



Department of Administration
 Purchasing Division
 2019 Washington Street East
 Post Office Box 50130
 Charleston, WV 25305-0130

State of West Virginia Master Agreement

Order Date: 08-23-2022

CORRECT ORDER NUMBER MUST
 APPEAR ON ALL PACKAGES, INVOICES,
 AND SHIPPING PAPERS. QUESTIONS
 CONCERNING THIS ORDER SHOULD BE
 DIRECTED TO THE DEPARTMENT
 CONTACT.

Order Number:	CMA 0803 0070 DOT2000000014 5	Procurement Folder:	575001
Document Name:	4WD Rubber Tired Wheel Loader with Bucket (7019EC15)	Reason for Modification:	Change Order No. 4 - to renew and increase contract per the attached documentation.
Document Description:	4WD Rubber Tired Wheel Loader with Bucket (7019EC15)		
Procurement Type:	Central Master Agreement		
Buyer Name:			
Telephone:			
Email:			
Shipping Method:	Best Way	Effective Start Date:	2019-08-15
Free on Board:	FOB Dest, Freight Prepaid	Effective End Date:	2023-08-14

VENDOR				DEPARTMENT CONTACT	
Vendor Customer Code:	000000207254			Requestor Name:	Pamela J Hall
NEWLONS INTL SALES LLC PO BOX 1334				Requestor Phone:	(304) 473-5342
ELKINS WV 26241				Requestor Email:	pamela.j.hall@wv.gov
US				23 FILE LOCATION _____	
Vendor Contact Phone:	304-636-4561	Extension:			
Discount Details:					
	Discount Allowed	Discount Percentage	Discount Days		
#1	No	0.0000	0		
#2	No				
#3	No				
#4	No				

INVOICE TO	SHIP TO
DIVISION OF HIGHWAYS	DIVISION OF HIGHWAYS
EQUIPMENT DIVISION RT 33	EQUIPMENT DIVISION
83 BRUSHY ROAD CROSSING, PO BOX 610	83 BRUSHY FORK RD CROSSING
BUCKHANNON WV 26201	BUCKHANNON WV 26201
US	US

8/24/2022

Total Order Amount: _____ **Open End**

Purchasing Division's File Copy

ENTERED

PURCHASING DIVISION AUTHORIZATION
 DATE: *Tanya 8/23/2022*
 ELECTRONIC SIGNATURE ON FILE

ATTORNEY GENERAL APPROVAL AS TO FORM
 DATE: *8/25/2022*
 ELECTRONIC SIGNATURE ON FILE

ENCUMBRANCE CERTIFICATION
 DATE: *8/25/2022*
 ELECTRONIC SIGNATURE ON FILE

Extended Description:

Change Order No. 4 - To renew and increase the original contract according to all terms, conditions, and specifications contained in the original contract and all authorized change orders. The contract is increased as defined in the attached documentation.

Effective date of renewal 08/15/2022 through 08/14/2023

Renewals remaining: 0

Previous Unit Cost for Loader with Bucket: \$110,175.50

Unit Cost increase for CO4 for Loader with Bucket: \$137,000.00

Unit Cost for Optional Log and Lumber Forks remains at \$10,227.40

Unit Cost for Optional Land Clearing Rake remains at \$10,970.63

All provisions of the original Contract and subsequent Change Orders not modified herein shall remain in full force and effect.

No other changes.

Line	Commodity Code	Manufacturer	Model No	Unit	Unit Price
1	22101501			EA	0.000000
	Service From	Service To			

Commodity Line Description: 4WD RUBBER TIRE WHEEL LOADER W/BUCKET

Extended Description:

