



**Solicitation Number: 011723**

## **CONTRACT**

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and Hitachi Construction Machinery America's Inc., 60 Amlajack Boulevard, Newnan, GA 30265 (Supplier).

Sourcewell is a State of Minnesota local government unit and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to eligible federal, state/province, and municipal governmental entities, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada. Sourcewell issued a public solicitation for Heavy Construction Equipment with Related Attachments and Technology from which Supplier was awarded a contract.

Supplier desires to contract with Sourcewell to provide equipment, products, or services to Sourcewell and the entities that access Sourcewell's cooperative purchasing contracts (Participating Entities).

### **1. TERM OF CONTRACT**

- A. **EFFECTIVE DATE.** This Contract is effective upon the date of the final signature below.
- B. **EXPIRATION DATE AND EXTENSION.** This Contract expires April 14, 2027, unless it is cancelled sooner pursuant to Article 22. This Contract may be extended one additional year upon the request of Sourcewell and written agreement by Supplier.
- C. **SURVIVAL OF TERMS.** Notwithstanding any expiration or termination of this Contract, all payment obligations incurred prior to expiration or termination will survive, as will the following: Articles 11 through 14 survive the expiration or cancellation of this Contract. All other rights will cease upon expiration or termination of this Contract.

### **2. EQUIPMENT, PRODUCTS, OR SERVICES**

- A. **EQUIPMENT, PRODUCTS, OR SERVICES.** Supplier will provide the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above.

Supplier's Equipment, Products, or Services Proposal (Proposal) is attached and incorporated into this Contract.

All Equipment and Products provided under this Contract must be new and the current model. Supplier may offer close-out or refurbished Equipment or Products if they are clearly indicated in Supplier's product and pricing list. Unless agreed to by the Participating Entities in advance, Equipment or Products must be delivered as operational to the Participating Entity's site.

This Contract offers an indefinite quantity of sales, and while substantial volume is anticipated, sales and sales volume are not guaranteed.

B. **WARRANTY.** Supplier warrants that all Equipment, Products, and Services furnished are free from liens and encumbrances, and are free from defects in design, materials, and workmanship. In addition, Supplier warrants the Equipment, Products, and Services are suitable for and will perform in accordance with the ordinary use for which they are intended. Supplier's dealers and distributors must agree to assist the Participating Entity in reaching a resolution in any dispute over warranty terms with the manufacturer. Any manufacturer's warranty that extends beyond the expiration of the Supplier's warranty will be passed on to the Participating Entity.

C. **DEALERS, DISTRIBUTORS, AND/OR RESELLERS.** Upon Contract execution and throughout the Contract term, Supplier must provide to Sourcewell a current means to validate or authenticate Supplier's authorized dealers, distributors, or resellers relative to the Equipment, Products, and Services offered under this Contract, which will be incorporated into this Contract by reference. It is the Supplier's responsibility to ensure Sourcewell receives the most current information.

### **3. PRICING**

All Equipment, Products, or Services under this Contract will be priced at or below the price stated in Supplier's Proposal.

When providing pricing quotes to Participating Entities, all pricing quoted must reflect a Participating Entity's total cost of acquisition. This means that the quoted cost is for delivered Equipment, Products, and Services that are operational for their intended purpose, and includes all costs to the Participating Entity's requested delivery location.

Regardless of the payment method chosen by the Participating Entity, the total cost associated with any purchase option of the Equipment, Products, or Services must always be disclosed in the pricing quote to the applicable Participating Entity at the time of purchase.

A. **SHIPPING AND SHIPPING COSTS.** All delivered Equipment and Products must be properly packaged. Damaged Equipment and Products may be rejected. If the damage is not readily apparent at the time of delivery, Supplier must permit the Equipment and Products to be

returned within a reasonable time at no cost to Sourcewell or its Participating Entities. Participating Entities reserve the right to inspect the Equipment and Products at a reasonable time after delivery where circumstances or conditions prevent effective inspection of the Equipment and Products at the time of delivery. In the event of the delivery of nonconforming Equipment and Products, the Participating Entity will notify the Supplier as soon as possible and the Supplier will replace nonconforming Equipment and Products with conforming Equipment and Products that are acceptable to the Participating Entity.

Supplier must arrange for and pay for the return shipment on Equipment and Products that arrive in a defective or inoperable condition.

Sourcewell may declare the Supplier in breach of this Contract if the Supplier intentionally delivers substandard or inferior Equipment or Products.

B. SALES TAX. Each Participating Entity is responsible for supplying the Supplier with valid tax-exemption certification(s). When ordering, a Participating Entity must indicate if it is a tax-exempt entity.

C. HOT LIST PRICING. At any time during this Contract, Supplier may offer a specific selection of Equipment, Products, or Services at discounts greater than those listed in the Contract. When Supplier determines it will offer Hot List Pricing, it must be submitted electronically to Sourcewell in a line-item format. Equipment, Products, or Services may be added or removed from the Hot List at any time through a Sourcewell Price and Product Change Form as defined in Article 4 below.

Hot List program and pricing may also be used to discount and liquidate close-out and discontinued Equipment and Products as long as those close-out and discontinued items are clearly identified as such. Current ordering process and administrative fees apply. Hot List Pricing must be published and made available to all Participating Entities.

#### **4. PRODUCT AND PRICING CHANGE REQUESTS**

Supplier may request Equipment, Product, or Service changes, additions, or deletions at any time. All requests must be made in writing by submitting a signed Sourcewell Price and Product Change Request Form to the assigned Sourcewell Supplier Development Administrator. This approved form is available from the assigned Sourcewell Supplier Development Administrator. At a minimum, the request must:

- Identify the applicable Sourcewell contract number;
- Clearly specify the requested change;
- Provide sufficient detail to justify the requested change;

- Individually list all Equipment, Products, or Services affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
- Include a complete restatement of pricing documentation in Microsoft Excel with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Equipment, Products, and Services offered, even for those items where pricing remains unchanged.

A fully executed Sourcewell Price and Product Request Form will become an amendment to this Contract and will be incorporated by reference.

## **5. PARTICIPATION, CONTRACT ACCESS, AND PARTICIPATING ENTITY REQUIREMENTS**

A. PARTICIPATION. Sourcewell's cooperative contracts are available and open to public and nonprofit entities across the United States and Canada; such as federal, state/province, municipal, K-12 and higher education, tribal government, and other public entities.

The benefits of this Contract should be available to all Participating Entities that can legally access the Equipment, Products, or Services under this Contract. A Participating Entity's authority to access this Contract is determined through its cooperative purchasing, interlocal, or joint powers laws. Any entity accessing benefits of this Contract will be considered a Service Member of Sourcewell during such time of access. Supplier understands that a Participating Entity's use of this Contract is at the Participating Entity's sole convenience and Participating Entities reserve the right to obtain like Equipment, Products, or Services from any other source.

Supplier is responsible for familiarizing its sales and service forces with Sourcewell contract use eligibility requirements and documentation and will encourage potential participating entities to join Sourcewell. Sourcewell reserves the right to add and remove Participating Entities to its roster during the term of this Contract.

B. PUBLIC FACILITIES. Supplier's employees may be required to perform work at government-owned facilities, including schools. Supplier's employees and agents must conduct themselves in a professional manner while on the premises, and in accordance with Participating Entity policies and procedures, and all applicable laws.

## **6. PARTICIPATING ENTITY USE AND PURCHASING**

A. ORDERS AND PAYMENT. To access the contracted Equipment, Products, or Services under this Contract, a Participating Entity must clearly indicate to Supplier that it intends to access this Contract; however, order flow and procedure will be developed jointly between Sourcewell and Supplier. Typically, a Participating Entity will issue an order directly to Supplier or its authorized subsidiary, distributor, dealer, or reseller. If a Participating Entity issues a purchase order, it may use its own forms, but the purchase order should clearly note the applicable Sourcewell

contract number. All Participating Entity orders under this Contract must be issued prior to expiration or cancellation of this Contract; however, Supplier performance, Participating Entity payment obligations, and any applicable warranty periods or other Supplier or Participating Entity obligations may extend beyond the term of this Contract.

Supplier's acceptable forms of payment are included in its attached Proposal. Participating Entities will be solely responsible for payment and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

**B. ADDITIONAL TERMS AND CONDITIONS/PARTICIPATING ADDENDUM.** Additional terms and conditions to a purchase order, or other required transaction documentation, may be negotiated between a Participating Entity and Supplier, such as job or industry-specific requirements, legal requirements (e.g., affirmative action or immigration status requirements), or specific local policy requirements. Some Participating Entities may require the use of a Participating Addendum, the terms of which will be negotiated directly between the Participating Entity and the Supplier or its authorized dealers, distributors, or resellers, as applicable. Any negotiated additional terms and conditions must never be less favorable to the Participating Entity than what is contained in this Contract.

