



## **Solicitation Number: RFP #051123**

### **CONTRACT**

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and Highland Electric Fleets, Inc., 200 Cummings Center, Suite 273D, Beverly, MA 01915 (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 Fleet Electrification Transition Planning, Management, and Related Services 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.

**EXPIRATION DATE AND EXTENSION.** This Contract expires July 19, 2027, unless it is cancelled sooner pursuant to Article 22. This Contract allows up to three additional one-year extensions upon the request of Sourcewell and written agreement by Supplier. Sourcewell retains the right to consider additional extensions beyond seven years as required under exceptional circumstances.

B. **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 Sourcwell 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 Sourcwell 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 Change 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 prior to the commencement of installation of equipment, in whole or in part, immediately upon notice to Supplier in the event of any of the following:

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 Sourcwell for this Contract and must provide prompt notice to Sourcwell 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 Sourcewell 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. *Professional/Technical, Errors and Omissions, and/or Miscellaneous Professional Liability*. During the term of this Contract, Supplier will maintain coverage for all claims the Supplier may become legally obligated to pay resulting from any actual or alleged negligent act, error, or omission related to Supplier's professional services required under this Contract.

Minimum Limits:

\$2,000,000 per claim or event

\$2,000,000 – annual aggregate

6. *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 Sourcwell to immediately terminate this Contract for default.

B. CERTIFICATES OF INSURANCE. Prior to commencing under this Contract, Supplier must furnish to Sourcwell 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 Sourcwell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or sent to the Sourcwell 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 Sourcwell 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

Highland Electric Fleets, Inc.

DocuSigned by:  
*Jeremy Schwartz*  
By: C0FD2A139D06489...  
Jeremy Schwartz  
Title: Chief Procurement Officer  
Date: 7/13/2023 | 8:20 PM CDT

DocuSigned by:  
*Richard DiMatteo*  
By: 6CF93531E20D4AF...  
Richard DiMatteo  
Title: Executive Vice President  
Date: 7/14/2023 | 2:27 PM CDT

Approved:

DocuSigned by:  
*Chad Coauette*  
By: 48BAF71B0894454...  
Chad Coauette  
Title: Executive Director/CEO  
Date: 7/14/2023 | 2:29 PM CDT

# RFP 051123 - Fleet Electrification Transition Planning, Management, and Related Services

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## Vendor Details

Company Name: Highland Electric Fleets, Inc.  
Address: 200 Cummings Center  
Suite 273D  
Beverly, Massachusetts 01915  
Contact: Brendan Beasley  
Email: brendan@highlandfleets.com  
Phone: 773-343-1428  
HST#: 83-3098165

## Submission Details

Created On: Thursday March 23, 2023 15:16:22  
Submitted On: Thursday May 11, 2023 16:06:00  
Submitted By: Brendan Beasley  
Email: brendan@highlandfleets.com  
Transaction #: cd021be3-c94e-4445-b410-dc55a8a671de  
Submitter's IP Address: 50.214.139.38

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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")	Highland Electric Fleets, Inc., a Delaware corporation
2	Identify all subsidiary entities of the Proposer whose equipment, products, or services are included in the Proposal.	Highland enters into its customer contracts via wholly owned direct or indirect subsidiaries. Highland utilizes operational subsidiaries, including a construction subsidiary (HEF Construction, LLC) and an operation and maintenance subsidiary (HEF Operations, LLC), to provide services to the Highland entity that is party to the customer contract. Highland may form and utilize additional operational subsidiaries from time to time in connection with the performance of the services. In connection with its periodic financing of vehicles, Highland may hold vehicle title, or its project companies, in a special purpose financing entity or titling trust.
3	Identify all applicable assumed names or DBA names of the Proposer or Proposer's subsidiaries in Line 1 or Line 2 above.	f/k/a Highland Electric Transportation, Inc.
4	Provide your CAGE code or Unique Entity Identifier (SAM):	DUNS: 11-743-1009
5	Proposer Physical Address:	200 Cummings Center, Suite 273D, Beverly, MA 01915
6	Proposer website address (or addresses):	<a href="https://highlandfleets.com/">https://highlandfleets.com/</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):	Richard DiMatteo, Executive Vice President 5299 DTC Blvd., Suite 1160 Greenwood Village, CO 80111 richard@highlandfleets.com 978-288-1105
8	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Richard DiMatteo, Executive Vice President 5299 DTC Blvd., Suite 1160 Greenwood Village, CO 80111 richard@highlandfleets.com 978-288-1105
9	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Brendan Beasley, Vice President, Head of Legal 200 Cummings Center, Suite 273D Beverly, MA 01915 brendan@highlandfleets.com 978-288-1105  Caroline Travis, Director of Pricing, Capital Markets 200 Cummings Center, Suite 273D Beverly, MA 01915 caroline@highlandfleets.com 978-288-1105

**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.	Highland Electric Fleets, Inc. (f/k/a Highland Electric Transportation, Inc.) was formed on January 4, 2019, with a goal to expand access to the health, environmental, and economic benefits of electric vehicles, and help our customers meet their NETZERO transportation and fleet electrification goals. We provide electrification services for public entities such as school districts, municipalities and state agencies, nonprofits, and federal agencies. In partnership with Sourcewell, Highland can help its members accelerate the pace and scale of the transition to vehicles that deliver substantial

performance benefits to operators while providing health, environmental, and resiliency benefits to the surrounding communities, through our turnkey vehicle electrification offering. This offering provides all the following services for a fixed annual price through the contract term:

- Fleet electrification feasibility analysis
- Incentive identification and processing
- System design
- Installation of charging equipment and all related infrastructure
- Procurement of electric vehicles
- Training for mechanics and drivers
- Fueling (i.e., electricity) through charge management platform
- Live state-of-charge and telemetry information via "Dashboard" web portal
- Reimbursement for inspection, minor maintenance, and repairs
- On-site operations and maintenance of charging equipment

Our core team includes experts from vehicle electrification, vehicle sales (from both the OEM and dealer perspectives), public transportation fleet management, and renewable energy project development. Sourcewell members can benefit from our deep knowledge of relevant industry areas that are crucial to a successful electric deployment. Highland's experience and knowledge base positions us uniquely take on the infrastructure, operating and financial risk and complexity of fleet electrification.

With a mission to make electric fleets accessible and affordable for all, we are the go-to trusted partner for school districts and government customers. We serve as an educational resource not only for Sourcewell members, but also to legislators, parents and students, and myriad electrification advocates. In partnership with Highland, Sourcewell members can reduce the cost and complexity of converting vehicle fleets to electric – from initial concept and feasibility analysis through the end of the operating term of their new electric vehicles – by leveraging our offering through the Sourcewell Cooperative.

To serve our mission, we hold the following values.

- We are customer centric. We do not push product: we solve problems. Our success is predicated on our customers' success, and we will run through brick walls to help them accomplish their goals.
- We innovate quickly. Innovation is in our DNA. We continually seek to improve our communities and our business by responding agilely to market changes, customer needs, and any unexpected challenges we encounter.

Highland can help Sourcewell members make an initial determination of whether electrification of their fleet makes sense through our Electrification Assessment, which includes a thorough analysis of the existing fleet, depots, routes, technology, electrical grid, incentive landscape, and other local conditions.

For Sourcewell members that choose to take the next step and electrify all or part of their fleet using our as-a-service model, we relieve them of the complex set of activities and administrative actions required for successful electrification. At the same time, we engage in a stream of work that will fundamentally reduce the cost of operating these electric vehicles, so that electrification is both accessible and affordable, and, as a result, we can help Sourcewell Members meet their NETZERO and Fleet Electrification goals today. We actively stand behind our projects with industry-leading guarantees, that ensure that these customers have charged and route-ready vehicles every day, so that they can get on with their work. If our contracted vehicles are not up and running, we don't get paid.

Another part of our customer-centric approach is that Highland is intentionally equipment brand agnostic and maintains partnerships with all the major manufacturers, so that we have the flexibility to address a customer's circumstances. As an example, in the school bus segment we partner with all of the major bus manufacturers: Thomas Built Buses / Proterra, Blue Bird, IC, and Lion. We have established relationships with local bus dealers across North America from each of these brands and others to best serve the needs our customers. Highland is likewise agnostic with respect to vehicle chargers and has deployments utilizing Borg Warner, Power Electronics (Rhombus), Tellus, and Lite-On equipment. Sourcewell members will benefit from our scale of purchasing and close relationships with the team members at these and other suppliers, which will yield faster response times and better customer service than might be achievable for a customer on their own.

Charger and charger-to-vehicle compatibility is critical to successful electric vehicle deployments. Highland's top priority is to ensure route readiness of the vehicles every day. Additionally, Highland has demonstrated success in participating in utility vehicle-to-grid (V2G) programs, including implementing one of the country's first uses of electric school buses in a commercial V2G program. We take advantage of

		these opportunities when it aligns with a customer's duty cycle, however our primary focus is always on ensuring the vehicle is charge and ready for operation, as backed up by our uptime and route-readiness guarantees.
11	What are your company's expectations in the event of an award?	<p>Highland expects to support numerous Sourcewell members in achieving their fleet electrification goals in an efficient and affordable manner. Electrification is a new transportation paradigm and the transition requires extensive diligence of operational feasibility, risk, and costs at the local level. Highland has the expertise, scale, and capital to support all Sourcewell members through streamlined procurement.</p> <p>Additionally, Highland expects the as-a-service procurement model through Sourcewell to become the industry standard for government fleet electrification. The as-a-service model has proven demand across the U.S. and Canada, but the challenges of adopting a new procurement method can be time consuming for many government purchasing agents.</p> <p>Many Sourcewell members have reached out to Highland to inquire whether we have a Sourcewell award. Our model provides a viable path for programmatic and affordable electrification and a Sourcewell Contract would support Member's efforts to efficiently procure Highland's fleet electrification services. Our team is in regular communications with many school districts, municipalities, and federal and state agencies across the United States and Canada, and our expectation is that a Sourcewell award will enable more members to take advantage of the opportunity to improve their vehicle and fleet programs through electrification.</p>
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.	Highland's financials are reviewed by an independent auditor (Deloitte). Attached is a letter of support from Vision Ridge Partners, LLC (see VR Support Letter attachment). Vision Ridge, our primary project investor, is an infrastructure fund with extensive experience in energy and clean technologies.
13	What is your US market share for the solutions that you are proposing?	<p>We are the undisputed market leader in the United States for turnkey school bus electrification services, a model which is now responsible for approximately a third of all electric school buses that have been put under contract over the last two years. For our turnkey "Fleet" electric school bus services offering, or fleet-as-a-service, we have over 500 vehicles under contract, which has made us the largest buyer of electric school buses in the country. We have an approximate 85% market share for turnkey providers offering an electric school bus fleet solution that includes vehicles, excluding third-party transportation companies with whom districts fully outsource the transportation department. Including third-party transportation providers that operate electric buses, our market share is approximately 65%.</p> <p>We began actively marketing and selling the Fleet solution in the light duty segment in early 2023 and are in the process of rolling out the Fleet solution for waste management. We anticipate contracting with our first light duty customers in late 2023 followed by waste management customers in early 2024. We are aware of some turnkey electrification services for the light duty segment today, but as of yet have not identified the same for waste management.</p> <p>In 2022, Highland also began providing a "Depot" service offering, or charging-as-a-service, for customers that supply their own electric vehicles, and we now have initial contracts for this service (including a cooperative procurement contract from PowerOptions). Our Depot offering covers the same segments of electric vehicle types: school bus/passenger van, waste management and light duty. We estimate that our market share for Depot in the school bus/passenger van segment is approximately 10%.</p> <p>Our market share for consulting in the school bus segment is approximately 10%. Highland has not historically offered consulting as a standalone service. It is bundled into our Fleet and Depot solutions. Highland is offering consulting – in the form of Electrification Assessments – as a standalone solution exclusively for Sourcewell members, and as part of our commitment to best-serving the Sourcewell.</p> <p>Our products and vehicle segments are described in detail in Table 14A.</p>