CO4 - Loader with Bucket - \$137,000.00

Optional Log and Lumber Forks - \$10,227.40

Optional Land Clearing Rake - \$10,970.63



WEST VIRGINIA DEPARTMENT OF TRANSPORTATION
Division of Highways

1900 Kanawha Boulevard East • Building Five • Room 110
Charleston, West Virginia 25305-0430 • (304) 558-3505

D. Alan Reed, P.E.
State Highway Engineer

Jimmy Wriston, P. E.
Secretary of Transportation
Commissioner of Highways

July 27, 2022

MEMORANDUM

TO: John Estep
Department of Administration
WV State Purchasing Division

John Estep
Smiley

FROM: Jeffrey M. Pifer P.E.
Director
Equipment Division

Jeffrey M. Pifer

SUBJECT: Contract Change Order # 3 Contract Renewal with Price Increase CMA 0803
DOT200000014 / 7019EC15

Newlons International Sales LLC has sent a request to renew the Liugong Wheel Loader contract for an additional year. The vendor is also requesting a price increase for the wheel loader only. Attached is supporting information from the vendor and manufacturer.

Should you have any further questions, please feel free to contact my office at 304-473-5500.

JMP:ph



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Division of Highways

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Charleston, West Virginia 25305-0430 • (304) 558-3505

D. Alan Reed, P.E.
State Highway Engineer

Jimmy Wriston, P. E.
Secretary of Transportation
Commissioner of Highways

July 26, 2022

*Price increase
app'd discussed
w/ FW/MS
TJF*

MEMORANDUM

PREPARED BY:	Pam Hall	
DATE:	7/26/22	
ROUTE ORDER	OFFICE	OK
1	BP	<i>VS 7/26</i>
2	HO	<i>RSB 7/29/22</i>
3	CH	<i>DR</i>
4	SEC	<i>JW</i>
5	CB	<i>CR</i>
6	PE	
7	BP	<i>VS</i>

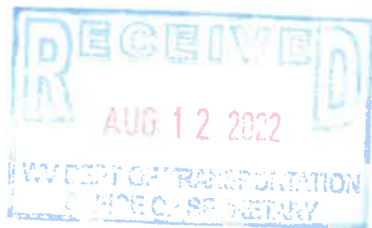
TO: SEC *JW*
FROM: OE *Jeffrey M. Pifer*
THRU: *RSB*
HO, CH

SUBJECT: Request for Contract Renewal with Price Increase for – CMA DOT2000000014/7019EC15.

The West Virginia Division of Highways/Equipment Division received a request from Newlons International Sales LLC to renew their contract and asking for price increase for rubber tired wheel loaders CMA DOT2000000014/7019EC15. Attached is all necessary documentation from the vendor and manufacturer. Please review, and if approved, sign this memo, along with the Purchasing Requisition and return to routing order.

If you have any questions, please contact Jeffrey M. Pifer at 304-473-5500.

JMP:ph



RECEIVED

AUG 12 2022

BUSINESS MANAGER'S OFFICE

E.E.O./AFFIRMATIVE ACTION EMPLOYER



Newlons International Sales, LLC
PO Box 1334
Elkins, West Virginia 26241
Phone: 304-636-4561
Fax: 304-636-7155
www.newlonsinternational.com

July 25, 2022

Mrs. Pamela J Hall
West Virginia Department of Highways (WVDOH)
Equipment Division
State of West Virginia
PO Box 610
Buckhannon, WV 26201

Subject: Consideration for Contract Renewal / Reason for Price Increase Contract CMA DOT200000014 (4WD Rubber Tired Wheel Loader w/ Bucket)

Dear Mrs. Hall:

Please see contract/order number above. Would the WVDOH and West Virginia Purchasing Division please consider contract renewal & price increase, listed below, under the same terms and conditions as stated in said contract. Revised pricing is as follows:

Description	Current Pricing	Price Increase LiuGong	New Price
One Complete Unit: 4 Wheel Drive Rubber Tired Wheel Loader with Bucket	\$ 110,175.50	\$ 26,824.50	\$ 137,000.00

Price increase is for loader only. This increase is due to the current price of steel, delivery/freight cost increase, and tariffs placed on non-domestic parts suppliers. All price increases will be 100% pass-through costs, with no margin and/or profit increase being considered. This is the second consideration for price increase since the Master Agreement Order Date of 2019-08-01. We are currently living in a time of most uncertainty. While the ability to produce our product has not been hindered, associated costs have skyrocketed. Attached is a letter from LGNA, giving explanation for the price increase. Also attached, are the invoices from LGNA to Newlons International Sales. The difference between these two invoices is \$28,093.50. We are asking for a price increase of \$26,824.50. Leaving a balance of \$1,269.00. This difference is for the freight, per machine, from Carlisle, PA (LGNA holding yard) to Elkins, WV (Newlons International Sales). Newlons International Sales will absorb this cost, along with the surcharges of add-on components (i.e. scale systems).