**C. SPECIALIZED SERVICE REQUIREMENTS.** In the event that the Participating Entity requires service or specialized performance requirements not addressed in this Contract (such as e-commerce specifications, specialized delivery requirements, or other specifications and requirements), the Participating Entity and the Supplier may enter into a separate, standalone agreement, apart from this Contract. Sourcewell, including its agents and employees, will not be made a party to a claim for breach of such agreement.

**D. TERMINATION OF ORDERS.** Participating Entities may terminate an order, in whole or in part, immediately upon notice to Supplier in the event of any of the following events:

1. The Participating Entity fails to receive funding or appropriation from its governing body at levels sufficient to pay for the equipment, products, or services to be purchased; or
2. Federal, state, or provincial laws or regulations prohibit the purchase or change the Participating Entity's requirements.

**E. GOVERNING LAW AND VENUE.** The governing law and venue for any action related to a Participating Entity's order will be determined by the Participating Entity making the purchase.

## **7. CUSTOMER SERVICE**

**A. PRIMARY ACCOUNT REPRESENTATIVE.** Supplier will assign an Account Representative to Sourcewell for this Contract and must provide prompt notice to Sourcewell if that person is changed. The Account Representative will be responsible for:

- Maintenance and management of this Contract;
- Timely response to all Sourcwell and Participating Entity inquiries; and
- Business reviews to Sourcwell and Participating Entities, if applicable.

B. BUSINESS REVIEWS. Supplier must perform a minimum of one business review with Sourcwell per contract year. The business review will cover sales to Participating Entities, pricing and contract terms, administrative fees, sales data reports, performance issues, supply issues, customer issues, and any other necessary information.

## **8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT**

A. CONTRACT SALES ACTIVITY REPORT. Each calendar quarter, Supplier must provide a contract sales activity report (Report) to the Sourcwell Supplier Development Administrator assigned to this Contract. Reports are due no later than 45 days after the end of each calendar quarter. A Report must be provided regardless of the number or amount of sales during that quarter (i.e., if there are no sales, Supplier must submit a report indicating no sales were made).

The Report must contain the following fields:

- Participating Entity Name (e.g., City of Staples Highway Department);
- Participating Entity Physical Street Address;
- Participating Entity City;
- Participating Entity State/Province;
- Participating Entity Zip/Postal Code;
- Participating Entity Contact Name;
- Participating Entity Contact Email Address;
- Participating Entity Contact Telephone Number;
- Sourcwell Assigned Entity/Participating Entity Number;
- Item Purchased Description;
- Item Purchased Price;
- Sourcwell Administrative Fee Applied; and
- Date Purchase was invoiced/sale was recognized as revenue by Supplier.

B. ADMINISTRATIVE FEE. In consideration for the support and services provided by Sourcwell, the Supplier will pay an administrative fee to Sourcwell on all Equipment, Products, and Services provided to Participating Entities. The Administrative Fee must be included in, and not added to, the pricing. Supplier may not charge Participating Entities more than the contracted price to offset the Administrative Fee.

The Supplier will submit payment to Sourcwell for the percentage of administrative fee stated in the Proposal multiplied by the total sales of all Equipment, Products, and Services purchased

by Participating Entities under this Contract during each calendar quarter. Payments should note the Supplier's name and Sourcewell-assigned contract number in the memo; and must be mailed to the address above "Attn: Accounts Receivable" or remitted electronically to Sourcewell's banking institution per Sourcewell's Finance department instructions. Payments must be received no later than 45 calendar days after the end of each calendar quarter.

Supplier agrees to cooperate with Sourcewell in auditing transactions under this Contract to ensure that the administrative fee is paid on all items purchased under this Contract.

In the event the Supplier is delinquent in any undisputed administrative fees, Sourcewell reserves the right to cancel this Contract and reject any proposal submitted by the Supplier in any subsequent solicitation. In the event this Contract is cancelled by either party prior to the Contract's expiration date, the administrative fee payment will be due no more than 30 days from the cancellation date.

## **9. AUTHORIZED REPRESENTATIVE**

Sourcewell's Authorized Representative is its Chief Procurement Officer.

Supplier's Authorized Representative is the person named in the Supplier's Proposal. If Supplier's Authorized Representative changes at any time during this Contract, Supplier must promptly notify Sourcewell in writing.

## **10. AUDIT, ASSIGNMENT, AMENDMENTS, WAIVER, AND CONTRACT COMPLETE**

A. **AUDIT.** Pursuant to Minnesota Statutes Section 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant to this Contract are subject to examination by Sourcewell or the Minnesota State Auditor for a minimum of six years from the end of this Contract. This clause extends to Participating Entities as it relates to business conducted by that Participating Entity under this Contract.

B. **ASSIGNMENT.** Neither party may assign or otherwise transfer its rights or obligations under this Contract without the prior written consent of the other party and a fully executed assignment agreement. Such consent will not be unreasonably withheld. Any prohibited assignment will be invalid.

C. **AMENDMENTS.** Any amendment to this Contract must be in writing and will not be effective until it has been duly executed by the parties.

D. **WAIVER.** Failure by either party to take action or assert any right under this Contract will not be deemed a waiver of such right in the event of the continuation or repetition of the circumstances giving rise to such right. Any such waiver must be in writing and signed by the parties.



E. **CONTRACT COMPLETE.** This Contract represents the complete agreement between the parties. No other understanding regarding this Contract, whether written or oral, may be used to bind either party. For any conflict between the attached Proposal and the terms set out in Articles 1-22 of this Contract, the terms of Articles 1-22 will govern.

F. **RELATIONSHIP OF THE PARTIES.** The relationship of the parties is one of independent contractors, each free to exercise judgment and discretion with regard to the conduct of their respective businesses. This Contract does not create a partnership, joint venture, or any other relationship such as master-servant, or principal-agent.

### **11. INDEMNITY AND HOLD HARMLESS**

Supplier must indemnify, defend, save, and hold Sourcewell and its Participating Entities, including their agents and employees, harmless from any claims or causes of action, including attorneys' fees incurred by Sourcewell or its Participating Entities, arising out of any act or omission in the performance of this Contract by the Supplier or its agents or employees; this indemnification includes injury or death to person(s) or property alleged to have been caused by some defect in the Equipment, Products, or Services under this Contract to the extent the Equipment, Product, or Service has been used according to its specifications. Sourcewell's responsibility will be governed by the State of Minnesota's Tort Liability Act (Minnesota Statutes Chapter 466) and other applicable law.

### **12. GOVERNMENT DATA PRACTICES**

Supplier and Sourcewell must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by or provided to Sourcewell under this Contract and as it applies to all data created, collected, received, maintained, or disseminated by the Supplier under this Contract.

### **13. INTELLECTUAL PROPERTY, PUBLICITY, MARKETING, AND ENDORSEMENT**

#### **A. INTELLECTUAL PROPERTY**

1. *Grant of License.* During the term of this Contract:
  - a. Sourcewell grants to Supplier a royalty-free, worldwide, non-exclusive right and license to use the trademark(s) provided to Supplier by Sourcewell in advertising and promotional materials for the purpose of marketing Sourcewell's relationship with Supplier.
  - b. Supplier grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Supplier's trademarks in advertising and promotional materials for the purpose of marketing Supplier's relationship with Sourcewell.
2. *Limited Right of Sublicense.* The right and license granted herein includes a limited right of each party to grant sublicenses to their respective subsidiaries, distributors, dealers,



resellers, marketing representatives, and agents (collectively “Permitted Sublicensees”) in advertising and promotional materials for the purpose of marketing the Parties’ relationship to Participating Entities. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this Article by any of their respective sublicensees.

*3. Use; Quality Control.*

- a. Neither party may alter the other party’s trademarks from the form provided and must comply with removal requests as to specific uses of its trademarks or logos.
- b. Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party’s trademarks only in good faith and in a dignified manner consistent with such party’s use of the trademarks. Upon written notice to the breaching party, the breaching party has 30 days of the date of the written notice to cure the breach or the license will be terminated.

*4. Termination.* Upon the termination of this Contract for any reason, each party, including Permitted Sublicensees, will have 30 days to remove all Trademarks from signage, websites, and the like bearing the other party’s name or logo (excepting Sourcewell’s pre-printed catalog of suppliers which may be used until the next printing). Supplier must return all marketing and promotional materials, including signage, provided by Sourcewell, or dispose of it according to Sourcewell’s written directions.

B. **PUBLICITY.** Any publicity regarding the subject matter of this Contract must not be released without prior written approval from the Authorized Representatives. Publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Supplier individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

C. **MARKETING.** Any direct advertising, marketing, or offers with Participating Entities must be approved by Sourcewell. Send all approval requests to the Sourcewell Supplier Development Administrator assigned to this Contract.