14	What is your Canadian market share for the solutions that you are proposing?	<p>Highland has developed a sister operation, Highland Electric Fleets (Canada), ULC, dedicated to enabling fleet electrification throughout Canada. We have one executed customer contract in Canada to deploy 5 electric buses as well as nine executed letters of intent with school districts or the third-party transportation providers that serve them. For the fleet-as-a-service offering, we believe this is the only contract in Canada. Our market share when including third-party transportation providers operating, and contracted to operate, electric buses is less than 10%.</p> <p>We are engaged with potential customers across Canada and are actively responding to public tenders for school divisions and municipalities. Our initial Canadian deployment in St. Albert, Alberta—which we believe is the first turnkey electrification services contract in Canada—is scheduled to become operational January 2024 and will mark the first time that Canada’s Zero Emission Transit Fund (ZETF) has been awarded to support the purchase of electric school buses and related infrastructure. Additionally, we have executed a Memorandum of Understanding with Canada Infrastructure Bank (CIB) under which, Highland and CIB have agreed in principle that CIB will make \$50M in low-interest financing available to Highland to help fund zero-emission school bus deployments at school divisions throughout Canada. We have dedicated Canadian sales personnel with knowledge of the incentive landscape and unique issues that face fleet electrification opportunities in Canada.</p>	*
15	Has your business ever petitioned for bankruptcy protection? If so, explain in detail.	No.	*
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>Highland is best described as a service provider.</p> <p>Highland has over 65 employees located in two offices as well as working across 15 states and provinces. Approximately 36 employees work within the sales, origination, market development, and marketing functions. Our sales team includes inside and outside sales and business development professionals who qualify and advance customers through preliminary project planning and contract execution. This team is comprised of full-time employees located throughout the US.</p> <p>Highland partners with a dealer network that represents over 90% of the electric school buses sold in North America. Many of these partner dealers have sales in other electric vehicle types and we are developing relationships with additional dealers in light duty and waste management segments. Highland works with Dealer Partners on joint-marketing and joint-sales efforts, feasibility analyses to develop electric vehicle solutions that meet customer operational demands, and by providing local warranty and other maintenance services to our customers. Our ability to successfully execute and operate electric vehicles deployments has helped us to attract and build a national vehicle dealer network. Highland prides itself in operating its sales function within the existing ecosystem of school bus sales, including by developing close relationships with value added resellers and dealers.</p> <p>Highland’s fleet operations team, comprised of approximately 12 full-time employees, delivers our products and coordinates services including maintenance and warranty work through our local partners. This team is in constant contact with our sales team to ensure a smooth customer experience as projects transition from contract phase to development/integration and then to fleet operations. Our project developers coordinate with the customer, utilities, permitting agencies, vendors, and subcontractors to design, procure, and construct the charging infrastructure. As a project becomes operational, our operations team—which includes dedicated customer success professionals—is the main point of contact for the customer to address training, service issues, maintenance or repair reimbursement, and software platform support. With several years of experience deploying and operating electric school bus fleets, our fleet operations team is a leader in this relatively new space. The operations team orchestrates efforts with our dealer network to provide training, troubleshoot, and ensure warranty work is completed promptly for customers. Additionally, the operations team includes employees with relevant prior experience in renewable energy project planning and development, engineering, construction, transit fleet management, and electric vehicle charging solutions. To develop and electrify a depot, this team manages outside engineers and subcontractors for infrastructure development. These parties are typically local to the project area. Our subcontractors have substantial depot electrification experience. A detailed discussion of our subcontractors and partners is described at Table 6.</p> <p>Through these teams, we structure offerings that meet customer preferences at a price comparable to, and often cheaper than, a customer’s total cost of ownership for a similar internal combustion engine fleet. A lower total cost of ownership, plus Highland’s assumption of the infrastructure, operating and capital risk makes the fleet electrification achievable today.</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.	<p>The license and certification requirements will vary by jurisdiction.</p> <p>In the development phase for each of our projects, the construction work is typically required to be performed by a licensed electrician and design drawings may be required to be stamped by a professional engineer in the Authority Having Jurisdiction (AHJ). We hire subcontractors with appropriate licenses and certifications to perform this work, and Highland has professional engineers and experienced managers on staff to project manage this work.</p> <p>In jurisdictions where lessors of vehicles are required to be licensed, Highland holds such licenses. Additionally, the equipment that Highland provides as part of its services, electric school buses and chargers, are often subject to state, national, and industry safety standards. The contracts we execute with vendors, and the related POs and work orders, require that the equipment comply with applicable laws. Highland ensures that the equipment supplied by vendors, or their dealers, to be used in its offerings has satisfied any applicable standards or certifications and that any required training programs for operators and mechanics are facilitated.</p>	*
18	Provide all "Suspension or Debarment" information that has applied to your organization during the past ten years.	None.	*

**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>As the market leader in turnkey school bus fleet electrification, Highland has received significant attention over the last several years. Our deployments – including North America's single largest school bus electrification project in Montgomery, Maryland, and the nation's first deployment of school buses in a commercial vehicle-to-grid program in Beverly, Massachusetts – have been noted in Marketplace, TIME, ABC News, the Washington Post, Fast Company, NPR, the Boston Globe, Bloomberg, CNBC, TechCrunch, Yahoo Finance, David Roberts' Volts podcast, Student Transportation News, Education Week, Electrek, School Bus Fleet, and Education Weekly, among other publications. For more information on these and other articles, see the "In the Press" section of our website at <a href="https://highlandfleets.com/about">https://highlandfleets.com/about</a>.</p> <p>Additionally, Highland won the 2022 Cleanie Award for Pioneer in New Technology: Electric Vehicles. This award recognizes innovators and organizations making an impact in the clean energy sector. Highland was recognized as a leader paving the way to a decarbonized future.</p>	*
20	What percentage of your sales are to the governmental sector in the past three years	0%. All our sales to date are in the education sector; however, we are in active negotiations for contracts in the governmental sector.	*
21	What percentage of your sales are to the education sector in the past three years	100%. In addition to direct contracts with schools, Highland also subcontracts to private school bus fleet managers that directly contract with many school districts.	*
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?	<p>PowerOptions recently selected Highland as a provider of EV Supply Equipment, Smart Charging, and Charging-as-a-Service for its member organizations, as a part of its Clean Transportation Program.</p> <p>PowerOptions is an energy procurement and management services nonprofit that supports 450+ nonprofits and public entities across New England (MA, CT, RI) to reduce costs, create new long-term energy strategies, and mitigate risks. PowerOptions' Clean Transportation Program provides support for electric vehicle chargers and fleet options to nonprofits and public entities, including: 1) discounted electric vehicle equipment prices, 2) flexible equipment configurations, 3) personalized assistance throughout the process, 4) bulk fleet purchasing, and 5) managed procurement process. Our partnership with PowerOptions launched in February 2023, and we are actively in discussion to execute Fleet Electrifications programs for PowerOptions Members.</p>	*
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?	Highland is actively pursuing federal opportunities. We recently hired a dedicated federal business development director to lead this work.	*



**Table 4: References/Testimonials**

**Line Item 24.** Supply reference information from three customers to whom you have provided equipment, products, or services similar to the solutions sought in this RFP and who are eligible to be Sourcewell participating entities.

Entity Name *	Contact Name *	Phone Number *	
Beverly Public Schools (MA) ID# 12214	Dana Cruikshank, Director of Transportation	978-921-6109	*
Montgomery County Public Schools (MD) ID# 9498	Jim Beasley, Depot Manager	240-372-5282	*
South Burlington Public Schools (VT) ID# 11635	Sean McKenzie, District Fleet Operations Transportation Coordinator	802-652-7498	*
Hardin County Schools (IL) ID# 217231	Andreas Edmondson, Superintendent	815-590-9056	

**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) to whom you have provided equipment, products, or services similar to the solutions sought in this RFP, 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 *	
Montgomery County Public Schools (ID# 9498)	Education	Maryland - MD	turnkey school bus fleet electrification	328 school buses	\$8,912,750	*
Peak to Peak Charter Schools (ID# 224360)	Education	Colorado - CO	Turnkey school bus fleet electrification.	5 buses at one depot	\$303,155	*
Baltimore City Public Schools (ID# 1180)	Education	Pennsylvania - PA	Turnkey school bus fleet electrification.	25 buses at one deoy	\$30,000	*
Salinas City Elementary Schools (ID# 11375)	Government	California - CA	Turnkey school bus fleet electrification.	10 buses at one depot	205,000	*
Beverly Public Schools (ID# 12214)	Education	Massachusetts - MA	Turnkey school bus fleet electrification.	5 buses at one depot	,05,000	*

**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>We have a sales team of approximately 36 full-time employees, directly employed by Highland. This cross-functional team is well positioned to promptly support Sourcewell members in the US and Canada. The team includes inside and outside sales, project origination, marketing and market development employees located in Massachusetts, Michigan, Ohio, Oregon, New York, Colorado, California, Illinois, Washington D.C., Pennsylvania, North Carolina, Texas, South Carolina, and Prince Edward Island. The team is designed to be cross function so that we address all the elements that are required to create a pipeline of projects, including broad-based marketing outreach, government and stakeholder partnerships, community organizing, direct sales, and detailed project development. Sales and origination comprise approximately 24 employees and marketing and market development comprise approximately 12 employees.</p> <p>The Highland sales force collaborates continuously with the service departments to ensure a proposed project is technically and financially feasible. Our fleet operations team provides equipment and subcontractor quotes, operational efficiency analysis, and other data and best-practices from our operating fleets to ensure the sales force can provide Sourcewell members with the most efficient and affordable solutions.</p> <p>Additionally, our strong and geographically diverse network with dealers and third-party fleet managers present channel opportunities where incumbent dealers or fleet managers desire to work with a fleet electrification partner to serve their existing customers. Dealer relationships have developed via existing deployments served by dealers, strong relationships with OEMs, and cultivation through our employees that are bus sales and pupil transportation veterans who have pre-existing relationships and attend trade shows and other industry events in this space. Our dealer networks include formal and informal partnerships. We recently launched a dealer program that will further align our mutual interests with participating dealers.</p>
27	Dealer network or other distribution methods.	<p>Highland is the largest purchaser of electric school buses in the US and has long-standing relationships across the US and Canada with electric vehicle dealers. OEM partnerships provide a valuable entry point for Highland's direct sales. We primarily purchase vehicles directly from an OEM's respective dealer network, which allows us to establish a close partnership.</p> <p>In the school bus segment, there are 138 vehicle dealers across North America. We have relationships with most of these dealers either directly or through the OEMs that serve them in the electric school bus market. Many of these dealers have sales in other electric vehicle types, which we are leveraging as we expand into other vehicle segments. At the same time, we are developing relationships with additional dealers specific to the light duty and waste management segments. Dealers provide support by introducing us to potential customers and working with customers to develop electric vehicle solutions that meet customer operational demands. Often dealers have little to no experience developing full-scale, turn-key fleet electrification programs. Highland serves as a valuable resource to dealers in a number of ways, including guiding customers through the purchasing process, financing projects to create affordability, and working hand-in-hand with a customer on a daily basis to ensure they have a positive experience with the electric vehicles. Highland develops its training on the vehicles with the dealers and major maintenance and repairs are typically completed by dealers, so there are a number of touchpoints for Highland to establish a close relationship with a dealer that can lead to partnerships in future projects. With a Sourcewell award, Highland can leverage it's dealer network – many of whom have experience with Sourcewell already – to support vehicle electrification solutions for Sourcewell member--both large and small--across North America.</p>