Sincerely,

Beau J Newlon

Beau Newlon, Operations Manager

July 25, 2022

Beau Newlon
Newlons International Sales, LLC
P.O. Box 1334
Elkins, WV
26241

RE: STATE OF WV / LGNA 835'J' WHEEL LOADER PRICING; JULY 2022

Beau,

As requested, I wanted to provide you with a justification of LGNA's (LiuGong North America) new wheel loader pricing for the State's new fiscal year; July 2022 - June 2023. We'll outline two main reasons for our pricing revision; continued global increases in supply chain costs and the value proposition of our new "J" Series Wheel Loaders.

Attached are two charts as Exhibits below.

The first chart is from the U.S. Bureau of Labor & Statistics referencing the Producer Price index, specifically related to industrial machine manufacturing. Between 2018 & 2020, the index of manufacturers prices increased 4.5% while the period between 2020 & 2022 jumped a staggering 26.4% with continued current increases. In addition, the second chart shows roughly a 3 x times increase in ocean freight from Asia to the U.S. West Coast. This pricing is absorbed by LGNA as transferred costs in order to import our machines for sale in North America.

- *LGNA transfer cost from the factory; Ocean Freight Surcharge \$3,600*

New for mid-year 2022 is the redesigned 'J' Series of LiuGong wheel loaders across the product line. The new 'J' is replacing the 'H' Series that the State of WV previously purchased in multiple quantities.

Here is an outline of features, benefits, and improvements with the new 'J' Series along with the *direct correlation related to the increase in machine base pricing*:

- Engine – will now be a Cummins Stage 5 compliant B4.5 vs the original Perkins 1204F diesel engine.
 - 17% increase in Net Horsepower & 11% increase in Torque.
 - Cooling fan with Auto function Forward & Reverse.
 - *\$6,300 increase.*

- **Transmission – upgraded to ZF 4WG158 ERGO Power.**
 - Includes ‘Soft Shift’ feature which reduces the amount of vibration felt by the operator during the shifting cycles.
 - \$3,300 increase.
- **Axle Upgrade.**
 - Limited slip BOTH front & rear (vs just front).
 - \$4,825 increase.
- **Hydraulic system upgrade.**
 - Fan Drive Motor with speed sensor interface vs original Gear Motor.
 - \$2,900 increase.
- **Fully Electric over Hydraulic Joystick controls.**
 - vs original Pilot Control system.
 - \$4,100 increase.
- **Improvements to Steering Column functions for improved operator comfort.**
 - Tilt & Height adjustable.
- **Tires – L3 Radials vs original Bias ply.**
 - \$1,800 Total (4 tires) increase
- **Performance Improvements:**
 - 9% increase in operating weight
 - 13% increase in full turn tip load
 - 4% increase in full dump height clearance
 - 13% increase in bucket breakout force

<i>Summary of Cost Increases</i>	
<i>Shipping Charges</i>	\$ 3,600
<i>Engine; Stage 5</i>	\$ 6,300
<i>Transmission</i>	\$ 3,300
<i>Axle</i>	\$ 4,825
<i>Hydraulics</i>	\$ 2,900
<i>Electric / Hydraulic Controls</i>	\$ 4,100
<i>Radial Tires</i>	\$ 1,800
	\$ 26,825

The new ‘J’ Series is truly redesigned with all of these improvements and a sleeker look, while still offering the desired standard features of an Auto Lube system and Ride Control.

