary and excess, including the so-called umbrella or catastrophe form and must be placed with insurers rated "A" or better by A. M. Best Company Inc., provided any excess policy follows form for coverage. "Follows form" means the excess policy must be written with the same terms and conditions as the policy to which is in excess.
- 3) Either party may request a certificate of insurance evidencing the required coverage that is in effect and providing that the coverage may not be canceled or modified without thirty (30) days prior written notice to the other party.
- 4) Failure to provide insurance as required in this agreement is a material breach of contract.

TAXES:

The State does not pay sales tax or most federal taxes. The State's sales tax exemption number is E-2001. The federal tax free transaction number is 45-70-0010K. the federal employer identification number is 45-6002432.

INSPECTION:

Lessee agrees to permit Lessor or its representatives to inspect equipment leased hereunder at all reasonable times upon request of Lessor.

TERMINATION:

- a. This agreement may be terminated by mutual consent of both parties, or by either party upon 30 day's notice, in writing or delivered by certified mail or in person.
- b. In addition, Lessee may terminate this agreement effective upon delivery of written notice to the Lessor, or at such later date as may be established by Lessee, under any of the following conditions:
 - 1) If Lessee funding from federal, state, or other sources is not obtained and continued at levels sufficient to allow for purchase of the indicated quantity of services. The agreement may be modified unilaterally to accommodate a reduction in funds.
 - 2) If federal or state regulations or guidelines are modified, changed, or interpreted in such a way that the services are no longer allowable or appropriate for purchase under this agreement or are no longer eligible for the funding proposed for payments authorized by this agreement.
 - 3) If any license or certificate required by law or regulation to be held by the Lessor to provide the services required by the agreement is for any reason denied or revoked.

Any such termination of this agreement under (1), (2), or (3), above, shall be without prejudice to any obligations of either party already accrued prior to such termination.

- c. Either party, by written notice, may terminate the whole or any part of this agreement:
 - 1) If either party fails to provide services called for by this agreement within the time specified herein or any extension thereof; or
 - 2) If either party fails to perform any other provisions of this agreement, or so fails to pursue the work as to endanger performance of this agreement in accordance with its terms, and after receipt of written notice from either party, fails to correct such failures within ten days or such longer period as either party may authorize.

LESSEE AGREES TO:

- 1 Notify Lessor of any change in agreed location.
- 2 Not sublease, rent or loan above equipment.
- 3 Not hold Lessor responsible for weather conditions, such as rain, snow, etc. No credit is expected because of these conditions.
- 4 Notify Lessor immediately of any mechanical failure, at which time a decision will be made who is responsible for repairs.
- 5 Pay a clean up charge for excessively dirty equipment.

PURCHASE ORDER:

A Purchase Order will not be issued as a result of this agreement. The executed agreement will bind the contractual obligation of the Lessee. Purchase Orders or Claim for Payments will be executed for payment of monthly invoices.

RENTAL PAYMENTS:

Lessee shall pay Lessor, upon invoice, rental payments. Payment for itemized additional charges is upon invoice. All rent and other amounts payable by Lessee to Lessor hereunder shall be paid to Lessor at the address specified above or at such other place as Lessor may designate in writing to Lessee.

LATE PAYMENTS:

Customary late charges on accounts not paid within thirty (30) days of invoice are allowable, not to exceed the maximum rate of interest permitted by law.

EXTENDED RENTAL PERIOD:

Lessee shall notify Lessor of extended rental needs. Lessee reserves the right to negotiate seasonal rates with the Lessor and may opt to extend the agreement upon mutual consent.

REQUEST FOR BID:

If a written request for bid for the equipment rental was solicited, any accompanying specific terms, conditions and specifications therein will become part of this agreement.

GOVERNING LAW AND VENUE:

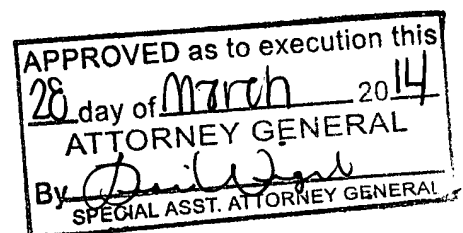
Notwithstanding any rules regarding the choice of law or venue, it is agreed by the parties that this agreement shall be governed by and construed in accordance with applicable Federal Law and the laws of the state of North Dakota, at the time the agreement was executed. All disputes arising from this agreement shall be brought in the South Central District Court of the state of North Dakota.