28	Service force.	<p>Our service force is a fleet operations team that consists of approximately 12 full-time employees, plus an array of consultants and local subcontractors, as described below. The team's main goal is to ensure our customers are supported from project creation, consulting and feasibility review, procurement, construction, and through the entire term of their vehicle operations contract with Highland. This team is constantly collaborating with our dealer network to ensure smooth delivery processes, training, and service support for our customers. This team will continue to grow rapidly as more projects in our pipeline become operational, having already more than doubled in size in the past year. The team deploys our offering in a few ways:</p> <ul style="list-style-type: none"> <li>• We are project developers. We consult with customers on their fleet transition goals and tailor the process to meet their specific needs.</li> <li>• We are the day-to-day contact for our customers through the duration of the contract term after the vehicles are operational. The fleet operations team and its dealer and subcontractor network support all aspects of the customer relationship ranging from custom training for each OEM, charge management through our software partner, and reimbursement for inspections, routine maintenance, and repairs. Highland also takes a hands-on approach to troubleshooting issues, responding to customer requests, on average, within 5 minutes.</li> <li>• We plan for operational efficiency. The fleet operations team utilizes its purchasing power and technology expertise to plan for large scale procurements to keep costs low and prevent supply chain delays from interfering with project delivery. The fleet operations team currently operates out of our Beverly, Massachusetts, headquarters, and travels to customer sites during project development and during the operational term of the vehicles. We will transition from utilizing local subcontractors to full-time employees located in regions where our operating fleet size justifies it. For example, with several projects under contract in Maryland, we have a full-time technician dedicated exclusively to troubleshooting and monitoring charger and vehicle operation in the region. In regions where our fleet size makes a full-time employee infeasible, we will utilize local subcontractors to ensure assets are quickly repaired and properly maintained.</li> </ul> <p>Highland's development team performs project management tasks such as timeline management, but much of the development work is performed through local partners. We project manage preliminary infrastructure design and utility management, which typically require electricians and engineers with state licensure. We maintain a growing list of pre-approved subcontractors across regions where we have active deployments. We work with reputable, experienced engineering and construction firms typically local to a region. For example, we have partnered with Cupertino Electric, a 65-year-old electrical contracting firm, in California; DK Power, an experienced electrical firm, in New England; and Hunt Consulting, a similarly experienced firm in Maryland, Hayat Brown (Washington, D.C.), Dynamic Concepts Inc. (DCI; Washington, D.C.), and R.B. Hinkle (VA), many of which are minority and women owned business. We subcontract routine operations and maintenance of our charging facilities during the contract term to third-party experts with scale and related cost efficiencies. We often work with customers on bringing in their existing preferred engineers and construction firms. In other instances, we formally bid out these services to ensure local competition and local labor.</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>All orders are handled directly through Highland through the applicable project entity or our construction or operations affiliated entities. We coordinate dealers, subcontractors, and vendors for every deployment. We will serve as the single point of contact and advisor for Sourcewell members and are responsible for executing the obligations under the customer contract.</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>Every customer has a customer success manager that meets with them regularly to ensure project expectations are met and that they are getting the most out of their electric vehicles. Our incentives are aligned with our customer because we do not get paid, including for design, equipment procurement, and construction work, unless and until the electric vehicles are operational. Once they are operational, we guarantee uptime, route readiness, and response time. Highland's customer service offerings include custom charger and electric vehicle training for all staff involved in the operations of the vehicles, change management consultation, and customer support and enablement throughout the life of the contract.</p> <p>Highland has established the following internal KPIs goals:</p> <ul style="list-style-type: none"> <li>• 100% of vehicles deployed to be in use in regular operations</li> <li>• 100% vehicle uptime (vehicles are ready to be used when in service)</li> <li>• 100% charger uptime</li> <li>• 5-minute customer response time</li> <li>• 80 Net Promoter Score</li> </ul> <p>When responding to customer issues, Highland utilizes a cloud-based ticketing system and works with customers to implement a process to monitor and proactively alert fleet operations staff to any potential issues. Should an issue require on-site intervention, our employees and local partners are on standby to address the issue. We will coordinate with Sourcewell members to make sure any on-site repairs minimize any impact on daily operations. Technical phone support is also available 24x7 via a unique phone number that is assigned to each customer. In the event that a person does not pick up the phone immediately, calls will be returned in 30 minutes or less (our data shows that this is 5 minutes on average). The customer is also assigned a custom support email address to which less critical issues can be reported 24x7, and which will be answered within one business day. For any service level commitments from Highland that are supported by our subcontractors and vendors, we ensure that our subcontractors and vendors have at least the same service level commitments to Highland.</p> <p>We proactively work with dealers and OEMs to improve operations before an issue arises. For many dealers, electric vehicles are new to their service teams. With years of operating experience with electric vehicles fleets, we can see around corners. We can improve uptime of Sourcewell member fleets by working with dealers to ensure commonly needed parts are in stock to decrease issue resolution time. We track all live issues and work closely with maintenance and dealer staff to diagnose and rectify issues quickly. Additionally, and at no additional charge, all Sourcewell members will be provided access rights to view our charge management software dashboard. This dashboard provides vehicle state of charge, live locational data, as well as other pertinent operational information. This information allows Highland and local transportation staff to detect performance issues in real time. This tool enables full transparency with our customers as to the state of their fleets performance, and supports resolution of service issues promptly. Our charger uptime, route-ready and service guarantees ensure that the Sourcewell members will have a vehicle that is sufficiently charged at the start of each duty cycle.</p>	*
31	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in the United States.	Highland is the most qualified provider of fleet electrification services in the United States, and brings the internal and external resources necessary to provide support to any Sourcewell member. We are ready and willing to do so. The services described in the RFP, including the complimentary related services, align directly with Highland's offering as a one-stop-shop for fleet electrification needs. Our broad network of dealers and construction partners positions us well to be responsive to any Sourcewell member.	*
32	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	Highland is the most qualified provider of fleet electrification services in Canada, and brings the internal and external resources necessary to support any Sourcewell member. We are ready and willing to do so. We have the first ZETF awarded electrification project under contract in Alberta and we are actively pursuing projects in several provinces. As in the United States, there is no region in Canada where we would not provide services.	*
33	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	None.	*
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?	None..	*
35	Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	There are no specific requirements that would restrict our business in Hawaii, Alaska, and the US Territories.	*

**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>Highland will collaborate with Sourcewell on an initial press release, pitching the partnership to business and trade media outlets. We plan to write a blog post to share with our databased of contacts, and create a page on our website that prominently highlights our partnership with Sourcewell, including the Sourcewell Logo and our Contract Number, a link to our Award Page on the Sourcewell website, as well as the information needed from Members to work with Highland to provide services offered under the contract.</p> <p>Highland will also notify its partners in the school bus industry – including manufacturers, dealers, and other channel partners – if we secure a Sourcewell contract. These manufacturers and dealers are familiar with Sourcewell already through existing Sourcewell contracts for school buses and other vehicles. We would also notify regional and national advocates of clean transportation, including World Resources Institute (WRI), and the Climate Mayors program, among others.</p> <p>Through our existing relationships with several “climate mayors” and their staff, we will seek placement on the driveevfleets.org website. Highland provides, and would continue to offer to provide to Sourcewell members, free educational briefings on the topic of fleet electrification. We may pay for banner or print ads in industry periodicals and at key industry events or engage in paid advertising on social media.</p> <p>Additionally, we will update our public agency sales deck and marketing collateral to reference the Sourcewell award and update related talking points. We will notify existing opportunities in the pipeline via email blast. We will initiate additional direct communications to each of our prospective customers who have identified internal procurement obstacles as barrier to electrification; for instance, we have talked with prospective customers who have expressed to us a desire to procure through Sourcewell, and we would reach out to these customers specifically.</p> <p>Attached to this RFP response are copies of some of our existing marketing collateral (see Marketing Collateral attachment) and a video highlighting our deployment in Montgomery County, Maryland (see Montgomery Video attachment).</p>
37	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	<p>Highland will collaborate with Sourcewell on an initial press release, pitching the partnership to business and trade media outlets. We plan to write a blog post to share with our databased of contacts, and create a page on our website that prominently highlights our partnership with Sourcewell, including the Sourcewell Logo and our Contract Number, a link to our Award Page on the Sourcewell website, as well as the information needed from Members to work with Highland to provide services offered under the contract.</p> <p>Highland will also notify its partners in the school bus industry – including manufacturers, dealers, and other channel partners – if we secure a Sourcewell contract. These manufacturers and dealers are familiar with Sourcewell already through existing Sourcewell contracts for school buses and other vehicles. We would also notify regional and national advocates of clean transportation, including World Resources Institute (WRI), and the Climate Mayors program, among others. Through our existing relationships with several “climate mayors” and their staff, we will seek placement on the driveevfleets.org website. Highland provides, and would continue to offer to provide to Sourcewell members, free educational briefings on the topic of fleet electrification. We may pay for banner or print ads in industry periodicals and at key industry events or engage in paid advertising on social media.</p> <p>Additionally, we will update our public agency sales deck and marketing collateral to reference the Sourcewell award and update related talking points. We will notify existing opportunities in the pipeline via email blast. We will initiate additional direct communications to each of our prospective customers who have identified internal procurement obstacles as barrier to electrification; for instance, we have talked with prospective customers who have expressed to us a desire to procure through Sourcewell, and we would reach out to these customers specifically.</p> <p>Attached to this RFP response are copies of some of our existing marketing collateral (see Marketing Collateral attachment) and a video highlighting our deployment in Montgomery County, Maryland (see Montgomery Video attachment).</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>you integrate a Sourcewell-awarded contract into your sales process?                  Highland will coordinate with Sourcewell to notify its membership of the contracts arising out of this RFP. While the number of school districts interested in procuring such services is growing, a Sourcewell-awarded contract to a dedicated turnkey vehicle electrification provider like Highland could be a catalyst to turn this model into a mainstream approach. The Clean School Bus Act (passed under the 2021 Bipartisan Infrastructure Bill), and numerous other federal and state funding programs raise procurement challenges and a Sourcewell award would establish an efficient procurement mechanism for Sourcewell members.</p> <p>Highland takes sales training very seriously, and anticipates developing a robust sales training program for our team on how to use the Sourcewell contract. We have experience training our teams for other cooperative procurements as well as selling under federal rebate and grant award programs. We anticipate engaging a consultant experienced in Sourcewell sales to support development of this program and train our sales and origination team. This individual previously worked for a current and three-time award Sourcewell Vendor that is the spend leader in its Category, has trained over 600 Sales Professionals on selling through Sourcewell Contracts, and has worked to secure state participating addendums across the U.S.</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.	No.