Please let me know if there is any additional information you need. We'll all look forward to more 835J Wheel Loader orders from the State of West Virginia and do our very best to support them and our partner Newlons International.

Best regards,



Alex Koss
Regional Business Manager
LiuGong North America

Exhibit A – Producer Price Index: Global Industrial Machine Mfg

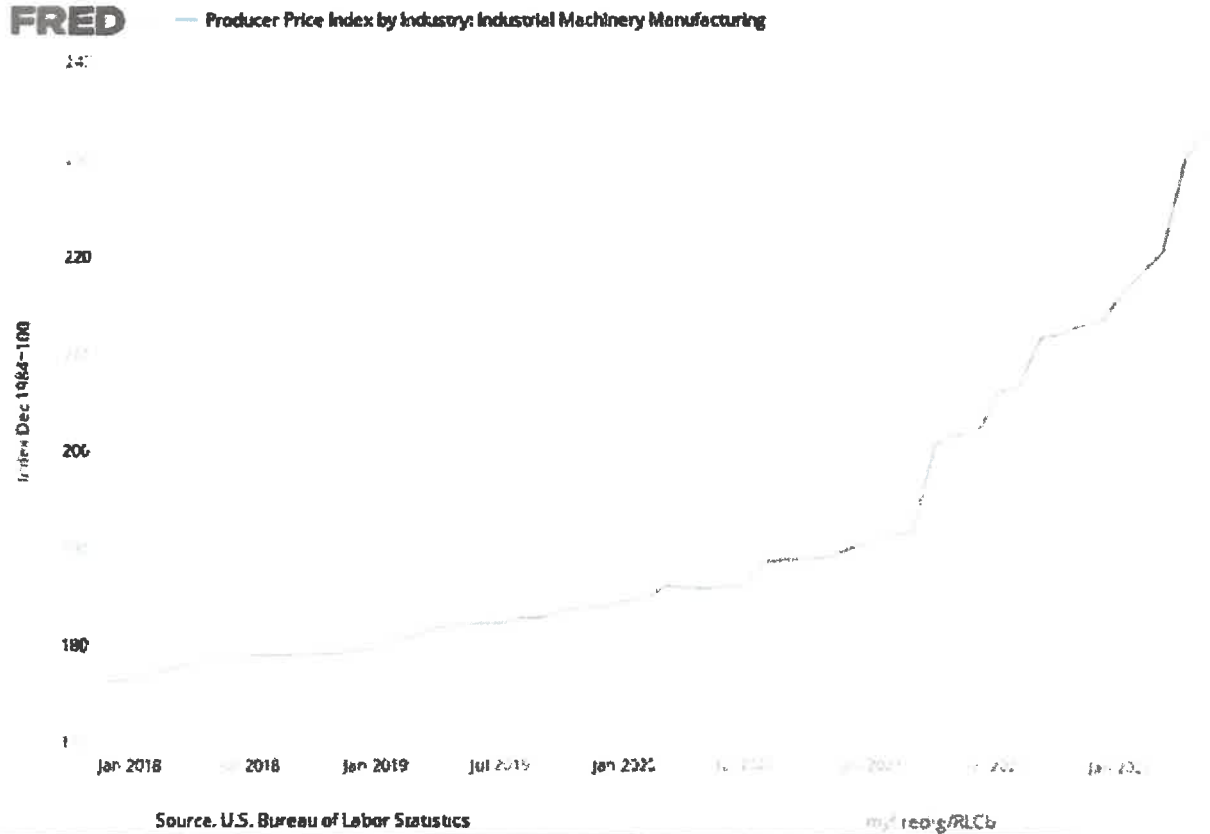


Exhibit B – Freight Costs: Asia to US West Coast



LiuGong Construction Machinery N.A. LLC

22220 Merchants Way, Suite 100, Katy, Texas 77449
 Phone: (281)579-8882 Fax: (281)519-8333
 eMail: AR@LiuGongNA.com Federal Tax ID : 26-1697225

**Proforma Invoice**

SOLD TO: 212071
COMPANY
 Newlons International Sales, LLC
 16 Ward Road
 Elkins WV 26241