D. **ENDORSEMENT.** The Supplier must not claim that Sourcewell endorses its Equipment, Products, or Services.

#### **14. GOVERNING LAW, JURISDICTION, AND VENUE**

The substantive and procedural laws of the State of Minnesota will govern this Contract. Venue for all legal proceedings arising out of this Contract, or its breach, must be in the appropriate state court in Todd County, Minnesota or federal court in Fergus Falls, Minnesota.

## 15. FORCE MAJEURE

Neither party to this Contract will be held responsible for delay or default caused by acts of God or other conditions that are beyond that party's reasonable control. A party defaulting under this provision must provide the other party prompt written notice of the default.

## 16. SEVERABILITY

If any provision of this Contract is found by a court of competent jurisdiction to be illegal, unenforceable, or void then both parties will be relieved from all obligations arising from that provision. If the remainder of this Contract is capable of being performed, it will not be affected by such determination or finding and must be fully performed.

## 17. PERFORMANCE, DEFAULT, AND REMEDIES

A. PERFORMANCE. During the term of this Contract, the parties will monitor performance and address unresolved contract issues as follows:

1. *Notification.* The parties must promptly notify each other of any known dispute and work in good faith to resolve such dispute within a reasonable period of time. If necessary, Sourcewell and the Supplier will jointly develop a short briefing document that describes the issue(s), relevant impact, and positions of both parties.
2. *Escalation.* If parties are unable to resolve the issue in a timely manner, as specified above, either Sourcewell or Supplier may escalate the resolution of the issue to a higher level of management. The Supplier will have 30 calendar days to cure an outstanding issue.
3. *Performance while Dispute is Pending.* Notwithstanding the existence of a dispute, the Supplier must continue without delay to carry out all of its responsibilities under the Contract that are not affected by the dispute. If the Supplier fails to continue without delay to perform its responsibilities under the Contract, in the accomplishment of all undisputed work, the Supplier will bear any additional costs incurred by Sourcewell and/or its Participating Entities as a result of such failure to proceed.

B. DEFAULT AND REMEDIES. Either of the following constitutes cause to declare this Contract, or any Participating Entity order under this Contract, in default:

1. Nonperformance of contractual requirements, or
2. A material breach of any term or condition of this Contract.

The party claiming default must provide written notice of the default, with 30 calendar days to cure the default. Time allowed for cure will not diminish or eliminate any liability for liquidated or other damages. If the default remains after the opportunity for cure, the non-defaulting party may:

- Exercise any remedy provided by law or equity, or
- Terminate the Contract or any portion thereof, including any orders issued against the Contract.

## 18. INSURANCE

A. REQUIREMENTS. At its own expense, Supplier must maintain insurance policy(ies) in effect at all times during the performance of this Contract with insurance company(ies) licensed or authorized to do business in the State of Minnesota having an "AM BEST" rating of A- or better, with coverage and limits of insurance not less than the following:

1. *Workers' Compensation and Employer's Liability.*

Workers' Compensation: As required by any applicable law or regulation.

Employer's Liability Insurance: must be provided in amounts not less than listed below:

Minimum limits:

- \$500,000 each accident for bodily injury by accident
- \$500,000 policy limit for bodily injury by disease
- \$500,000 each employee for bodily injury by disease

2. *Commercial General Liability Insurance.* Supplier will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG0001 (2001 or newer edition), or equivalent. At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Contract.

Minimum Limits:

- \$1,000,000 each occurrence Bodily Injury and Property Damage
- \$1,000,000 Personal and Advertising Injury
- \$2,000,000 aggregate for products liability-completed operations
- \$2,000,000 general aggregate

3. *Commercial Automobile Liability Insurance.* During the term of this Contract, Supplier will maintain insurance covering all owned, hired, and non-owned automobiles in limits of liability not less than indicated below. The coverage must be subject to terms no less broad than ISO Business Auto Coverage Form CA 0001 (2010 edition or newer), or equivalent.

Minimum Limits:

- \$1,000,000 each accident, combined single limit

4. *Umbrella Insurance*. During the term of this Contract, Supplier will maintain umbrella coverage over Employer's Liability, Commercial General Liability, and Commercial Automobile.

Minimum Limits:  
\$2,000,000

5. *Network Security and Privacy Liability Insurance*. During the term of this Contract, Supplier will maintain coverage for network security and privacy liability. The coverage may be endorsed on another form of liability coverage or written on a standalone policy. The insurance must cover claims which may arise from failure of Supplier's security resulting in, but not limited to, computer attacks, unauthorized access, disclosure of not public data – including but not limited to, confidential or private information, transmission of a computer virus, or denial of service.

Minimum limits:  
\$2,000,000 per occurrence  
\$2,000,000 annual aggregate

Failure of Supplier to maintain the required insurance will constitute a material breach entitling Sourcewell to immediately terminate this Contract for default.

B. CERTIFICATES OF INSURANCE. Prior to commencing under this Contract, Supplier must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Contract. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or sent to the Sourcewell Supplier Development Administrator assigned to this Contract. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf.

Failure to request certificates of insurance by Sourcewell, or failure of Supplier to provide certificates of insurance, in no way limits or relieves Supplier of its duties and responsibilities in this Contract.

C. ADDITIONAL INSURED ENDORSEMENT AND PRIMARY AND NON-CONTRIBUTORY INSURANCE CLAUSE. Supplier agrees to list Sourcewell and its Participating Entities, including their officers, agents, and employees, as an additional insured under the Supplier's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Supplier, and products and completed operations of Supplier. The policy provision(s) or endorsement(s) must further provide that coverage is primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.

D. WAIVER OF SUBROGATION. Supplier waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Contract or other

insurance applicable to the Supplier or its subcontractors. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Supplier or its subcontractors. Where permitted by law, Supplier must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.

E. UMBRELLA/EXCESS LIABILITY/SELF-INSURED RETENTION. The limits required by this Contract can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies), or self-insured retention.

## **19. COMPLIANCE**

A. LAWS AND REGULATIONS. All Equipment, Products, or Services provided under this Contract must comply fully with applicable federal laws and regulations, and with the laws in the states and provinces in which the Equipment, Products, or Services are sold.

B. LICENSES. Supplier must maintain a valid and current status on all required federal, state/provincial, and local licenses, bonds, and permits required for the operation of the business that the Supplier conducts with Sourcewell and Participating Entities.

## **20. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION**

Supplier certifies and warrants that it is not in bankruptcy or that it has previously disclosed in writing certain information to Sourcewell related to bankruptcy actions. If at any time during this Contract Supplier declares bankruptcy, Supplier must immediately notify Sourcewell in writing.

Supplier certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Supplier certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this Contract. Supplier further warrants that it will provide immediate written notice to Sourcewell if this certification changes at any time.

## **21. PROVISIONS FOR NON-UNITED STATES FEDERAL ENTITY PROCUREMENTS UNDER UNITED STATES FEDERAL AWARDS OR OTHER AWARDS**

Participating Entities that use United States federal grant or FEMA funds to purchase goods or services from this Contract may be subject to additional requirements including the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Participating Entities may have additional requirements based on specific funding source terms or conditions. Within this Article, all

references to “federal” should be interpreted to mean the United States federal government. The following list only applies when a Participating Entity accesses Supplier’s Equipment, Products, or Services with United States federal funds.

A. **EQUAL EMPLOYMENT OPPORTUNITY.** Except as otherwise provided under 41 C.F.R. § 60, all contracts that meet the definition of “federally assisted construction contract” in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. §60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 C.F.R. §, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 C.F.R. § 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.” The equal opportunity clause is incorporated herein by reference.

B. **DAVIS-BACON ACT, AS AMENDED (40 U.S.C. § 3141-3148).** When required by federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. § 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 C.F.R. § 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-federal entity must report all suspected or reported violations to the federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations (29 C.F.R. § 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-federal entity must report all suspected or reported violations to the federal awarding agency. Supplier must be in compliance with all applicable Davis-Bacon Act provisions.

C. **CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708).** Where applicable, all contracts awarded by the non-federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of



not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. This provision is hereby incorporated by reference into this Contract. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

D. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT. If the federal award meets the definition of “funding agreement” under 37 C.F.R. § 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 C.F.R. § 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

E. CLEAN AIR ACT (42 U.S.C. § 7401-7671Q.) AND THE FEDERAL WATER POLLUTION CONTROL ACT (33 U.S.C. § 1251-1387). Contracts and subgrants of amounts in excess of \$150,000 require the non-federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401- 7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA). Supplier certifies that during the term of this Contract will comply with applicable requirements as referenced above.

F. DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689). A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. §180 that implement Executive Orders 12549 (3 C.F.R. § 1986 Comp., p. 189) and 12689 (3 C.F.R. § 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. Supplier certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

G. BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352). Suppliers must file any required certifications. Suppliers must not have used federal appropriated funds to pay any



person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Suppliers must disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Suppliers must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

H. RECORD RETENTION REQUIREMENTS. To the extent applicable, Supplier must comply with the record retention requirements detailed in 2 C.F.R. § 200.333. The Supplier further certifies that it will retain all records as required by 2 C.F.R. § 200.333 for a period of 3 years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

I. ENERGY POLICY AND CONSERVATION ACT COMPLIANCE. To the extent applicable, Supplier must comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

J. BUY AMERICAN PROVISIONS COMPLIANCE. To the extent applicable, Supplier must comply with all applicable provisions of the Buy American Act. Purchases made in accordance with the Buy American Act must follow the applicable procurement rules calling for free and open competition.

K. ACCESS TO RECORDS (2 C.F.R. § 200.336). Supplier agrees that duly authorized representatives of a federal agency must have access to any books, documents, papers and records of Supplier that are directly pertinent to Supplier's discharge of its obligations under this Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Supplier's personnel for the purpose of interview and discussion relating to such documents.

L. PROCUREMENT OF RECOVERED MATERIALS (2 C.F.R. § 200.322). A non-federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. § 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

M. FEDERAL SEAL(S), LOGOS, AND FLAGS. The Supplier cannot use the seal(s), logos, crests, or reproductions of flags or likenesses of Federal agency officials without specific pre-approval.

N. NO OBLIGATION BY FEDERAL GOVERNMENT. The U.S. federal government is not a party to this Contract or any purchase by a Participating Entity and is not subject to any obligations or liabilities to the Participating Entity, Supplier, or any other party pertaining to any matter resulting from the Contract or any purchase by an authorized user.

O. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS. The Contractor acknowledges that 31 U.S.C. 38 (Administrative Remedies for False Claims and Statements) applies to the Supplier's actions pertaining to this Contract or any purchase by a Participating Entity.

P. FEDERAL DEBT. The Supplier certifies that it is non-delinquent in its repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowance, and benefit overpayments.

Q. CONFLICTS OF INTEREST. The Supplier must notify the U.S. Office of General Services, Sourcewell, and Participating Entity as soon as possible if this Contract or any aspect related to the anticipated work under this Contract raises an actual or potential conflict of interest (as described in 2 C.F.R. Part 200). The Supplier must explain the actual or potential conflict in writing in sufficient detail so that the U.S. Office of General Services, Sourcewell, and Participating Entity are able to assess the actual or potential conflict; and provide any additional information as necessary or requested.

R. U.S. EXECUTIVE ORDER 13224. The Supplier, and its subcontractors, must comply with U.S. Executive Order 13224 and U.S. Laws that prohibit transactions with and provision of resources and support to individuals and organizations associated with terrorism.

S. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT. To the extent applicable, Supplier certifies that during the term of this Contract it will comply with applicable requirements of 2 C.F.R. § 200.216.

T. DOMESTIC PREFERENCES FOR PROCUREMENTS. To the extent applicable, Supplier certifies that during the term of this Contract will comply with applicable requirements of 2 C.F.R. § 200.322.

## **22. CANCELLATION**

Sourcewell or Supplier may cancel this Contract at any time, with or without cause, upon 60 days' written notice to the other party. However, Sourcewell may cancel this Contract immediately upon discovery of a material defect in any certification made in Supplier's

Proposal. Cancellation of this Contract does not relieve either party of financial, product, or service obligations incurred or accrued prior to cancellation.

Sourcewell

Hitachi Construction Machinery  
America's Inc.

DocuSigned by:  
*Jeremy Schwartz*  
By: C0FD2A139D06489...  
Jeremy Schwartz  
Title: Chief Procurement Officer  
Date: 4/4/2023 | 2:23 PM CDT

DocuSigned by:  
*Alan Quinn*  
By: 93747B3CB57E494...  
Alan Quinn  
Title: CEO  
Date: 4/5/2023 | 12:30 PM PDT

Approved:

DocuSigned by:  
*Chad Coauette*  
By: 7E42B8F817A64CC...  
Chad Coauette  
Title: Executive Director/CEO  
Date: 4/5/2023 | 2:32 PM CDT

# RFP 011723 - Heavy Construction Equipment with Related Attachments and Technology

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## Vendor Details

Company Name: Hitachi Construction Machinery America's Inc.  
Address: 60 Amlajack Blvd  
Newnan, Georgia 30265  
Contact: Eric Winkler  
Email: ewinkler@hitachicm.us  
Phone: 470-215-5922  
Fax: 888-426-5076  
HST#: 58-1449900

## Submission Details

Created On: Tuesday December 06, 2022 15:37:03  
Submitted On: Tuesday January 17, 2023 11:11:54  
Submitted By: Eric Winkler  
Email: ewinkler@hitachicm.us  
Transaction #: 699dcd92-1459-4f19-b1a6-f85c5a882a6b  
Submitter's IP Address: 73.110.243.92

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## Specifications

**Table 1: Proposer Identity & Authorized Representatives**

**General Instructions** (applies to all Tables) Sourcewell prefers a brief but thorough response to each question. Do not merely attach additional documents to your response without also providing a substantive response. Do not leave answers blank; respond "N/A" if the question does not apply to you (preferably with an explanation).

Line Item	Question	Response *
1	Proposer Legal Name (one legal entity only): (In the event of award, will execute the resulting contract as "Supplier")	Hitachi Construction Machinery Americas Inc.
2	Identify all subsidiary entities of the Proposer whose equipment, products, or services are included in the Proposal.	N/A
3	Identify all applicable assumed names or DBA names of the Proposer or Proposer's subsidiaries in Line 1 or Line 2 above.	N/A
4	Provide your CAGE code or Unique Entity Identifier (SAM):	We currently do not hold a CAGE or Unique Entity Identifier.
5	Proposer Physical Address:	60 Amlajack Boulevard Newnan, Georgia 30265
6	Proposer website address (or addresses):	<a href="https://www.hitachicm.us/">https://www.hitachicm.us/</a>
7	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer and, in the event of award, will be expected to execute the resulting contract):	Name: Alan Quinn Title: CEO Address: 60 Amlajack Boulevard Newnan, GA, 30265 Email: aquinn@hitachicm.us TEL: 470-368-1988
8	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Eric Winkler, Regional Business Manager, ewinkler@hitachicm.us, 470-215-5922
9	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Kyle Fuglesten, Sr. Director Used Equipment, kfuglesten@hitachicm.us, 678-675-2521

**Table 2: Company Information and Financial Strength**

Line Item	Question	Response *
10	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested equipment, products or services.	<p>Hitachi Construction Machinery Co., Ltd. (HCM) has always been at the forefront of innovation in the construction industry. Established in Japan in 1970, it released the world's first fully hydraulic crawler crane, the KH150, a year later. Its origins date back to 1949, however, and the introduction of the Hitachi U05, Japan's first mechanical excavator.</p> <p>These firsts have continued over the decades, with HCM's expanding product line encompassing compact, construction, and ultra-large size excavators, wheel loaders, and crawler cranes. track carriers, compaction equipment, Mining Trucks and Shovels, as well as Subsidiaries, sales companies, and joint ventures for production have expanded the company's international presence. Today, HCM is a global full-line supplier of construction equipment and the third-largest construction machinery manufacturer in the world.</p> <p>Since its founding, HCM has retained the culture of customer interest first and supporting products after sales. The company's mission "to be a reliable partner" is reflected in its focus on customer needs and the Hitachi brand values associated with innovation and technology.</p>