**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>Highland provides training as a standard component of its Fleet and Depot offerings. The turnkey scope of each of these products is discussed in detail at Table 14A. Training is included in the fixed annual price for each of these offerings at no additional charge. The training is geared towards multiple audiences, including transportation directors, chief budget officers, drivers, and mechanics, and covers all facets of the offerings including vehicles, chargers, and software.</p> <p>We will ensure Sourcewell members are properly trained to operate, maintain, and repair their vehicles by working closely with OEMs and dealers. Presentations and materials are tailored to meet the specifications of a customer's particular depot, addressing specific operational needs to vehicle and charger type. Highland will coordinate across the Sourcewell member's organization to ensure all aspects of their operations can support the electric vehicles – this includes training for operations staff, drivers, maintenance staff, and first responders. Depending on the level of interest and capabilities of maintenance staff, Highland works with the local dealer to train the customer's maintenance shop to perform high voltage repairs.</p> <p>Upon completion of in-person training for the various stakeholders, Highland creates and maintains a central repository for all training materials provided. We are available to provide additional training for all drivers and mechanics upon request as the fleet grows and staff turnover.</p> <p>Highland ensures that drivers and mechanics for a customer's fleet complete our initial training to operate and maintain electric school buses. Highland confirms that drivers and mechanics are prepared to provide safe and reliable transportation services and know who to contact when they have questions and concerns, or if issues arise. With our Dashboard software platform, Sourcewell members will receive valuable operational feedback. This includes, among other things, information that will support increased vehicle range (in increased miles per kWh) based on driving habits, charging, and conditioning strategies, as well as data to enhance route-planning efficiency.</p> <p>Depending on the customer and utility area, our offering can be expanded in several ways to add value utilizing the electric bus batteries – a form of mobile energy storage – as generators. These include providing grid services (e.g., demand response and peak shaving) in front-of-the-meter applications and reducing on-site peak load in behind-the-meter applications. Additionally, we can offer resiliency solutions such as islanded microgrids and emergency power as sourced solutions. Notwithstanding the significant benefits the solutions can bring to the community, Highland's top priority during the operational term is always to deliver a charged and route-ready vehicle to the customer for the next duty cycle.</p>



41	Describe any technological advances that your proposed products or services offer.	<p>While electric vehicle adoption is on the rise and personal electric vehicles have been on the road for many years, medium and heavy-duty electric vehicles are newer to the market. Vehicle manufacturers are just starting to add medium and heavy-duty vehicles to their standard production lines. Nevertheless, there are years' worth of data on electric vehicles in transit and education that support estimates on longevity of equipment and reduced cost of ownership because of decreases in fuel and maintenance costs.</p> <p>The bigger challenge, especially for medium and heavy-duty electric vehicles, is integrating the vehicles with compatible chargers and remotely managing charging to guarantee the availability of charged vehicles every morning. There are a growing number of vehicle and charging infrastructure manufacturers. However, there is limited assurance of interoperability and reliability between all the various possible combinations of vehicles and chargers. As an equipment-agnostic provider, Highland is uniquely positioned to work with virtually any vehicle brand and charger equipment, and maintains close relationships with both sets of vendors. We have deployed chargers from a range of prominent manufacturers, including Power Electronics, Tellus, Borg Warner (Rhombus), and Lite-On. Highland offers a first-of-its kind software platform to monitor the overall health of the vehicle charging system and support communications between the battery, charger, and relevant incoming data points needed to efficiently manage charging. This highly interoperable platform will be integral to the success of Sourcewell members, as existing software platforms are not suitable to accommodate varying vehicle and charger types. The platform is also essential to reduce fuel (electricity) costs through managed charging. It is because of our ability to charge at times and at levels (capacity) that optimize wholesale markets, time-of-use, and load-based rates, that we can underwrite electricity cost risk and provide fixed operational costs (and savings) to Sourcewell members. The software platform can also be used to dispatch electricity to the grid or deliver energy to a building if applicable. These applications act as a natural hedge to electricity pricing risk. Sourcewell members benefit from these cost savings and revenue streams because managed charging is factored into our pricing.</p>
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42	Describe any “green” initiatives or Environmental, Social, and Governance (ESG) values that relate to your company or to your products or services, and include a list of the certifying agency for each.	<p>Highland’s offering is an inherently “green” initiative. We hope to be a catalyst in accelerating electrification of school bus fleets and other medium- and heavy-duty vehicles by reducing the cost and complexity of electrification for our customers. Medium- and heavy-duty vehicles, especially diesel buses, are low-hanging decarbonization fruit for any government agency or school district that is serious about emissions reduction goals.</p> <p>Many government agencies have emission reduction goals and the health and environmental benefits (not to mention energy system benefits) are significant. Diesel buses are a significant source of both local air pollution (studies have increasingly shown that diesel particulate has negative impacts on student and community health) and global greenhouse gas (GHG) pollution. The electric buses provided through Highland’s services eliminate all local air pollution and substantially reduce the GHG emissions at the same time. The GHG reduction potential varies by state and electrical grid make-up, but generally ranges from 100-300 short tons GHG reduction over the life of a medium duty electric school bus. Beyond the GHG benefits that the buses provide directly by converting the power source from diesel fuel to electricity, the large batteries powering electric school buses and waste management vehicles can essentially act as peaker plants and, combined with other similar distributed resources, eventually can replace traditional coal and natural gas peakers, creating a “cleaner peak”. Indeed, Highland’s electric school bus in Beverly, MA, delivered power back to the grid throughout summer 2021, and was described as a “peaker plant on wheels” (See <a href="https://thedriven.io/2021/10/22/peaker-on-wheels-electric-school-bus-delivers-power-to-grid-for-50-hours-over-summer/">https://thedriven.io/2021/10/22/peaker-on-wheels-electric-school-bus-delivers-power-to-grid-for-50-hours-over-summer/</a>). In many regions, a provider can be compensated for dispatching electricity at these peak times, which tend to occur most in evening hours when school buses and waste management vehicles are not in use. The programs, such as the Connected Solutions and the Flexible Loan Management distribution utility programs in which our Beverly (MA) and Burlington (VT) buses participate with National Grid and Green Mountain Power, respectively, create both environmental and economic benefits for the customer and surrounding community. Highland believes that vehicle electrification at scale can happen now, and we want to enable Sourcewell and its member agencies, as well as their local distribution utilities, to be catalysts in that transition.</p> <p>States, cities, and towns are setting ambitious climate goals and must start implementing their plans immediately in order to meet deadlines. Many are behind in their targets. For a community to hit its target, it must measure where they are now in terms of air quality, emissions, and a huge variety of other environmental data, and continue to monitor their progress every single day. This is something that many communities are not equipped to do on their own.</p> <p>Given that EV schools buses output zero tailpipe emissions, and effectively “map” an entire region twice a day while on route, they have the potential to be an incredibly good sensing platform for air quality and other environmental data. For these reasons, Highland is exploring adding these environmental monitoring and sensing packages as an add-on to our core service of turnkey fleet electrification.</p> <p>Our goal is to help our customers measure and monitor the air quality in their communities and track their progress towards their net zero targets. Initially this will be accomplished by placing “mobile” sensors on the EV school bus fleet. As the buses drive throughout the community twice a day, Highland will work with our partners to “map” the air quality of the community.</p> <p>As we build the data set, this will help us determine the most optimal place to install more permanent, higher-resolution air quality sensors (see Dash and Sensor Screenshots, attached), acting as the ongoing sensing platform to track air quality over the long term for the community. The mobile sensors can remain on the vehicles to help spot check areas, track seasonal changes, etc. We can provide this added service as sourced solution for interested Sourcewell members.</p>
43	Identify any third-party issued eco-labels, ratings, ESG scores, 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>While the electric vehicles and related equipment that we deploy are environmentally friendly compared to internal combustion vehicles, we are not aware of any eco-labels or certifications relating to this equipment.</p> <p>Looking at life-cycle, based on existing field results for medium- and heavy-duty electric vehicles, we anticipate that the drivetrains will last longer than the engines in internal combustion engine (ICE) vehicles and that the body and chassis will be a limiting factor in the life of the vehicle (at least in certain regions where rusting is more prevalent). Highland is researching and discussing with third parties how we might extend the life of medium- and heavy-duty bodies and chassis. We are also exploring taking drivetrains out of old vehicles and moving them into new shells, as well as second life options for the battery packs such as in stationary storage applications.</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.	Highland qualifies as a Small Business Entity for federal purposes. We are in the process of establishing a SAM.gov account and self-certifying.	*
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>Highland’s solution provides Sourcewell members with a guaranteed path to successfully meet their electrification goals. Currently, every Sourcewell member must independently develop the expertise to manage costs and risks of transitioning their fleets to electric. Highland provides the subject matter expertise, risk mitigation, and flexible capital to bundle all components of fleet electrification into a single and affordable performance-based contract. Every member, regardless of size or location, receives the benefit of Highland’s expertise and scale.</p> <p>Highland created a first-of-its kind, scalable solution solving a challenging gap in government and education vehicle electrification and continues to be the market leader in this space. Highland won the 2022 Cleanie Award for Pioneer in New Technology: Electric Vehicles. Recently, Highland joined White House’s EV Acceleration Challenge, which calls on stakeholders and innovators in the private and public sectors to commit to expanding their efforts to facilitate the transition to electric mobility.</p> <p>Our innovative solution addresses the cost and complexity of electrification. Our team brings experience that is capable of evaluating and managing the risks of new technology, energy costs, development and construction. We also bring financial expertise that can optimize cost of capital, including by leveraging depreciation and tax benefits. By taking on and spreading the high upfront costs over a longer-term contract – and using our low cost of capital to do that – we can make electrification affordable.</p> <p>As a turnkey provider, we bring what otherwise might be half a dozen separate subcontractors and vendors under one roof and are your sole point of contact should be any issues with the deployment. We will be a partner to Sourcewell members from soup-to-nuts, and offer our customers a level of flexibility and interoperability that others in the electrification space cannot. While similar turnkey type offerings exist for internal combustion vehicles (with gas pumps and underground storage tanks), the challenges confronting electrification – and the team we have positioned to support our customers in overcoming these challenges – make Highland’s offering truly unique (see Marketing Collateral, attached).</p>	*