MERGER AND WAIVER:

This agreement constitutes the entire agreement between the parties. No waiver, consent, modification, or change of terms of this agreement shall bind either party unless in writing and signed by both parties. Such waiver, consent, modification, or change, if made, shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this agreement. The Lessor, by the signature below of its authorized representative, hereby acknowledges that the Lessor has read this agreement, understands it, and agrees to be bound by its terms and conditions.

LESSOR (Vendor): TO BE SIGNED BY OWNER, PARTNER, CORPORATE PRESIDENT, VICE PRESIDENT, OR OTHER AUTHORIZED CORPORATE OFFICER OR BID MAY BE REJECTED. (IF SIGNED BY OTHER CORP. OFFICER, PLEASE ATTACH COPY OF POWER OF ATTORNEY OR OTHER DOCUMENTATION SHOWING AUTHORITY TO SIGN.)	
NAME (TYPE OR PRINT): ROBERT JENSEN Treasurer	TITLE:
SIGNATURE: <i>Robert Jensen</i>	DATE: <i>3/25/2014</i>

LESSEE (Agency)	
APPROVED AS TO SUBSTANCE BY: <i>Mike Kise</i>	DATE: <i>3-27-14</i>
AGENCY DIRECTOR SIGNATURE: for Grant Levi <i>Grant Levi</i>	DATE: <i>4/1/14</i>





OP ID: JW

EVIDENCE OF PROPERTY INSURANCE

DATE (MM/DD/YYYY)

03/27/2014

THIS EVIDENCE OF PROPERTY INSURANCE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE ADDITIONAL INTEREST NAMED BELOW. THIS EVIDENCE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS EVIDENCE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE ADDITIONAL INTEREST.

AGENCY Vaaler Insurance/Bismarck PO Box 933 Bismarck, ND 58502 Rollin C. Mehlhoff		PHONE (A/C, No, Ext): 701-258-2800	COMPANY Great American Insurance Co Prop & IM Division 6300 S Syracuse Way, Suite 295 Centennial, CO 80111	
FAX (A/C, No): 701-258-2838		E-MAIL ADDRESS:		
CODE:		SUB CODE:		
AGENCY CUSTOMER ID #: NDDE-07				
INSURED ND Dept. of Transportation Financial Management Division 608 E Boulevard Ave Bismarck, ND 58505		LOAN NUMBER BUTLER MACH		POLICY NUMBER IMP118755911
		EFFECTIVE DATE 07/01/13	EXPIRATION DATE 07/01/14	<input type="checkbox"/> CONTINUED UNTIL TERMINATED IF CHECKED
THIS REPLACES PRIOR EVIDENCE DATED:				

PROPERTY INFORMATION

LOCATION/DESCRIPTION

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS EVIDENCE OF PROPERTY INSURANCE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

COVERAGE INFORMATION

COVERAGE / PERILS / FORMS	AMOUNT OF INSURANCE	DEDUCTIBLE
Blanket Equipment Leased/rented (Leased/rented 12 mos or less) ACV = Actual Cash Value Maximum per item Maximum per Loss	ACV \$600,000 \$3,000,000	\$15,000

REMARKS (Including Special Conditions)

Location: NDDOT Fargo District
Rental Term: May 1, 2014 - April 30, 2015
Make: Caterpillar
Model: 140 M2 AWD
Year: 2014
S/N: M9J00605
Value: \$458,347

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

ADDITIONAL INTEREST

NAME AND ADDRESS Butler Machinery(Bismarck) PO Box 757 Bismarck, ND 58502	<input type="checkbox"/> MORTGAGEE	<input checked="" type="checkbox"/> ADDITIONAL INSURED Lessor
	<input type="checkbox"/> LOSS PAYEE	
	LOAN #	
AUTHORIZED REPRESENTATIVE 