11	What are your company's expectations in the event of an award?	Hitachi is focused on providing the best equipment solutions for our customers. One of the primary customer groups we focus on is governmental and municipal accounts. Many of our dealers already have extraordinarily strong relationships with this customer segment. If awarded a Sourcewell contract, we could offer additional value to our dealers and their existing municipal customers and build new relationships with additional Sourcewell members as we grow our business together.	*
12	Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response.	<p>Hitachi Construction Machinery (hereafter "HCM") is a construction and mining machinery manufacturer with the world's third largest sales scale and listed company in Japanese stock market.</p> <p>HCM has received "a-1" debit ratings from Rating and Investment Information, Inc. which is a Japanese major credit rating agency.</p> <p>HCM is growing year to year and had 7.7 billion USD revenue, 49.8% of the Equity ratio and 20.6% of ROE in FY2022 and is committed to capital efficiency and cash flow management.</p> <p>For additional details of HCM financials, please refer to our public website.</p> <p>Annual Securities Report - Hitachi Construction Machinery (<a href="http://hitachicm.com">hitachicm.com</a>)</p> <p>We, HCMA, are one of the subsidiaries of HCM and focus on the Americas market.</p> <p>Before March 2022, HCMA supplied limited products to the North America market due to the joint venture agreement in the Americas market.</p> <p>However, HCM has terminated the three-decade-long joint venture relationship with U.S.-based Deere &amp; Co.</p> <p>and HCMA has started providing all the products and services independently since March 2022.</p> <p>HCM group aims to get a revenue of 2.2 billion USD or more from the Americas market in FY2025.</p>	*
13	What is your US market share for the solutions that you are proposing?	Market share information beyond what is made publicly available through our annual report is considered confidential. However, Hitachi is one of the biggest worldwide excavators, wheel loader, and dump truck manufacturers and has been receiving good reviews in the US market. Growing rapidly since Hitachi separated from John Deere./ Many of our dealers have 25% or higher market share on Hitachi products within their assigned area of responsibility.	*
14	What is your Canadian market share for the solutions that you are proposing?	Market share information beyond what is made publicly available through our annual report is considered confidential. However, Hitachi is one of the biggest worldwide excavators, wheel loader, and dump truck manufacturers and have been receiving complimentary review in the Canadian market.	*
15	Has your business ever petitioned for bankruptcy protection? If so, explain in detail.	No, Hitachi Construction Machinery has never filed for bankruptcy.	*
16	<p>How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer whichever question (either a) or b) just below) best applies to your organization.</p> <p>a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned?</p> <p>b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?</p>	<p>Hitachi Construction Machinery Co., Ltd (HCM) is one of the largest construction machinery manufacturers in the world. Based in Japan, the company has production plants in Asia and Europe and employs more than 24,000 people worldwide. Hitachi Construction Machinery Americas Inc. (HCMA) is a 100% subsidiary of HCM, and HCMA distributes HCM products to the North American market through a vast and capable dealer network. Our dealers are reliable, independent companies, and there are more than 240 locations for sales and after-sales support across North America.</p> <p>HCMA and each dealer have signed a sales and service agreement. HCMA sells HCM-manufactured products to our dealers. The dealers then sell those products to end users. HCMA does not sell directly to state and local governments.</p> <p>Though we will sign this contract as a manufacturer, our dealers will be allowed to avail themselves of the opportunity presented by the contract. They will execute all the transactions with governmental customers as they do today. This includes but is not limited to consultation, quoting, accepting payment, delivery, warranty support, parts sales, and service. This is no different than sales occurring out of the terms of this agreement.</p>	*

17	If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.	To the best of our knowledge, we are unaware of the specific licenses or certifications required in pursuit of the business contemplated by this RFP.	*
18	Provide all "Suspension or Debarment" information that has applied to your organization during the past ten years.	Hitachi Construction Machinery Co., Ltd. and Hitachi Construction Machinery Americas Inc. have not been suspended or disbarred in the past ten years	*



**Table 3: Industry Recognition & Marketplace Success**

Line Item	Question	Response *
19	Describe any relevant industry awards or recognition that your company has received in the past five years	<p>2022 Good design award 2022 (By Japan Institute of Design Promotion)</p> <p>9 models of ZX-7 series excavators (ZX120, 135US, 200, 225US, 225 USR, 330, 135USX, 200X, 330X)</p> <p>Construction Equipment Top 100 new products (By US Construction Equipment Magazine)</p> <p>2022: ZX210LC-8 HP Excavator, ZX50U-5N</p> <p>2021: EX2000-7 Mining Excavators</p> <p>2020: ZW180-6 Wheel Loaders</p> <p>2019: EX1200-7 Mining Excavators, ZW550-6 Wheel Loaders</p> <p>FY2021 Japan Construction Machinery and Construction Award (By Japan Construction Machinery Association)</p> <p>The Solution Linkage® Survey, a soil volume measurement service by smartphone video, was evaluated with construction technology.</p> <p>FY2020 Organization President's Award (By Japan Organization for Employment of the Elderly)</p> <p>Awarded for actively hiring many people with disabilities and for contributing to the promotion of employment of people with disabilities and the stability of their employment for many years.</p> <p>2019 Japanese Society of Tribology Technology Award (By Japanese Society of Tribologists)</p> <p>Development of "ConSite® OIL" service solution which 24-hour monitors the hydraulic oil conditions under construction machinery operation, was recognized as an excellent technology.</p>
20	What percentage of your sales are to the governmental sector in the past three years	We do not track the government and education sectors separately. In the past three years, the percentage of our sales to the governmental sector, including the education sector, has been between 3% and 6%.
21	What percentage of your sales are to the education sector in the past three years	We do not track the government and education sectors separately. In the past three years, the percentage of our sales to the governmental sector, including the education sector, has been between 3% and 6%.
22	List any state, provincial, or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	We do not hold any state, provincial, or cooperative purchasing contracts. Our dealers typically would hold most local contracts
23	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	We do not hold any GSA contract or SOSA.

**Table 4: References/Testimonials**

**Line Item 24.** Supply reference information from three customers who are eligible to be Sourcewell participating entities.

Entity Name *	Contact Name *	Phone Number *	
Riverhead HWY	Mike Zaleski	631-566-1461	*
Town of Islip	John Hillbrandt	631-960-6354	*
Hempstead DPW	Greg Calarossi	516-236-6312	*
Village of Massapequa Park	Al Cradock	516-798-0244	

**Table 5: Top Five Government or Education Customers**

**Line Item 25.** Provide a list of your top five government, education, or non-profit customers (entity name is optional), including entity type, the state or province the entity is located in, scope of the project(s), size of transaction(s), and dollar volumes from the past three years.

Entity Name	Entity Type *	State / Province *	Scope of Work *	Size of Transactions *	Dollar Volume Past Three Years *	
GOVERNMENT OF NEWFOUNDLAND	Government	NL - Newfoundland and Labrador	Light Duty Maintenance	20 units	\$4,095,467.00	*
MAINE DEPARTMENT OF TRANSPORT	Government	Maine - ME	Highway /Street Construction	4 units	\$248,709.00	*
VILLE DE LEVIS	Government	QC - Quebec	Bldg/Commerical & Public	4 units	\$764,058	*
TOWN OF OYSTER BAY	Government	New York - NY	Landscaping	2 units	\$502,012	*
TOWN OF NORTH HEMPSTEAD DPW-HIGHWAY	Government	Maine - ME	Services/Land Improv	3 units	\$398,517	*

**Table 6: Ability to Sell and Deliver Service**

Describe your company's capability to meet the needs of Sourcewell participating entities across the US and Canada, as applicable. Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

Line Item	Question	Response *

26	Sales force.	<p>The Hitachi Construction Machinery dealer salesforce has grown exponentially over the last two years. As dealers' salespeople their main goal is to find solutions for their customers rather than just make a sale. This process of selling to a solution only happens when you become a trusted advisor of the customer. We do that by asking a lot of questions to understand and learn more about the customer, their business and what issues they need resolved. Our sales organizations go through product training throughout the year either face to face or online to make sure they are the most educated sales professionals in the industry. It is an extremely exciting opportunity to bring this process to Sourcewell customer for their needs. Many of our dealers have specific people at the dealership handling the government sales and have the knowledge required to walk each Sourcewell customer through the process.</p> <p>The Dealers are supported by HCMA team of people who are dedicated to the success of each person at the dealership. HCMA goal and purposes is to have a world class group of dealers that not only take care of the customer but exceed the customer expectation. In this post COVID world we need to be flexible in how we manage and build up our dealers. This is done in many ways, whether by visits, zoom calls, online training or dealer visiting HCMA corporate offices, we are in constant contact with our dealers.</p> <p>HCMA corporate offices are going through even more change right now. We are building a brand-new multimillion-dollar facility in Newnan GA. that will have state of the art training facilities for both sales and service. The new facility will house all construction and mining personnel excluding our sales and service field staff.</p>	*
27	Dealer network or other distribution methods.	<p>HCMA dealer network has gone through a major change in the last year. With the addition of excavators to our product lineup we now have added enough distribution to cover all areas of North America market now and we are continuing to grow. These added dealers have not only increased HCMA footprint in North America, but they are world class operations. Even though some of these added dealers are newer to HCMA they have been selling and servicing construction equipment for more than 50 plus years. They sell, rent and service our full line of HCMA equipment. The dealer Network are independently owned operations, and each have multiple locations many spanning over several states allowing them to work with municipalities throughout the state giving a consistent message and support. Our dealers know the importance of providing a consistent message and support through government sales channels. Government sales are an important part of their business, and we expect this segment of the business to grow every year. Working with Sourcewell customers directly allows us to understand exactly what the needs of the customer are and to match the best machine and experience for them.</p>	*
28	Service force.	<p>The HCMA team and our dealers service team are dedicated and meticulous. "If you can't do it right then don't do it at all" the saying goes. Our dealers service teams do the job right and take pride in their job. With almost 5,000 service techs, parts personnel, and support staff our dealers are professionally trained and are ready to take care of any need our customers have.</p> <p>Our HCMA support staff to our dealers have over 600 years of combined industry experience giving our dealer organization confidence that we will not only provide them with the best help but train them to provide the best customer experience. HCMA support staff and data systems allow the dealers to be in touch with our service professionals with the touch of a button or a quick phone call to help with any need.</p> <p>Included in our dealer service capabilities is our telematics CONSITE system. The system allows our dealers to help customers monitor and be prepared to handle regular maintenance or machine down issues that may arise. Utilizing CONSITE to monitor operational data, mechanical alarms, and other machine notifications. Our in-house CRT team relays pertinent information to the dealer and customer. The data we provide from CONSITE ensures the servicing technician is equipped with the proper parts and a detailed course of action, leading to quick and effective service.</p>	*
29	Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others.	<p>HCMA and our dealer network will make the process as simple to our Sourcewell customer as possible. Sourcewell customers can work directly with our dealers so we can provide consistent experience and they will have local expertise that is critical in building strong relationships and providing ongoing support to the members. Sourcewell members can work with the HCMA dealer network in many ways. Either by working closely to define the machine they want or by simply providing their Sourcewell member number to the PO so the dealer can order the machine. After the order is submitted to HCMA we will provide updates to our dealer on delivery time. Before the machine leaves the dealership, a pre-delivery inspection will be scheduled to ensure everything is working and correct before dropping the unit off. Dealer salesperson will go over the machine one more time with the Sourcewell member making sure we are providing the best experience possible.</p>	*