**Table 9A: 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 *	
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46	Do your warranties cover all products, parts, and labor?	<p>As owner of the equipment, Highland effectively wraps the warranties, and extended warranties, of the vehicle and charger manufacturer, general contractor, engineers, and charge management software, for the ultimate benefit of the customer. The result is a level of protection – embodied through our charger uptime and route-readiness guarantees – that could not be attained through a patchwork of contracts (as is typical when first-time fleets pursue electrification on their own). Furthermore, we are the single source of accountability for the success of the deployment and will be ready to respond quickly if a Sourcewell member has a problem. Manufacturer warranties vary by manufacturer and vehicle.</p> <p>Highland is not a manufacturer and does not offer its own vehicle warranty. Instead, we reimburse customers for all inspections, routine maintenance, and repairs during the entire contract term, whether covered by warranty or not. As vehicle owner, Highland holds the warranties (including any extended warranties) and makes them available to the customer for review. So, Sourcewell members will enjoy the benefits of the manufacturer's warranty. In accordance with existing processes, Sourcewell members would be responsible for assessing, coordinating, and executing all warranty claims according to but not limited by the requirements of the manufacturer warranties. Highland is available to support in ensuring warranty claims are fulfilled promptly. We work with our Dealer Partners and their manufacturers keep sufficient parts inventory for common warranty claims. As part of our commitment to our customers, Highland's commitment to reimburse for inspections, maintenance, and repairs survive for the entire term of the contract even if longer than the warranty term. Of course, repairs related to damages that are the result of customer or the result of activities that would void the warranty are not covered by Highland.</p> <p>Following the expiration of the manufacturer warranties term for any deployment, Highland continues to reimburse the customer for parts and labor related to repairs. Sourcewell members would notify Highland of service work that has been completed and provide documentation to support costs, and Highland reimburses for such work at agreed hourly and part costs that correspond with customer's actual costs. Many school districts and agencies have mechanics that provide much of the routine maintenance and repairs in house, and only occasionally send a vehicle to a dealer or third-party service provider for servicing, and eagerly works to match our solution with our customer's existing capabilities, to ensure success. Of course, we can also apply our model for Sourcewell members that have no mechanics as well. Our existing relationships with dealers and manufacturers provide Sourcewell members with additional leverage to ensure that the service is provided promptly.</p> <p>With respect to charging infrastructure, Highland owns the infrastructure and is responsible for maintenance and repair, including pursuing manufacturer warranty claims. Under our guarantees, Highland is responsible for charger performance full stop for the entire contract term. If a charger is broken outside of manufacturer warranty period, we must replace it.</p>
47	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	<p>Highland's inspection, maintenance, and repair reimbursement obligations are subject to the terms of the underlying manufacturer warranties, which are attached as exhibits to our customer contracts. These warranties vary by manufacturer. If a vehicle were being used or maintained in a manner that voids the manufacturer's warranty, then maintenance or repairs related to such use would be the customer's obligation. In trainings for drivers and mechanics, we identify material differences between an electric vehicle warranty and standard internal combustion warranties, such as those related to charging and charging cycles.</p> <p>Our contract contains an annual mileage cap. Also, we have a maximum mileage cap of 250,000 for all vehicle types. However, Sourcewell members can continue to utilize the vehicles above the mileage cap subject to an additional cost-per-mile fee to compensate Highland for additional fueling costs, increased maintenance and repair, and reduced residual value of the vehicle.</p>
48	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	<p>Most standard dealer agreements and manufacturer warranty agreements cover technician time and expenses, which Highland passes through to the customer. Highland is responsible for covering this cost whether or not the warranty covers it.</p>

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?	Highland's relationships with dealers – and their OEM partners – throughout North America, and we have on the ground partners for charging and infrastructure issues (who in many cases designed and constructed the initial build out) support our customers in locating certified technicians in their area.	*
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?	Yes. As owner of the equipment, Highland effectively wraps the warranties, and extended warranties, of the vehicle and charger manufacturer, general contractor, engineers, and software providers, and other relevant vendors, for the ultimate benefit of the customer. The result is a level of protection – embodied through our charger uptime and route-readiness guarantees – that could not be attained through a patchwork of direct contracts. Furthermore, we are the single source of accountability for the success of the deployment and will be ready to respond quickly if a Sourcewell member has a problem.	*
51	What are your proposed exchange and return programs and policies?	Highland guarantees vehicles are charged and route ready for each duty cycle. If it is necessary to exchange a vehicle or charger due to manufacturer deficiency to satisfy our obligation, it is Highland's responsibility to do so. We price charger replacement risk. For larger deployments we maintain charger part component storage on site or nearby, to be in a position to respond to charger downtime. As the warranty holder, Highland would work with vehicle or charger manufacturers to secure replacement equipment or parts.	*
52	Describe any service contract options for the items included in your proposal.	Highland's entire Fleet and Depot contracts are service contracts that contain, as standard services included in the fixed annual fee, many components which are described in detail at Table 14A (Depth and Breadth of Services). The contracts are performance based and our bottom-line obligation is to provide a charged and route ready vehicle in accordance with the operating parameters of each contract. We back that up with guarantees. For our Fleet and Depot offerings, there are additional services that we can provide as well, such education content for K-12 or job training program assistance.	*

### Table 9B: Performance Standards or Guarantees

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

Line Item	Question	Response *
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53	Describe any performance standards or guarantees that apply to your services	<p>Highland's Fleet and Depot contracts are performance-based contracts. We are aligned with our customers because we are obliged to deliver the agreed-upon services to you, or we do not get paid. The performance standard we must meet is that your vehicles will be charged and route ready for each duty cycle. In addition, Highland provides two guarantees which are supported by liquidated damages if we fail to perform:</p> <p>1) Charger Uptime. Highland ensures that the system (24/7 * 365) in aggregate for all charging ports) is available for charging at least 97% of the time on an annual basis.</p> <p>2) Route-Readiness. Your vehicles will be charged before each duty cycle. If you do not have a standard duty cycle, your vehicles will be sufficiently charged at the start of each day. So long as Highland is in compliance with its service level terms, the Route-Ready Guarantee does not apply to situations where the vehicle is inoperable – for example due to a warranty claim on a vehicle – or where customer's requested duty cycle makes sufficient charging technically infeasible. We have 72-hours to resolve any failure or we owe downtime damages to you. We separately provide industry leading Service Promise, to help ensure rapid repair and maintenance. These include:</p> <ul style="list-style-type: none"> <li>- issue response time of 30 minutes or less,</li> <li>- vehicle dealer escalation and status procedures to support timely repairs (including weekly status reports where applicable for major repairs), and</li> <li>- conducting periodic (at least semi-annual) customer surveys and operations reviews to ensure we are hearing and responding to Sourcewell member feedback.</li> </ul> <p>If we are not in compliance with the Route-Readiness Guarantee, we immediately cover the customer's costs of temporary replacement vehicles, which is set as a specific agreed-upon liquidated damages in an amount per day or per mile. If we do not meet the Charger Uptime Guarantee, which is measured annually, we credit the Sourcewell member's annual contract price by an amount that is equivalent to the percentage to which we are under the 97% charging threshold. These are part of our standard terms and conditions as included in the attachments. The liquidated damages under each guarantee are not duplicative. Put another way, Highland would pay (or credit) the greatest amount under either applicable guarantee. These two guarantees ensure alignment between Highland and the Sourcewell member through prompt and annual accountability.</p> <p>These combined guarantees are industry leading. We are the only fleet-as-a-service provider that offers effective assurance of bus-to-charger communications – importantly including the bus side not just charger side – under its guarantee. While charger uptime is commonly provided (with extensive exclusions including vehicle carve-outs), a guarantee that ensures that the charger and vehicle operate together is uncommon and perhaps our greatest value proposition to Sourcewell members. One of our core values is that we are a solution provider. We don't just sell products: we are there for the long-haul. We are a technology-agnostic solutions provider that is responsible for the success of your fleet throughout the duration of the contract term. If there is a charging problem, whether it relates to the charger or to the vehicle, we are the sole source of accountability to ensure the situation is solved. We will not blame a charger manufacturer or a vehicle manufacturer (or dealer) if there is a charging problem. We will work collaboratively with the charger and vehicle manufacturer to solve the problem and if it is not solved promptly, we will be responsible to Sourcewell members for downtime damages.</p>
54	Describe any service standards or guarantees that apply to your services (policies, metrics, KPIs, etc.)	<p>Highland manages maintenance, service, and repairs of charging equipment directly with the manufacturer and through our network of operations and maintenance partners. Highland has the incentive, and is aligned with the Sourcewell member, to resolve any charger service issues promptly to conform to our guarantees. Similarly, if there is any downtime on our charge management platform that prevents or impacts charging, Highland will work directly with its technology partners who are subject to service level agreements to respond and resolve issues within specific periods of time. The transparency that our Dashboard charge management platform provides for customers means that they generally become aware of performance issues as promptly as Highland does. Highland's largest deployment (and the single largest deployment of electric school buses in North America) at Montgomery County Public Schools in Maryland currently maintains 99% charger uptime.</p> <p>Additionally, Highland has established the following internal KPIs goals which exceed our guarantees and service obligations under the Fleet and Depot contracts:</p> <ul style="list-style-type: none"> <li>• 100% of vehicles deployed to be in use in regular operations</li> <li>• 100% vehicle uptime (vehicles are ready to be used when in service)</li> <li>• 100% charger uptime</li> <li>• 5-minute customer response time</li> <li>• 80 Net Promoter Score</li> </ul>

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

Line Item	Question	Response *
55	Describe your payment terms and accepted payment methods.	The fixed contract price is paid annually in advance by the customer, commencing upon the commencement of operations of the applicable vehicle or services. Payment terms are net 30 days from invoice.  We accept payments by check, wire, and ACH.
56	Describe any leasing or financing options available for use by educational or governmental entities.	Our contracts for the Fleet and Depot products are services agreements for federal tax purposes. To realize, and pass-through to the Sourcewell member, maximum tax benefits from depreciation and incentives, we typically structure our service offering similar to an operating (or closed-end) lease. Under this structure, the vehicles are subject to mileage caps and Highland retains ownership, and repair and residual value risk, though the contract term.
57	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.	Highland proposes use of its standard Transportation Equipment Services Agreement in connection with an awarded contract.
58	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?	Highland accepts P-card procurement and payment process, although any processing fees or additional charges associated with the use of P-cards will be passed through to the customer.

