

PURCHASE AND USE AGREEMENT

This Sale Agreement (the “Agreement”) is entered into by and between the City of Breckenridge, a Texas home-rule municipality (the “City”) and Houston Satterwhite (“Purchaser”).

WHEREAS, the City is the owner of a Caterpillar Dozer, described in more detail below (the “Equipment”), which is rarely used by the City and is currently valued at approximately \$23,836.00;

WHEREAS, Purchaser is employed as the Public Works Director of the City and is fully qualified to operate the Equipment;

WHEREAS, pursuant to the Personnel Policy and Procedure Manual of the City, Purchaser has accumulated 850 hours of leave time, which is equivalent to approximately \$28,605.50;

WHEREAS, in exchange for all of his accumulated leave time, Purchaser wishes to purchase the Equipment from the City;

WHEREAS, City wishes to sell Purchaser the Equipment but allow for future use of the Equipment for City purposes; and

WHEREAS, City and Purchaser wish to enter into an agreement to reflect the transfer of the Equipment from City to Purchaser and set out the terms of future use of the Equipment for City purposes.

NOW, THEREFORE, by and in consideration of the mutual covenants and agreements contained herein, City and Purchaser hereby agree as follows:

A. PURCHASE

1. Equipment. The City is the current owner of a 1971 Caterpillar D7F Dozer with a serial number of 61G234 (the “Equipment”). The City warrants that the Equipment is free and clear of any lawful claims, liens, encumbrances.

2. Purchase Price. Purchaser agrees to forfeit 850 hours of accumulated leave time, at a value of \$28,605.50, to the City in exchange for purchase of the Equipment.

3. Title. The City agrees to execute and provide to Purchaser an Application for Texas Title and/or Registration documenting the transfer of the Equipment to Purchaser and the Title for the Equipment at the time of execution of this Agreement. Purchaser agrees to file that Application with the Stephens County Tax Assessor as soon as possible after receipt.

4. Possession of Equipment. Purchaser may take possession and ownership of the Equipment after this Agreement is executed by both parties.

5. No Warranties. The Equipment is being sold by the City to Purchaser “AS IS”. All warranties, either express or implied, including, but not limited to, any implied warranty of merchantability or fitness for a particular purpose, are expressly disclaimed.

B. USE

1. By the City. After the purchase and sale of the Equipment has been finalized, the City may request that the Equipment be used for City purposes. Purchaser shall allow the Equipment to be used for City purposes, if the Equipment is available and properly functioning. Purchaser shall take reasonable efforts to ensure that the Equipment is reasonably available to the City.

2. Operation. Purchaser shall transport the Equipment to the location where it is to be used for City purposes and shall operate the Equipment for said City purposes. During transportation and use, Purchaser shall be acting in the course and scope of his employment with the City.

3. By Others. If Purchaser should cease to be an employee of the City or if another employee of the City becomes qualified to operate the Equipment, Purchaser shall allow a City employee to pick up the equipment at Purchaser's property, operate the Equipment for City purposes, and drop off the Equipment at Purchaser's property.

4. Transportation Costs. All costs of transporting the Equipment to the City's work site shall be borne by the City.

5. Insurance. Purchaser shall maintain adequate liability insurance on the Equipment. The City's insurance shall apply to the Equipment when the Equipment is being transported to and from the location where it will be operated for City purposes and while the Equipment is being operated for City purposes.

6. Repairs. Purchaser shall primarily be responsible for any repairs to the Equipment during the Term of this Agreement, as defined below. However, any repairs necessitated solely based on the City's use of the Equipment for City purposes shall be the responsibility of the City.

7. Term. The City's use of the Equipment for City purposes under this Agreement shall begin on the date of execution of this Agreement and end on the fifth anniversary of the execution date.

EXECUTED on this the 3rd day of August 2021 by the City of Breckenridge, Texas.

Heather Robertson-Caraway, CCCII, TRMC
Interim City Manager / City Secretary

EXECUTED on this the 3rd day of August 2021 by Houston Satterwhite.

Houston Satterwhite