30	Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.	<p>HCMA product line up is excavators, wheel loaders and mining equipment. With that said we are structured in such a way that allows us to provide a better level of customer service. This is our core job every day to take care of this product lineup. So, when it comes to taking care of an excavator or wheel loader you do not have to worry about if you are talking to a skid steer technician or a dozer technician you are talking to someone that can get the job done.</p> <p>HCMA works closely with our dealer network to provide the highest level of customer service to our dealers. We know it starts with our dealers because they are the ones that will need to provide our Sourcewell members with the highest level of customer service possible. Our sales and engineering teams assist in making sure the customer is receiving the correct machine for their application. Our in-house CRM helps dealers to communicate and resolve issues faster than ever before. With increased products, parts and attachment needs our dealers are in good shape to support all segments and especially government sales.</p> <p>HCMA parts department provides further after-sales support. We utilize both in-house representatives as well as a web-based interface, Customer Central, for efficient and accurate parts orders. Orders are placed using 3 different levels of priority- Machine Down, Express and Stock. Machine down orders ship at the highest priority, same day from our main warehouse location in Jackson, GA. If the parts are not available in the US, our central parts depot in Japan can send them direct our customer or to the US warehouse location. HCMA has multiple warehouse locations allowing us to stock fast-moving parts and slow moving. Providing our customers with even more confidence in supporting them.</p>	*
31	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in the United States.	HCMA is excited for the opportunity to provide Sourcewell members with all our products and services where there is a servicing dealer. Lots of changes have happened in the last year and we believe the time is right to become an authorized supplier for Sourcewell members.	*
32	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	HCMA is excited for the opportunity to provide Sourcewell members all our products and Canada. With one of the largest and strongest dealers in North America, Wayjax Equipment has been and will continue to be a great source of experience and support for all HCMA branded products.	*
33	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	HCMA footprint has grown exponentially and is proud to serve all the US and Canadian markets. We have a few pockets of with in the US and Canadian market that we are still working to expand dealer locations, but our current network of dealers has state of the art service trucks and are financially strong and capable of serving a remote customer.	*
34	Identify any Sourcewell participating entity sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract?	HCMA and dealer organization are ready to serve all Sourcewell participating members and entities without restrictions.	*
35	Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	We are proud to say we have no restrictions on sales or service to Sourcewell members.	*

**Table 7: Marketing Plan**

Line Item	Question	Response *
36	Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	<p>To be afforded the opportunity to Sourcewell members we would launch a Marketing campaign on day one. The following is a sample of what we will do.</p> <p>Announcement to dealer base</p> <p>Industry press release, with specific focus on government sales and service.</p> <p>Literature explaining the relationship and opportunity to our dealer channel</p> <p>Announcement along with scheduled follow up call outs on all social media platforms (Facebook, Instagram, LinkedIn, Twitter)</p> <p>Trade shows, dealer events and other dealer or customer gatherings that allow us to share with signs or literature.</p> <p>Focused conversation during quarterly business planning with dealers and Regional Business Managers.</p> <p>A dedicated Sourcewell module in our internal Marketing &amp; Promotional Portal containing the above materials and describing how best to use the Sourcewell bid.</p> <p>The HCMA distribution network has several promotional programs available to utilize in the promotion of Sourcewell:</p> <p>Co-op Advertising</p> <p>Local Show and Association Conference co-op,</p> <p>Demo machine program</p> <p>Printed and digital marketing materials (direct mail, e-mail campaigns, digital and print ads)</p>
37	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	<p>HCMA and its dealers are familiar with having a strong online footprint to reach a growing and changing customer base. We use Facebook, LinkedIn, Instagram, and Twitter to reach as many people as we can. The ability to analyze and promote to specific customer groups and create lead generation is key to online success.</p>
38	In your view, what is Sourcewell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcewell-awarded contract into your sales process?	<p>HCMA believes Sourcewells process and member base are important to our industry, and we appreciate all marketing Sourcewell does on its own behalf. HCMA would utilize Sourcewell's existing promotional platforms. We would participate in the Sourcewell monthly e-blasts, creating a product landing page on the Sourcewell site, participating in the quarterly newsletter, Sourcewell social media platforms, and through supporting our own distribution network and their participation in APWA shows and association events.</p>
39	Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	<p>HCMA's products are all available to order through the HCMA Dealer Portal and our Global E-Service system. Currently access to these systems is only through our highly trained dealers. If/when we have something available to Sourcewell members directly, we will market it accordingly.</p> <p>Our dealers are our best resource to help the customer determine the best fit and solution for any machine or part that is needed. HCMA dealers fulfill our company tagline "Reliable Solutions," we believe that level of experience and knowledge is key to the success of our customers.</p>

**Table 8: Value-Added Attributes**

Line Item	Question	Response *
40	Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.	<p>HCMA would be incredibly supportive of our distribution channel to provide any additional training a Sourcewell member might require. We feel that if the dealer is well trained that they will train our customers as well. Our dealers will focus on three key areas of the machine. Operation, Safety and Service of the machine. If a Sourcewell member requires additional more detailed training, there could be costs associated with it and that will be negotiated by the local dealer and Sourcewell member.</p>

41	Describe any technological advances that your proposed products or services offer.	<p>HCMA's wheel loaders and excavators are driven by unique technology, incorporating innovative features, state-of-the-art software, and advanced components. They are designed with several user-friendly features that ensure quick &amp; easy maintenance and contribute to lower running costs.</p> <p>Specific examples of this include quiet cabs, standard rear-view cameras, multi-functional monitors, and telematics service through Global e-service and ConSite.</p> <p>Through telematics, our Consite program allows dealers and customers to view and track fuel efficiency, machine location and service alerts. These features apply to a single machine, or an entire fleet. Effective utilization of Consite services minimizes downtime, reduces running costs, and leads to higher resale values.</p> <p>Operator stations can be tilted up for ease of service performance for engine and control valve.</p> <p>HHH (HCMA unique hydraulic system) enables combined operations by adjusting the optimal flow rate for all actuators (motors, cylinders, and others). The operator can operate the unit freely given the reduced change in limit range caused by a lever stroke, even with heavy/light loads.</p> <p>Aftertreatment: DOC + SCR system; DPF is not required to meet emissions standards</p> <p>7" LCD Monitor with 32 different language functions and 11 preset attachment settings</p>	*
42	Describe any "green" initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each.	<p>We place a high emphasis on building environmentally friendly machines. The features of our wheel loaders improve fuel efficiency, reduce noise levels, exhaust emissions and CO2 levels.</p> <p>All loaders in the US are equipped with Tier 4 Final engines, which average 6% fuel savings. Our engine design does not use DPF, which helps reduce fuel costs and emissions. We also use a selective catalytic reduction (SCR) system to reduce nitrous oxide from emissions.</p> <p>More than 90% of the parts on the larger models, ZW310-6 to ZW550-6, are recyclable.</p> <p>HCMA excavator mode setting provides an Eco Mode: same machine performance &amp; efficiency with reduction in fuel consumption also, with auto Idle/auto shutdown: save fuel, reduce noise, lower exhaust emissions</p> <p>Consite Oil &amp; Global E Service: help operate equipment more efficiently increasing fuel efficiency and less downtime</p>	*
43	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	<p>ISO 14001 certified – Tsuchiura, Rinko, Banshu, Ryugasak, &amp; Tierra factories</p> <p>As of 2021, 84.6% of manufacturing facilities attained ISO 14001 certification</p> <p>Newly established Sustainability Promotion Group which is responsible for the integrated management and promotion of the environmental, social, and governance initiatives</p> <p>Hitachi is formulating an environmental strategy to achieve an environmental vision based on three key themes "Decarbonized Society, Resource Efficient Society, and Harmonized Society with Nature"</p>	*
44	Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response.	<p>Today we have one-woman dealer principal in the HCMA dealer channel who owns and operates Elliott and France serving in PA, DE, MD, and VA.</p> <p>As a global organization that understands the importance of diversity, we are proud of the overall diversity at HCMA. With the expansion of our product lineup and overall growth of the company we have seen many changes for the better. We see this as a strength, and we know the positive effect it will have on our global business in years to come.</p>	*