SHIP TO:
COMPANY
 Newlons International Sales, LLC
 16 Ward Road
 Elkins WV 26241

Invoice NO. 8589002742 Invoice Date: 2022-03-02
 Order Number: 8581028695 Payment Terms: CHTC180EPD
 Delivery Order: Ship: By Road
 Invoice Email To: chad@newlonswv.com, beau@newlonswv.com, dtaylor@newlonswv.com, plouk@newlonswv.com

Item	Material NO.	Description	PO Ref.	Sales Qty	Unit Price USD	Net Amount USD
1	62F01290007B001 (CLG835HZJML691970) CLG835H WHEEL LOADER/Perkins T4f/Liugong PO: CMA DOT20*14 S/N: CLG835HZJML691970			1 PC	95,156.50	95,156.50
MODEL YEAR 2021 / CLG835H / PERKINS ENGINE, STAGE IV / LIUGONG LIMITED SLIP WET-DISC AXLES / ZF AUTOMATIC TRANSMISSION / FNR /VARIABLE DISPLACEMENT / SINGLE JOYSTICK, PILOT CONTROL / AC / FOPS&ROPS CAB / EMERGENCY STEERING / HEATED AIR SUSPENSION SEAT WITH 3" RETRACTABLE SEAT BELT / E-NAMEPLATE / HEATED LEFT & RIGHT MIRRORS / ROTATING BEACON / QUICK COUPLER / 1.9 CUBIC METER QUICK COUPLER BUCKET WITH BOCE / REAR GLASS WITH DEFROSTER / BACKUP ALARM / HYDRAULIC VALVE / LICENSE-PLATE BRACKET AND LIGH / WEDGE BLOCKS/ FULL REAR FENDER / AUTOMATIC CENTRAL LUBRICATION / REAR CAMERA / RIDE CONTROL / GRID HEATER / 17.5-25 PR16 / L3 RADIAL, TUBELESS TIRE / BELLY GUARD / RADIO + SPEAKERS / NO FORKS / NO CARRIAGE.						
Subtotal						95,156.50
Total						95,156.50

Total Amount: US Dollar Ninety-five thousand one hundred fifty-six and fifty cents only.

WARRANTY: 3 YEAR / 4000 HOUR
 TRANSPORTATION: NEWLONS TO ARRANGE CARTAGE AND SERVICE
 EXW: KEEN TRANSPORT INC - CARLISLE 1951 HARRISBURG PIKE CARLISLE, PA 17015
 PAYMENT TERMS: CHTC180
 CONGRATULATIONS ON YOUR PURCHASE AND THANK YOU FOR CHOOSING LIUGONG!

Address:
 LiuGong Construction Machinery N.A. LLC
 22220 Merchants Way, Suite 100
 Katy, Texas 77449

eMail: AR@LiuGongNA.com
 Phone: (281)579-8882
 Fax: (281)579-8388

BANK WIRING INSTRUCTIONS:
 Remit to: Liugong Construction Machinery, 22220 Merchants
 Way, Suite 100, Katy, TX 77449
 Wire Payments To: Account Name: LiuGong Construction
 Machinery N.A., LLC

LiuGong Construction Machinery N.A. LLC

22220 Merchants Way, Suite 100, Katy, Texas 77449

Phone: (281)579-8882 Fax: (281)519-8333

eMail: AR@LiuGongNA.com Federal Tax ID : 26-1697225



Proforma Invoice

SOLD TO: 212071

COMPANY

Newlons International Sales, LLC

16 Ward Road

Elkins WV 26241

SHIP TO:

COMPANY

Newlons International Sales, LLC

16 Ward Road

Elkins WV 26241

Invoice NO. 8589002742

Invoice Date: 2022-03-02

Order Number: 8581028695

Payment Terms: CHTC180EPD

Delivery Order:

Ship:

By Road

Invoice Email To: chad@newlonswv.com, beau@newlonswv.com, dtaylor@newlonswv.com, plouk@newlonswv.com