**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 *
59	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.	Highland's pricing for the offerings described below is line item per product. For Fleet and Depot offerings, we SKUs for each anticipated product combination.  Electrification Assessments. Highland charges for its Electrification Assessments based on an hourly rate model, with a not-to-exceed cap to be agreed based on the scope of work. Our hourly rates for Sourcewell members are: Analyst \$100/hr, Manager \$200/hr, Director \$275/hr, and Vice President or above \$350/hr. The prices and products are reflected in the attached Pricing Sheet. Highland's Fleet and Depot product offerings include an Electrification Assessment and related consulting services as a component of the turnkey price. If a Sourcewell member retains us for standalone Electrification Assessments and then ultimately determines to utilize Highland as a turnkey provider, the Electrification Assessment fees will be incorporated into the price of the subsequent contract.  Turnkey "Fleet" and "Depot" Offerings. As Highland's turnkey Fleet and Depot offerings are tailored for each customer, and the fixed annual price per vehicle is dependent upon several factors, such as vehicle type, depot size (and volume of purchase), charging infrastructure, and vehicle mileage. Our pricing includes design, construction, interconnection costs, purchase of vehicles (for "Fleet" offering only) and chargers, training, charge management platform, electricity to fuel the vehicles, operations and maintenance of chargers, reimbursement for maintenance (labor and parts) of vehicles. Sourcewell members provide the drivers and mechanics, and plan their own routes. Our Contracted Price is a Year 1 price, with subsequent years of the Term as selected by Sourcewell Members subject to a 3% annual escalator. The escalator accounts for the inflationary costs associated with operating a fleet over a contract term of 5 to 15 years. For example, the cost of a tire will roughly track inflation in each year of the term. Importantly, Highland is only passing forward a 3% escalator, which significantly trails recent inflationary pressures. Highland's ceiling-based, first year

contract pricing for in Fleet and Depot product offerings are identified in the attached a Pricing Sheet, with SKUs based on the following specs:

- net actual vehicle acquisition cost to Highland;
- charger type by kW;
- vehicle mileage cap per year; and
- contract term length.

The vehicle acquisition cost is inclusive of all customer-requested specs and upgrades (including necessary after-market upgrades), shipping costs including freight and insurance, applicable sales and use taxes, and any import tariffs or duties. The net vehicle acquisition costs applies grants and incentives received by Highland (or that otherwise benefit Highland to reduce our up-front costs) as a deduction to the vehicle acquisition cost. Where the net vehicle acquisition cost is between pricing bands it is rounded up to the next band.

Treatment of Incentives. Our Pricing Sheet reflects Highland's Sourcewell contract price and shows volume discounts (as applicable). The contract price includes monetizable tax attributes applicable to each product based on tax incentives available today. The contract price is otherwise an unsubsidized price. Applicable tax attributes consist of currently available tax credits per vehicle and depreciation or accelerated depreciation, as applicable. There are presently considerable federal, state, and local funding opportunities available to Sourcewell members to support the rollout of electric vehicles. The Highland offering is intended to work with these incentives, and any specific incentive requirements, reporting obligations, or conditions will be addressed in our contract. If rebates, grants, make-ready support, or other existing incentives are available, those values will be applied either as a 100% pass-through to either (1) reduce the contract price if the incentive is received by Highland or (2) be held by customer support payments on an unsubsidized contract price. For more information, see response to Question Number 78.

Pricing Example. A sample pricing scenario is provided in the attachment entitled "Pricing Example." The sample is intended to provide a walk-through of the volume and incentive pass-through mechanic described in this response.

60 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 line-item pricing offered by Highland to Sourcewell members represents a discount of at least 15% per unit off its standard Fleet and Depot offering prices. Highland's bundled contract price is paid annually in advance by the Sourcewell member only after the electric vehicles are commissioned and operational (see Pricing Sheet, attached).



61	Describe any quantity or volume discounts or rebate programs that you offer.	<p>The Pricing Sheet assumes a deployment of one vehicle, except for the light duty segment which applies pricing at five (5) vehicles per unit. (We found that pricing was not feasible for light duty deployments of less than five units, however Sourcewell members could consider a longer-term Depot contract as an alternative to support such a light duty fleet). In all cases, pricing assumes that the vehicles are located at a single depot. Our contract allows for vehicle deployments over multiple years, and so long as the vehicles are procured under a single contract, the volume discount applies to that contract. For example, if a Sourcewell member procures 5 school buses over three years, the automatic 5-vehicle volume discount applies.</p> <p>There are a couple of elements of volume pricing that may impact our customer prices: vehicle purchase and depot sizing. Certain vehicle manufacturers may offer Highland a discount on equipment purchased in large volumes. This sort of volume discount on vehicles, and any other value that Highland can generate in vehicle procurement (e.g. based on seasonal variations, etc.), is simply reflected as an input into the vehicle acquisition cost set forth in the Pricing Sheet and will yield a lower contract price. The vehicle acquisition cost is inclusive of all customer-requested specs and upgrades (including necessary after-market upgrades), shipping costs including freight and insurance, applicable sales and use taxes, and any import tariffs or duties. The net vehicle acquisition costs applies grants and incentives received by Highland (or that otherwise benefit Highland to reduce our up-front costs) as a deduction to the vehicle acquisition cost. Where the net vehicle acquisition cost is between pricing bands it is rounded up to the next band.</p> <p>Depot size is also a key component to pricing. The economies of scale achieved by building out charging infrastructure at larger depots can be substantial. However, the specific value depends on the facts and circumstance of each build out. Sometimes, increasing electrical service beyond a certain capacity can trigger material increases in interconnection costs, minimizing the economy of scale benefit. As part of our Electrification Assessment, we evaluate the costs and benefits to scaling a depot, requesting basic service (versus vehicle-to-grid opportunities typically classified as "distributed generation" by utilities), and other key drivers, costs, and customer requirements. Any applicable volume discount is added to the Sourcewell member discount. Whenever there is significant volume, will pass through savings to Sourcewell members in terms of a lower contract price.</p>	
62	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.	Highland may include sourced products that are in addition to its standard product offering and will do so on a cost-plus percentage basis that will not exceed 20%. As discussed elsewhere in this response, sourced products may include, for example, vehicle sensors and ancillary electrical equipment (e.g., to support Sourcewell Member's resiliency or air quality goals).	*
63	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.	All depot design and construction, equipment acquisition, and operating costs are included in Highland's fixed contract price.	*
64	If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program.	These costs are not additional to Sourcewell members because freight, delivery ,and shipping costs are included in the vehicle acquisition cost that ties to Highland's fixed contract price.	*
65	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	Freight, delivery, and shipping costs are included in Highland's fixed contract price.	*
66	Describe any unique distribution and/or delivery methods or options offered in your proposal.	None.	*

**Table 12: Pricing Offered**

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

**Table 13: Audit and Administrative Fee**

Line Item	Question	Response *
68	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.	Highland will establish an internal process and procedure to ensure Highland is in compliance with proposed Sourcewell contracts. Reporting to our Controller, a Highland compliance manager will be responsible for maintaining and providing all necessary documentation, including but not limited to proper pricing and generating required quarterly reporting for sales and remittance of the proper administrative fee to Sourcewell. Highland will include line items on quotes, invoices and executed documents to indicate that the agreement is a Sourcewell contract. A second Highland employee will be responsible for serving as quality control to ensure the accuracy of all documentation. We will include a Sourcewell identifier field in any applicable contract or customer management system that we utilize to allow us to track and report on a Sourcewell contract.
69	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.	Highland already used data to monitor our performance in reaching out leads and measuring campaign success. (See response to Question Number 37). If awarded, Highland will have periodic campaigns nationally and regionally and will measure items such as opened emails, call backs, Electrifications Assessment quotes, and Fleet and Depot quotes provided.  On a quarterly basis, Highland will review new contracts and deliveries generated by Sourcewell and track success rate and speed to contract versus non-Sourcewell opportunities.
70	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.)	Highland will pay Sourcewell on a quarterly basis the administrative fee for contracts generated through Sourcewell as follows: <ul style="list-style-type: none"> <li>- for Electrification Assessments, 2% of the not-to-exceed price for the applicable contract,</li> <li>- for Fleet offering, <ul style="list-style-type: none"> <li>- School Bus/Passenger: \$1,00/vehicle</li> <li>- Waste Management: \$1,200/vehicle</li> <li>- Light Duty: \$200/vehicle</li> </ul> </li> <li>- for Depot offering, \$200 per charge port.</li> </ul> For the Fleet and Depot products, the administrative fee will be paid quarterly to Sourcewell and will become due upon delivery of the vehicle to the Sourcewell member.

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

Line Item	Question	Response *
71	Provide a detailed description of the equipment, products, and services that you are offering in your proposal.	Highland is offering three products under this proposal: (1) electrification consulting and feasibility assessment, or "Electrification Assessment", (2) fleet-as-a-service, or "Fleet," and (3) charging-as-a-service, or "Depot." These offerings span several different electric vehicle verticals, as further described below. Both the Depot and Fleet offerings include Electrification Assessment as a component of the offering.  1. Electrification Assessments Highland is a thought leader in public fleet electrification. We are frequent speakers at energy, vehicle, education, and government conferences. We have published or produced case studies, blogs, videos, webinars and other educational content addressing the issues that schools and municipalities face in making decisions around electrifying and operating their electric vehicle fleets. This free content is publicly available and can help agencies determine how to make an informed



decision around electrification. Whether engaging Highland or another provider of consulting services, an agency without the right information and data in hand is not ready to make an informed decision. We encourage any public agency considering fleet electrification to access and review our free content to help them decide if, in fact, they are ready to move forward. Also, by gathering the right information and data, an agency can save time and money by hitting the ground running in conducting any internal or external feasibility analysis.

Highland performs Electrification Assessments for all its customers. Typically provided as part of the bundled package of services under our Fleet or Depot product offerings, Electrification Assessments are also available as a standalone service. An Electrification Assessment is for school transportation what an energy audit is for school buildings. As part of an Electrification Assessment, Highland works with customers to collect information about their current operations, including fleet size, vehicle types, route lengths, operating costs, and facility needs. Often, customers are unaware of their actual costs until such an evaluation is conducted. Additionally, Highland gathers information on utility tariffs, local geographic and environmental conditions, forecasted repair costs, incentive identification, and other fleet analyses that impact performance and economic modeling. Highland utilizes this information to develop an "Electrification Assessment" which includes recommendations for fleet transition, with detail such as timelines for implementation, an economic feasibility assessment, general vehicle and charging equipment recommendations, and site design, all encompassed in an Electrification Assessment.