45	What unique attributes does your company, your products, or your services offer to Sourcewell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcewell participating entities?	<p>World class products with reliable solutions is the heartbeat of HCMA. We believe that our growing business will provide a better dealer and customer experience as we continue to grow in the industry. With innovative Trias III hydraulics in our machines allowing operators to gain more performance and efficiency than ever before, followed by a larger and strong distribution channel. No matter where you look or how you cut it HCMA is certainly disrupting industry standards and growing faster than ever before.</p> <p>Hitachi created a Support Chain after-sales program group to ensure optimum efficiency, minimum downtime, reduced running costs and high resale values. Programs such as Global e-Service and CONSITE utilize telematics for remote monitoring. The HCMA Owner's Site and CONSITE provide daily operational data to the assigned parties. Should there be an alarm or notification that indicates a warning, CONSITE relays this information to the Customer Resource Team located in HCMA headquarters of Newnan Georgia. The dealer is equipped with parts, a detailed course of action, and geo-location information to assure the technicians have everything they need to address the situation and solve the issue.</p> <p>HCMA also has used equipment for sale to provide our low-hour units that might fit a difficult but necessary budget for our customers. These machines are procured by HCMA, provided to our dealer channel for customer purchase.</p>
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**Table 9: Warranty**

**Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your warranty materials (if applicable) in the document upload section of your response in addition to responding to the questions below.**

Line Item	Question	Response *
46	Do your warranties cover all products, parts, and labor?	Yes. All machines sold by HCMA and authorized HCMA dealers receive a 4-year, 4,000-hour standard warranty on new machines. This warranty begins on the date the machine is delivered to an end user.
47	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	No, we do not impose usage restrictions or other limitations. However, we do investigate at times that machines are being used for their intended purposes and by design as listed in our warranty.
48	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	HCMA has one of the best warranty coverage plans with 4-year, 4,000-hour warranty coverage plans and with that we cover the parts and labor with the dealers. Due to the extensive footprint of our dealers and we do not cover mileage during the warranty period.
49	Are there any geographic regions of the United States or Canada (as applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell participating entities in these regions be provided service for warranty repair?	Even though HCMA is covering more markets than ever before, if there was an area that a Sourcewell member had an issue. HCMA would not hesitate to get a technician there to perform the necessary warranty.
50	Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?	Even though HCMA is covering more markets than ever before, if there was an area that a Sourcewell member had an issue. HCMA would not hesitate to get a technician there to perform the necessary warranty.
51	What are your proposed exchange and return programs and policies?	HCMA and its dealer channel does not have an exchange program to considered. In some cases where a Sourcewell member has decided they purchased the wrong unit they may work with the servicing dealer and try to exchange the machine. This action is the complete privy of the local dealer.
52	Describe any service contract options for the items included in your proposal.	<p>Service contracts are managed by the HCMA Dealer channel. Potentially but not limited to a service contract to be determined by the customer and dealer to support the needs of the customer or simple machine monitoring to inform customer time of maintenance. The main reason is to help the customer in areas that will allow them to manage their business production without focusing all their attention on machine care.</p> <p>Extended warranty is also offered by HCMA. Two types of extended warranty coverage – Extended Base Machine Coverage and Extended Powertrain with Hydraulics Coverage. These are offered at various time and hour increments, from 2 year, 3,000 hours to 6-year, 10,000 hours. All extended warranties receive a 2,000-hour maintenance kit to ensure proper maintenance is done on the machine. Full details on what each warranty covers are provided in the attached warranty brochure.</p>



**Table 10: Payment Terms and Financing Options**

Line Item	Question	Response *	
53	Describe your payment terms and accepted payment methods.	HCMA Dealers are independently owned and operated businesses. Because they are independently owned and operated their terms may vary or can be negotiated with them directly. Most commonly Net terms are 30 days.	*
54	Describe any leasing or financing options available for use by educational or governmental entities.	HCMA captive finance company ZAXIS finance provides leasing and financing options. As a captive finance company for HCMA they work closely with HCMA dealers and work hard to help the customer with the best solution that fits their organization.	*
55	Describe any standard transaction documents that you propose to use in connection with an awarded contract (order forms, terms and conditions, service level agreements, etc.). Upload a sample of each (as applicable) in the document upload section of your response.	HCMA Dealers are independently owned and operated. Transaction documents may vary from dealer to dealer.  If we are awarded part of our communications to the dealers will be to streamline the process and paperwork can be one of those areas. We will come alongside the dealers and help them when and if it is needed.	*
56	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell participating entities for using this process?	HCMA does not use P-card. Since our dealers will be accepting payments directly from Sourcewell members, our dealers could have different capabilities and offerings, however. The ability to accept this payment process would depend on the dealer.	*

**Table 11: Pricing and Delivery**

Provide detailed pricing information in the questions that follow below. Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract as described in the RFP, the template Contract, and the Sourcewell Price and Product Change Request Form.

Line Item	Question	Response *
57	Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response.	Hitachi pricing will be based on a discount from the list price for both base machines, and any options or attachments. List price and all applicable discounts have been provided in attached files.
58	Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range.	The pricing discounts taken from MSRP vary between will be 19% for all base machines as indicated in attached pricing files. The discount from MSRP for attachments and options is 19% on items listed in our price files.
59	Describe any quantity or volume discounts or rebate programs that you offer.	HCMA will not provide a volume discount directly to Sourcewell members. However, our dealers are empowered to offer discounts based on volume or any other market conditions they deem appropriate.
60	Propose a method of facilitating "sourced" products or related services, which may be referred to as "open market" items or "nonstandard options". For example, you may supply such items "at cost" or "at cost plus a percentage," or you may supply a quote for each such request.	HCMA and its dealers will provide open market or nonstandard items as requested. These products will be quoted to Sourcewell members at a fair market price that must be agreed to by Sourcewell members and the HCMA dealer in advance of purchase.
61	Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.	<p>HCMA pricing is for the base machine, attachments, and options only.</p> <p>Freight inbound and outbound to our dealer locations will be quoted in addition to the base machine price.</p> <p>Pre-delivery inspections, machine setup, assembly and/or customization, and special training may be additional charges to Sourcewell Members and will be quoted as requested by our dealers.</p> <p>Non-Factory supplied accessories and attachments - will be quoted on an as requested basis by dealers</p> <p>Taxes-any applicable taxes or license fees will be an additional cost to Sourcewell members.</p>
62	If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program.	Freight delivery and shipping expenses are not included in our pricing and will be in addition to listed prices. Freight, delivery, and shipping expenses will be charged by local HCMA dealers as appropriate to Sourcewell members and can be quoted in advance of Sourcewell members placing any orders. HCMA and our dealers will work to minimize freight expenses for Sourcewell members.
63	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	Freight to Alaska, Hawaii, Canada, or any offshore location will be handled the same as freight to anywhere else. Freight, delivery, and shipping expenses are not included in our pricing, and will be in addition to our listed prices. Freight, delivery, and shipping expenses will be charged by local HCMA dealers as appropriate to Sourcewell members. HCMA and our dealers will work to minimize freight expenses for Sourcewell members.
64	Describe any unique distribution and/or delivery methods or options offered in your proposal.	HCMA ships to several ports in North America to minimize shipping costs to end-use customers. If any Sourcewell member has special requests HCMA will be happy to try and work with those requests. Our standard ports of call are as follows: Baltimore MD, Savannah GA, Galveston TX, Tacoma WA, Long Beach CA.

**Table 12: Pricing Offered**

Line Item	The Pricing Offered in this Proposal is: *	Comments
65	c. better than the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.	Entered in as separate sheet.