Authorized LiuGong NA Representative

Authorized Customer Representative

Address:
LiuGong Construction Machinery N.A. LLC
22220 Merchants Way, Suite 100
Katy, Texas 77449

eMail: AR@LiuGongNA.com
Phone: (281)579-8882
Fax: (281)579-8388

BANK WIRING INSTRUCTIONS:

Remit to: Liugong Construction Machinery, 22220 Merchants
Way, Suite 100, Katy, TX 77449

Wire Payments To: Account Name: LiuGong Construction
Machinery N.A., LLC

Bank Name: Bank of China New York
Account: 01021817

LiuGong Construction Machinery N.A. LLC

22220 Merchants Way, Suite 100, Katy, Texas 77449
Phone: (281)579-8882 Fax: (281)519-8333
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Newlons International Sales, LLC
16 Ward Road
Elkins WV 26241

SHIP TO:
COMPANY
Newlons International Sales, LLC
16 Ward Road
Elkins WV 26241

Invoice NO. 8589003014 Invoice Date: 2022-07-26
Order Number: 8581035337 Payment Terms: Within 90 days Due net
Delivery Order: Ship: By Road
Invoice Email To: chad@newlonswv.com, beau@newlonswv.com, plouk@newlonswv.com, dtaylor@newlonswv.com

Item	Material NO.	Description	PO Ref.	Sales Qty	Unit Price USD	Net Amount USD
1	62F01790004B001 (CLG835JZJNL701577)	CLG835J WHEEL LOADER/Cummins V/Liugong w PO: Newlons 835J S/N: CLG835JZJNL701577		1 PC	123,250.00	123,250.00
Model year 2022 / CLG835J/Cummins B4.5 Stage V/Liugong limited slip wet-disc axles/4BP190 fully automatic power shift transmission/FNR/Variable displacement hydraulic system/Single joystick, EH Control/AC/CE FOPS&ROPS cab/Fire extinguisher/Rear glass with defroster/Backup alarm/Rotating beacon/3 spool hydraulic valve/Grid heater/Hydraulic drive fan/License-plate bracket and light/Wedge block/17.5R25 L3 Radial tubeless/Heated Air Suspension Seat with 3" retractable seat belt/E-nameplate/Quick coupler/1.9 m3 BOCE quick coupler bucket/Autolube/Rear Camera/Full Fenders front and rear/Belly Guard/Emergency steering/Ride Control/Radio and speakers/Heated exterior mirrors left and right						
Subtotal						123,250.00
Total						123,250.00

Total Amount: US Dollar One hundred twenty-three thousand two hundred fifty and zero cents only.

WARRANTY: 3 Year / 4000 Hour & 5 Year / 7000 Hour PT & HYD
TRANSPORTATION: NEWLONS TO ARRANGE CARTAGE AND SERVICE
FOB: 1951 Harrisburg Pike, Carlisle, PA 17015
PAYMENT TERMS: Cash net 90
CONGRATULATIONS ON YOUR PURCHASE AND THANK YOU FOR CHOOSING LIUGONG!

Address: LiuGong Construction Machinery N.A. LLC
22220 Merchants Way, Suite 100
Katy, Texas 77449
eMail: AR@LiuGongNA.com
Phone: (281)579-8882
Fax: (281)579-8388

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Invoice NO. 8589003014

Order Number: 8581035337

Delivery Order:

Invoice Email To: chad@newlonswv.com, beau@newlonswv.com, plouk@newlonswv.com, dtaylor@newlonswv.com

Invoice Date: 2022-07-26

Payment Terms: Within 90 days Due net

Ship: By Road

Authorized LiuGong NA Representative

Authorized Customer Representative

Address:
LiuGong Construction Machinery N.A. LLC
22220 Merchants Way, Suite 100
Katy, Texas 77449

eMail: AR@LiuGongNA.com
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Fax: (281)579-8388

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Wire Payments To: Account Name: LiuGong Construction Machinery N.A., LLC

Bank Name: Bank of China New York
Account: 01021817