## 2. Fleet

Our flagship Fleet product includes the following services for a fixed annual price through the term of the contract:

- Electrification Assessment. Our Fleet and Depot offerings includes an Electrification Assessment, as discussed in more detail above. Highland can iterate on electrification options, incentive strategy, and other aspects of your fleet electrification plan as part of these services. For customers electing the Fleet or Depot option, all costs of the Electrification Assessment and related services are incorporated into the fixed annual Fleet contract price. No costs are expended until your electric vehicles are operational.
- Incentive and Incentive Processing. There are federal programs as well as pockets of state, utility, and local incentives that can be leveraged to reduce the cost of electrifying a government fleet. We are familiar with these incentives – and with the applicable agencies and program administrators that run them – and are committed to help our Sourcewell members identify incentives for which they may be eligible and then navigate the process of accessing them. Our knowledge of the incentive landscape helps customers ensure they are maximizing the potential incentive dollars available to a project and can be especially helpful in preparing and submitting competitive or otherwise complex applications. Programs often involve byzantine web portals, extensive paperwork, and detailed project planning. We have a number of dedicated full-time employees that help policymakers improve program design and process incentives. From our many existing projects, we have experience that can support a significantly smoother submission process for our customers and can increase the odds of success. To address any obligations under grants or other incentives, our contract can be tailored to address any specific federal or state requirements to ensure compliance.
- Procurement of Electric Vehicles and Charging Infrastructure. We identify, purchase, and own electric vehicles, chargers, and related infrastructures during the customer contract term. Our volume purchasing power and tax-advantaged financing structure allow us to secure and pay for the vehicles and charging infrastructure at a lower price and cost of capital than our customers would on their own. This translates to lower annual costs for our customers. Highland then provides electric vehicles for a customer's use throughout the term of the contract. Vehicles are selected based on customer needs and are purchased from well-known dealerships and manufacturers. In many cases, the vehicles are from the same dealers and manufacturers that our customers have historically used.
- System Design, Engineering, and Installation. Highland designs charging infrastructure systems for each project, including charging equipment and related infrastructure. This includes securing all necessary permits and coordinating with the local utility for interconnection. We have a robust network of engineering and construction partners (See response to Question Number 28) that have experience building electric vehicle depots (and similar projects) and a track record for successful on-time project delivery. We schedule all construction, delivery, and commissioning of all charging equipment and related infrastructure and will work with the customer to minimize disruption to normal operations. The customer makes no payments to Highland until the charging system and electric vehicles are operational.
- Training. Proper training and education at all levels, from the supervisory to operator level, is critical to a successful fleet electrification program. Highland works with equipment manufacturers and dealers to develop customized training programs for each customer, facilitating appropriate training for drivers, mechanics, school staff, and first responders. We also create and maintain a central repository for all

training materials provided from manufacturers, dealers, and Highland teams, so that the customer always has access to training materials.

Training typically covers the following areas:

- a. Commissioning readiness;
  - b. Buses and chargers;
  - c. Repair, maintenance, and warranty process;
  - d. Technology products (e.g., Dashboard and ticketing systems);
  - e. Contract performance obligations.
- Fueling (i.e., electricity). All electricity costs associated with fueling the electric vehicles are paid by Highland and included in the fixed annual price.
  - "Dashboard" Charge Management Platform.
    - o Highland Dashboard is a proprietary managed charging software that remotely monitors the status of electric vehicles. The software automates and optimizes all aspects of electric fleet management. Through Dashboard, a customer can 1) monitor vehicle operations, including battery efficiency, performance, and maintenance alerts and 2) collect fleet data reports, including vehicle location, route history, mileage, and battery efficiency. With Highland managing charging, a driver's only responsibility is to plug in the bus once they have completed their routes. If a driver fails to plug in the vehicle, the software will generate an automatic alert.
    - o The Dashboard managed charging software can be remotely operated and managed by Highland on behalf of a customer. The ability to remotely schedule charging and, where applicable, vehicle-to-grid participation, allows Highland to effectively manage and hedge against electricity cost fluctuations. This ability to manage fueling allows Highland to offer fueling at a cost that is lower than the customer could secure with a non-managed solution and these savings are passed through in the form of a lower contract price.
    - o Highland Dashboard is programmed to ensure that buses are sufficiently charged to meet their daily route lengths and will optimize charge levels for any weather-related decreases in battery efficiency. With Highland Dashboard, a customer will have full access to a customizable software to track route metrics and bus/charger performance both on a web portal and smartphone app. Dashboard allows users to customize their individual portal to reflect the data and information of their choosing, including vehicle location, charge status, battery percentage charged, time remaining to full charge, and estimated range.
  - Reimbursement for inspection, minor maintenance, and repair of electric vehicles. Highland is responsible for the cost of all maintenance and repair for the vehicles, whether planned or unplanned, throughout the term of the contract subject to proper use and care by the customer. The customer continues to maintain and repair the electric vehicle as part of its fleet and receives reimbursement from Highland for all associated parts and labor. Highland reimburses a customer for all vehicle maintenance and repair costs at the open book parts price, manufacturers standard repair time (SRT), and an estimated labor rate that reflects customers actual fully burdened labor rate. The customer will schedule regular fleet maintenance in accordance with the OEM manual, state requirements, and best practices. Highland does not physically perform maintenance itself. We will support the customer in communications with the vehicle dealer and OEM in securing coverage under relevant warranties. Also, as discussed above, we facilitate training for a customer's current mechanics who continue to carry out routine work, while warranty work is performed by local authorized service centers. Highland can integrate its Dashboard software platform with most fleet maintenance software to ensure seamless cost reimbursement at no additional expense.
  - On-site operations and maintenance of charging equipment. Highland directly manages and pays all relevant costs to operate, maintain, repair, and, if needed, replace chargers. We will work closely with the customer to minimize any interruption that could result in regular maintenance work. As an experienced provider of services, we have systems and processes for proactive charger fault monitoring and resolution for multiple charger manufacturers to maximize charger uptime. For many customers, we will have our own on-the-ground support technicians ready to respond for charging and related maintenance, whether regularly scheduled or emergency. In addition, Highland has a national network of third-party technicians, should additional assistance be required. (See response to Question number 27). We also closely monitor charger status and health via our charge management software platform. Many charger faults are solvable prior to point that they would cause any negative effects with the right software and monitoring systems. Highland will notify a customer and coordinate the appropriate response plan, including on-site maintenance, if necessary. With our Charger Uptime Route-Ready Guarantees, Highland is always incentivized to rapidly resolve issues.

### 3. Depot

The Depot product offering includes the same services as Fleet (described above), but does not include procurement and ownership of vehicles by Highland. This offering is intended for agencies that will provide "owner supplied equipment." This option might be used where capital budget must be utilized to purchase (and own) electric vehicles, or where is otherwise required to go to purchase buses, or by state or local law must own their vehicles.

We provide the Depot product offering – and related full suite of services that assure a sufficiently charged vehicle at an affordable price – or where the vehicles are purchased new and placed into operation at the same time as the charging infrastructure. Aside from actual title ownership of the electric vehicles, the Depot offering is identical to the Fleet offering and the comparative customer experience should be identical. Typically, we can offer a 5% discount to Sourcewell members for the Depot offering.

We do not offer the Depot offering for electric vehicles that are already in service, are refurbished or converted internal combustion vehicles, or that are not purchased from Highland-approved OEMs and dealers.

#### Verticals

Highland currently operates in the school bus and passenger/shuttle van verticals for our Fleet and Depot offerings. We are also expanding our offering to include waste management and light-duty applications. Each of these verticals is described below.

- School Bus/Passenger or Shuttle Van. We deploy Type A, Type C, and Type D buses, as well as passenger vans and light-duty vehicles used for school transportation. As with all our segments, we are technology-agnostic. With school bus deployments utilizing all major vehicle and charger manufacturers, Highland is uniquely positioned to ensure the success of any project type and combination of equipment. School buses have a relatively standard operating period which is, in part, why this segment was our initial offering in government fleets. Because of this standard vehicle operating period, we are confident in our ability to provide a charged and route-ready bus each school day. Our electric school bus contracts typically have a term of 10-15 years, taking advantage of the longer useful life of battery electric drivetrains to reduce annual cost to the customers.

- Waste Management. Garbage haulers represent a category of government owned vehicles which are ripe to help Sourcewell members gain compliance with their environmental targets. Garbage haulers include front loaders, side loaders, and rear loaders from several OEMs with fully-electric product suited to meet the demands of a municipal waste collection operations. Garbage haulers run on relatively fixed routes with predictable duty cycles which is consistent with our proven successful applications with school buses. They park overnight in centralized, municipally owned depots allowing cost effective and efficient charger and infrastructure installation. While the annual mileage of a hauler is higher than that of a school bus, we typically see similar charger needs across these vehicle types. Garbage haulers in most cases need a dedicated DCFC of at least 60kW charging speed. The electric garbage trucks have larger batteries to accommodate the higher payload than that of a school bus but with a dedicated charging period overnight, 60 kW is sufficient to fully charge the vehicle in roughly 8 hours. Given that the manufacturers of the chassis (cab, frame rails and engine) and body (garbage carrying container and compression hydraulics) are in most cases separate for garbage haulers, we exclude the maintenance cost of the hauler body in our offering. Everything else including the major electric components of the chassis, battery and powertrain are however included for reimbursement under our contract. The hauler body maintenance costs are not unique to the electric product as compared to diesel or CNG and therefore are not necessary to include in our electric offering to reduce technology risk. Municipalities prefer to maintain responsibility for these costs using the same service protocols as the other bodies on their fleet vehicles.

- Light Duty. Light duty represents the largest, by volume of vehicles, long-term opportunity for electrification in government fleets. Today we offer a variety of vehicle types, annual mileage caps, charger configurations, and contract term lengths to accommodate the increased variety in this vehicle segment. Our offering is reliant on the availability of suitable electric vehicles offered by the established manufacturers which include a variety of pick-up trucks, vans, passenger cars, and SUVs. We generally look for economies of scale to drive cost effectiveness in charger install and infrastructure using a municipally owned depot, however in certain cases can partner to utilize a more expansive charging network outside of the primary parking facility, including access to public chargers. To ensure economies of scale, we provide pricing for light duty vehicles only in increments of five vehicles (each a "unit") per deployment. Our product across each of these light duty vehicle

		<p>types and use situations is consistent with the our school bus/passenger van and waste management categories, in that it can be fully bundled, inclusive of all construction, maintenance, fueling, and upfront vehicle acquisition costs, e platform, and commissioning . For Light Duty, we offer an additional shorter-term contract to match the financing behaviors of Sourcewell members today, with a wide variety of mileage to accommodate the specific duty cycle and budget constraints of each customer.</p> <p>Our customer contracts typically range in duration from 5 to 15 years, depending on vehicle type, and contain annual mileage caps and specified vehicle operation period (VOP) to correspond with anticipated usage. Usage outside of VOP hours is typically allowed; however, it may be restricted or incur additional costs. While it may not be feasible for all use cases, we've found that VOPs work well with school bus operations and anticipate that VOPs will work with waste management as well, reducing cost to customers. VOPs (which typically restrict usage to several hour blocks in the morning and afternoon for school buses) allow Highland to optimize charging as well as participate in vehicle-to-grid activities, where applicable, both of which enables us to pass on savings to the customer through a lower contract price. For customers that require more flexibility, our contract can be structured without a VOP; however, there are potential pricing impacts and impact to our ability to provide a guarantees in these instances.</p> <p>To realize, and pass-through to the customer, maximum tax benefits from depreciation and incentives, we typically structure our service offering similar to an operating (or closed-end) lease. Under this structure the vehicles are subject to mileage caps and Highland retains ownership thought the contract term.</p>	
72	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	<ul style="list-style-type: none"> <li>-Electrification Assessment</li> <li>-Fleet (or fleet-as-a-service)</li> <li>-Depot (or charging as-a-service)</li> </ul>	*

**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
73	Feasibility assessments and planning	<input checked="" type="radio"/> Yes <input type="radio"/> No	Highland works with customers to collect information about their current operations, including vehicle types, route lengths, operating costs, and facility needs. We utilize this information to develop uniquely tailored recommendations for a customer's fleet transition plan, which includes overall feasibility, timelines for implementation, vehicles, and charging equipment selection and site designs. For further discussion of this product offering, see our response at Question Number 78.
74	Total cost of ownership (TCO) assessments	<input checked="" type="radio"/> Yes <input type="radio"/> No	Highland provides total cost of ownership (TCO) assessments as part of our Electrification Assessments and planning. Highland utilizes budget and expense information collected from a customer to determine current and projected internal combustion engine (ICE) operating costs. Highland will then provide a comparison of ICE operating costs versus comparable electric vehicles to determine affordability threshold.