**Table 13: Audit and Administrative Fee**

Line Item	Question	Response *
66	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcewell. This process includes ensuring that Sourcewell participating entities obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcewell. Provide sufficient detail to support your ability to report quarterly sales to Sourcewell as described in the Contract template.	Each month, we receive retail data from our dealers. The dealer will have to provide the customer's information, including verification of Sourcewell status, with this retail data. We will use this monthly retail information to track each transaction to ensure that Sourcewell members are receiving the correct pricing and that any fees are properly being paid to Sourcewell.
67	If you are awarded a contract, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the contract.	HCMA tracks monthly how we are doing by segment in the market. We breakdown each segment to determine where we are doing well and where we need to spend more of our time. Segments include agriculture, government, construction, landscaping, etc.  If we are awarded a Sourcewell agreement, RFP 011723 will track it closely each month.
68	Identify a proposed administrative fee that you will pay to Sourcewell for facilitating, managing, and promoting the Sourcewell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See the RFP and template Contract for additional details.)	HCMA will agree to pay a 2% administrative fee on all sales. The fee will be based solely on the machine cost, not any supplemental freight, inspection, training, etc. costs.

**Table 14A: Depth and Breadth of Offered Equipment Products and Services**

Line Item	Question	Response *
69	Provide a detailed description of the equipment, products, and services that you are offering in your proposal.	HCMA is excited to offer a strong equipment line-up to Sourcewell members. Our product line-up includes 8 compact excavators, 5 compact wheel loaders, 12 mid to larger excavators, 12 mid to large wheel loaders and can be ordered with various options and attachments to successfully complete any job that needs to be done.
70	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	N/A

**Table 14B: Depth and Breadth of Offered Equipment Products and Services**

Indicate below if the listed types or classes of equipment, products, and services are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Line Item	Category or Type	Offered *	Comments
71	Wheeled, tracked, and backhoe loaders	<input checked="" type="radio"/> Yes <input type="radio"/> No	HCMA Dealers offer a full range of compact, mid, to large wheel loaders.
72	Motor Graders	<input type="radio"/> Yes <input checked="" type="radio"/> No	HCMA does not offer Motor Graders at this time.
73	Wheeled and tracked excavators	<input checked="" type="radio"/> Yes <input type="radio"/> No	HCMA Dealers offer a full range of compact, mid, to large excavators.
74	Bulldozers, compactors, scapers, articulated and rigid haulers	<input checked="" type="radio"/> Yes <input type="radio"/> No	HCMA does offer rigid haul trucks.
75	Cranes	<input type="radio"/> Yes <input checked="" type="radio"/> No	HCMA does not offer at this time.
76	Accessories or attachments for the offering in #71-75 above	<input checked="" type="radio"/> Yes <input type="radio"/> No	HCMA offer a wide range of attachments for the products we manufacture.
77	Technology or services for the offering in #71-75 above	<input checked="" type="radio"/> Yes <input type="radio"/> No	HCMA offers Consite technology to our dealers and customers.

**Table 14C: Required Offering of Equipment**

Indicate below if the proposer's proposal includes at least one (1) of the following listed types or classes of equipment. Provide additional comments in the text box provided, as necessary.

Line Item	Category or Type	Offered *	Comments
78	Wheel loader with published net horsepower (HP) of at least 300 HP	<input checked="" type="radio"/> Yes <input type="radio"/> No	HCMA ZW310 and larger have HP over 300hp.
79	Wheeled or tracked excavator with a published net horsepower (HP) of at least 150 HP	<input checked="" type="radio"/> Yes <input type="radio"/> No	HCMA ZX210 and larger have HP over 150hp
80	Motor Grader with a published maximum operating weight of at least 30,000 lbs.	<input type="radio"/> Yes <input checked="" type="radio"/> No	N/A
81	Rough terrain, all terrain, crawler, floating, lattice, or telescopic crane with a published maximum lifting capacity of at least 300 tons and a published maximum boom length of at least 150 feet	<input type="radio"/> Yes <input checked="" type="radio"/> No	N/A

**Table 15: Exceptions to Terms, Conditions, or Specifications Form**

**Line Item 82. NOTICE:** To identify any exception, or to request any modification, to the Sourcwell template Contract terms, conditions, or specifications, a Proposer must submit the exception or requested modification on the **Exceptions to Terms, Conditions, or Specifications Form** immediately below. The contract section, the specific text addressed by the exception or requested modification, and the proposed modification must be identified in detail. Proposer's exceptions and proposed modifications are subject to review and approval of Sourcwell and will not automatically be included in the contract.

Contract Section	Term, Condition, or Specification	Exception or Proposed Modification

**Documents**

**Ensure your submission document(s) conforms to the following:**

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.
  2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.
  3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.
  4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as "Marketing Plan."
- [Pricing](#) - Final Pricing Doc Sourcewell 2023 - v1.pdf - Tuesday January 17, 2023 11:10:56
  - [Financial Strength and Stability](#) - HCMA Financial Statements March 31 2022.pdf - Monday January 16, 2023 12:04:59
  - [Marketing Plan/Samples](#) - Sourcewell announcement example.pdf - Monday January 16, 2023 14:56:48
  - WMBE/MBE/SBE or Related Certificates (optional)
  - [Warranty Information](#) - Warranty Brochure.pdf - Monday January 16, 2023 12:26:56
  - Standard Transaction Document Samples (optional)
  - [Upload Additional Document](#) - Dealer Map (Sourcewell).pdf - Monday January 16, 2023 12:27:08

## Addenda, Terms and Conditions

### PROPOSER AFFIDAVIT AND ASSURANCE OF COMPLIANCE

I certify that I am the authorized representative of the Proposer submitting the foregoing Proposal with the legal authority to bind the Proposer to this Affidavit and Assurance of Compliance:

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.
2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for contract award.
3. The Proposer, including any person assisting with the creation of this Proposal, has arrived at this Proposal independently and the Proposal has been created without colluding with any other person, company, or parties that have or will submit a proposal under this solicitation; and the Proposal has in all respects been created fairly without any fraud or dishonesty. The Proposer has not directly or indirectly entered into any agreement or arrangement with any person or business in an effort to influence any part of this solicitation or operations of a resulting contract; and the Proposer has not taken any action in restraint of free trade or competitiveness in connection with this solicitation. Additionally, if Proposer has worked with a consultant on the Proposal, the consultant (an individual or a company) has not assisted any other entity that has submitted or will submit a proposal for this solicitation.
4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest exists when a vendor has an unfair competitive advantage or the vendor's objectivity in performing the contract is, or might be, impaired.
5. The contents of the Proposal have not been communicated by the Proposer or its employees or agents to any person not an employee or legally authorized agent of the Proposer and will not be communicated to any such persons prior to Due Date of this solicitation.
6. If awarded a contract, the Proposer will provide to Sourcewell Participating Entities the equipment, products, and services in accordance with the terms, conditions, and scope of a resulting contract.
7. The Proposer possesses, or will possess before delivering any equipment, products, or services, all applicable licenses or certifications necessary to deliver such equipment, products, or services under any resulting contract.
8. The Proposer agrees to deliver equipment, products, and services through valid contracts, purchase orders, or means that are acceptable to Sourcewell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcewell Members under an awarded Contract.
9. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.
10. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statutes Section 13.591, subdivision 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals become public data. Minnesota Statutes Section 13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.
11. Proposer its employees, agents, and subcontractors are not:
  1. Included on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: <https://www.treasury.gov/ofac/downloads/sdnlist.pdf>;
  2. Included on the government-wide exclusions lists in the United States System for Award Management found at: <https://sam.gov/SAM/>; or
  3. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated

by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.

By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Alan Quinn, President and CEO Hitachi Construction Machinery Americas , Hitachi Construction Machinery Americas Inc.

The Proposer declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Proposer foresees an actual or potential Conflict of Interest in performing the contractual obligations contemplated in the bid.

Yes  No

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document.

Check the box in the column "I have reviewed this addendum" below to acknowledge each of the addenda.

File Name	I have reviewed the below addendum and attachments (if applicable)	Pages
<b>Addendum_5_Heavy_Construction_Equipment_RFP_011723</b> Tue January 10 2023 08:47 AM	<input checked="" type="checkbox"/>	1
<b>Addendum_4_Heavy_Construction_Equipment_RFP_011723</b> Fri January 6 2023 09:51 AM	<input checked="" type="checkbox"/>	2
<b>Addendum_3_Heavy_Construction_Equipment_RFP_011723</b> Thu December 29 2022 12:33 PM	<input checked="" type="checkbox"/>	2
<b>Addendum_2_Heavy_Construction_Equipment_RFP_011723</b> Wed December 21 2022 01:49 PM	<input checked="" type="checkbox"/>	1
<b>Addendum_1_Heavy_Construction_Equipment_RFP 011723</b> Thu December 15 2022 09:27 AM	<input checked="" type="checkbox"/>	1