75	Strategic roadmap development	<input checked="" type="radio"/> Yes <input type="radio"/> No	<p>Highland is always evaluating electrification holistically based on a customer's existing fleet, routes, and depots. As part of that work, we support customers whenever they seek to develop a strategy for their entire fleet, rather than just one deployment or depot (for example). Highland conducts strategic roadmap development for no additional charge, as part of our turnkey Fleet and Depot product offerings, and we can provide the service as an added element of a scope of work under our Electrification Assessment offering.</p>
76	Implementation and management services, including Incentive identification and processing, Subscription or as-a-service, Acquisition, Installation, Integration, Charging management, Repair and maintenance, and Telematics. (Identify the types of services included in your proposal in the "Comments" field).	<input checked="" type="radio"/> Yes <input type="radio"/> No	<p>Highland offers all the following implementation and management services:</p> <ul style="list-style-type: none"> <li>o Incentive identification and processing. Highland will identify all available incentives at the local, utility, state and federal levels for a Sourcewell member. We then support incentive processing for each customer to each of the incentive programs based on customized strategies designed to maximize the amount of incentive funding available to the project.</li> <li>o Subscription or as-a-service. Highland offers a bundled package of implementation and management services, including acquisition, installation, integration, charging management, repair and maintenance, and telematics for a fixed annual price through the term of the subscription. Highland can offer a customized package of these services depending on a customer's needs.</li> <li>o Acquisition. Highland includes procurement of all necessary equipment in its service. Highland works with a customer to select the right vehicle and charging equipment for a customer's needs.</li> <li>o Installation. Highland provides design-build services for EVSE installation, including engineering, utility coordination, permitting, construction, and commissioning.</li> <li>o Integration. Highland provides an integrated service, ensuring uptime by managing vehicles, charging equipment, and software.</li> <li>o Charging Management. Highland has partnered with a software developer, Synop, to design Highland Dashboard, a proprietary managed charging software that remotely monitors the status of electric vehicles and controls their charging. (see Dash Screenshots, attached) Highland Dashboard automates and optimizes all aspects of electric fleet management and is included at no extra cost for up to 5 licenses per customer. Through Dashboard, a customer can 1) monitor vehicle operations, including battery efficiency, performance, and maintenance alerts, 2) schedule vehicle charging and vehicle-to-grid sessions, and 3) collect fleet data</li> </ul>

			<p>reports, including vehicle location, route history, mileage, and battery efficiency. Additionally, Highland Dashboard optimizes charging times, avoiding peak demand periods and the associated peak electricity rates to reduce energy costs.</p> <ul style="list-style-type: none"> <li>o Repair and maintenance. With Highland's bundled service offering, vehicle maintenance (both planned and unplanned) is reimbursed to the customer for the entire subscription term. This includes minor maintenance and inspections as well as major maintenance, such as battery replacement. Highland also performs EVSE repair and maintenance and includes all costs in our contract price.</li> <li>o Telematics. Highland Dashboard includes telematics.</li> </ul>
77	Training and education	<input checked="" type="radio"/> Yes <input type="radio"/> No	<p>Highland works with equipment manufacturers and dealers to develop customized training programs for each customer, facilitating appropriate training for drivers, mechanics, school staff, and first responders. We believe that proper training and education at all levels, from the supervisory to operator level, is critical to a successful fleet electrification program as it improves vehicle and infrastructure performance and ensures the safety of everyone involved. Highland creates and maintains a central repository for all training materials from manufacturers, dealers, and our internal personnel, and ensures the customer always has access to those training materials.</p> <p>Training typically covers the following areas:</p> <ul style="list-style-type: none"> <li>a. Commissioning readiness;</li> <li>b. Buses and chargers;</li> <li>c. Repair, maintenance, and warranty process;</li> <li>d. Technology products; and</li> <li>e. Contract obligations.</li> </ul>

**Table 15: Industry Specific Questions**

Line Item	Question	Response *
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78	Describe your company's strategy as it relates to incentives processing for public agencies.	<p>Highland has an in-house team of grant experts and can support the application for state, utility, local, and federal incentives on behalf of and at no cost to our customers. We pass the benefit of grants and incentives to lower overall project costs. To date, Highland has helped districts successfully access \$39,493,045 in federal and state grants.</p> <p>Sourcewell members will receive 100% of the benefit of existing grants and incentives, whether issued directly to the member or to Highland. Regardless of the specifics of the grant or incentive program requirements, we view it as our job to support Sourcewell members to secure maximal benefits from grant or incentive funds. This service is included in our contract at no extra charge.</p> <p>Highland will coordinate with the Sourcewell member to determine how to apply for and process incentives in a manner that maximizes the member's chance of success and yields the most efficient results, looking at factors such as tax impacts, grant reporting requirements, secondary procurement rules, and economies of scale. This incentive analysis is a part of the Electrification Assessment that we can provide to Sourcewell members. The Electrification Assessment is an equipment vendor and services provider agnostic view into the electrification options available to the Sourcewell member.</p> <p>When it comes to incentives, benefits can flow (a) directly to the customer, or (b) directly or indirectly to Highland.</p> <ul style="list-style-type: none"> <li>- Member as Recipient. Where the Sourcewell member is the grant recipient, we will recommend that the member use the funds to make payments under a Highland services contract in the ordinary course, where possible under the incentive requirements. This ensures that we can acquire assets and deploy them in an efficient manner and that the benefits of that efficiency can be passed through to the customer. In this case, the pricing is unchanged (i.e., no grant discount applied) but the customer holds cash to pay the annual base service fee yielding a lower net price. When Sourcewell members deploy grant funds via contract it allows Highland to procure and deploy vehicles over the contract term in the most capital efficient manner. In these scenarios, Highland will be able to pass those benefits on to the Sourcewell member in the form of a further discount to the contract price.</li> <li>- Highland as Recipient. Where Highland is the grant recipient (directly or indirectly), our standard process is to apply grant funds towards procurement of equipment such as vehicles or chargers. In this case, the benefit of those funds is passed through to the Sourcewell member in the form of a contract price via the net vehicle acquisition cost mechanic described above.</li> </ul> <p>These strategies may change based on the specifics of the actual grant requirements and other member-specific factors.</p> <p>As owner of the equipment, Highland is entitled to all tax attributes (e.g., depreciation and tax credits) that an owner is eligible to take and passes on the benefits to Sourcewell members through a lower contract price.</p>
79	Describe any ongoing services or subscriptions your company offers.	<p>Our Fleet and Depot offerings include a host of services included in the bundled contract price that are described in detail at Question 71. Some of these are services that would normally require public agencies to pay for separate subscriptions. At no additional cost to the Sourcewell member, these services are provided:</p> <ol style="list-style-type: none"> <li>1. Electric vehicle telemetry – including live vehicle GPS and live state-of-charge</li> <li>2. Charge and fleet management software – vehicle performance, route history, vehicle dashboard alerts, charger alerts, charger connectivity controls, charge scheduling and optimization, V2G scheduling and controls, data collection and reporting. Highland offers this product as a standalone software platform, but it is included in our full-service offerings.</li> <li>3. Asset (vehicle) management platform – vehicle maintenance data, repair and service logs, parts inventory, vehicle inspections, warranty services and dates, preventative maintenance notification and alerts, etc.</li> </ol>

80	Describe how you assess agencies' utilities infrastructure as it relates to electrifying fleets.	<p>Highland deploys a rigorous evaluation of utility infrastructure at local sites to inform required infrastructure needs, project development, grants/financing, and permitting. Our process is as follows:</p> <p>Step 0: Research existing utility make ready incentives and other grant opportunities to help offset cost of interconnection and infrastructure upgrades.</p> <p>Step 1: Access utility capacity maps online to verify available kVA at project site and use utility maps to locate nearest substation.</p> <p>Step 2: Use satellite imagery to confirm existing utility infrastructure onsite. Identify transmission and distribution lines to determine if power is single phase or three phase. Note location of existing electrical poles and pole-mounted transformers.</p> <p>Step 3: Draw site plan and single line to note proposed point of interconnection and location of switchgear, transformer, and EV chargers. Note any wetland, floodplain, or other environmental permitting concerns.</p> <p>Step 4: Use the proper documentation to submit interconnection request to utility.</p> <p>Step 5: Arrange on-site meetings with utility to inform interconnection study.</p> <p>Step 6: Await results of study to determine official capacity, necessary upgrades, and final engineered drawings.</p> <p>Step 7: Factor study results and related cost and operational constraints into feasibility analysis.</p>
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### Exceptions to Terms, Conditions, or Specifications Form

Only those Proposer Exceptions to Terms, Conditions, or Specifications that have been accepted by Sourcewell have been incorporated into the contract text.

### 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](#) - Attachment - Pricing Sheet (final).xlsx - Thursday May 11, 2023 15:54:13
  - [Financial Strength and Stability](#) - Attachment - VR Support Letter.pdf - Thursday May 11, 2023 12:48:20
  - [Marketing Plan/Samples](#) - Attachment - Marketing and Dash Screenshots.pdf - Thursday May 11, 2023 13:38:51
  - WMBE/MBE/SBE or Related Certificates (optional)
  - Warranty Information (optional)
  - [Standard Transaction Document Samples](#) - Attachment - TESA and Consulting Form.pdf - Thursday May 11, 2023 16:04:14
  - [Upload Additional Document](#) - Attachment - Montgomery Video.mp4 - Thursday May 11, 2023 09:02:25



## 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. - Richard DiMatteo, Executive Vice President, Highland Electric Fleets, 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_6_Fleet Electrification_RFP_051123</b> Wed May 3 2023 02:37 PM	<input checked="" type="checkbox"/>	4
<b>Addendum_5_Fleet Electrification_RFP_051123</b> Wed April 26 2023 04:36 PM	<input checked="" type="checkbox"/>	1
<b>Addendum_4_Fleet Electrification_RFP_051123</b> Fri April 21 2023 03:43 PM	<input checked="" type="checkbox"/>	2
<b>Addendum_3_Fleet Electrification_RFP_051123</b> Thu April 20 2023 05:03 PM	<input checked="" type="checkbox"/>	1
<b>Addendum_2_Fleet Electrification_RFP_051123</b> Fri April 14 2023 01:21 PM	<input checked="" type="checkbox"/>	7
<b>Addendum_1_Fleet Electrification_RFP_051123</b> Wed March 29 2023 02:50 PM	<input checked="" type="checkbox"/>	3