

**MASTER AGREEMENT #080824****CATEGORY: HVAC Systems with Related Products and Services****SUPPLIER: Daikin Applied Americas Inc.**

This Master Agreement (Agreement) is between Sourcewell, a Minnesota service cooperative located at 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and Daikin Applied Americas Inc., 13600 Industrial Park Blvd., Plymouth, MN 55441 (Supplier).

Sourcewell is a local government and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) offering a Cooperative Purchasing Program to eligible participating government entities.

Under this Master Agreement entered with Sourcewell, Supplier will provide Included Solutions to Participating Entities through Sourcewell's Cooperative Purchasing Program.

**Article 1:
General Terms**

The General Terms in this Article 1 control the operation of this Master Agreement between Sourcewell and Supplier and apply to all transactions entered by Supplier and Participating Entities. Subsequent Articles to this Master Agreement control the rights and obligations directly between Sourcewell and Supplier (Article 2), and between Supplier and Participating Entity (Article 3), respectively. These Article 1 General Terms control over any conflicting terms. Where this Master Agreement is silent on any subject, Participating Entity and Supplier retain the ability to negotiate mutually acceptable terms.

- 1) **Purpose.** Pursuant to Minnesota law, the Sourcewell Board of Directors has authorized a Cooperative Purchasing Program designed to provide Participating Entities with access to competitively awarded cooperative purchasing agreements. To facilitate the Program, Sourcewell has awarded Supplier this cooperative purchasing Master Agreement following a competitive procurement process intended to meet compliance standards in accordance with Minnesota law and the requirements contained herein.
- 2) **Intent.** The intent of this Master Agreement is to define the roles of Sourcewell, Supplier, and Participating Entity as it relates to Sourcewell's Cooperative Purchasing Program.
- 3) **Participating Entity Access.** Sourcewell's Cooperative Purchasing Program Master Agreements are available to eligible public agencies (Participating Entities). A Participating Entity's authority to access Sourcewell's Cooperative Purchasing Program is determined through the laws of its respective jurisdiction.
- 4) **Supplier Access.** The Included Solutions offered under this Agreement may be made available to any Participating Entity. Supplier understands that a Participating Entity's use of this Agreement is at the Participating Entity's sole convenience. Supplier will educate its sales and service forces about Sourcewell eligibility requirements and required documentation. Supplier will be responsible for ensuring sales are with Participating Entities.

- 5) **Term.** This Agreement is effective upon the date of the final signature below. The term of this Agreement is four (4) years from the effective date. The Agreement expires at 11:59 P.M. Central Time on November 1, 2028, unless it is cancelled or extended as defined in this Agreement.
- a) **Extensions.** Sourcewell and Supplier may agree to up to three (3) additional one-year extensions beyond the original four-year term. The total possible length of this Agreement will be seven (7) years from the effective date.
- b) **Exceptional Circumstances.** Sourcewell retains the right to consider additional extensions as required under exceptional circumstances.
- 6) **Survival of Terms.** Notwithstanding the termination of this Agreement, the obligations of this Agreement will continue through the performance period of any transaction entered between Supplier and any Participating Entity before the termination date.
- 7) **Scope.** Supplier is awarded a Master Agreement to provide the solutions identified in RFP #080824 to Participating Entities. In Scope solutions include:
- a. HVAC, IAQ, geothermal, and water heating or treatment infrastructure, equipment, components, products, parts, and related technology;
- b. Sensors, smart controls, thermostats, gauges, system automation, integration equipment, monitoring equipment, software, or management products and technology; and;
- c. Services complementary to the offering of the solutions described in Sections 1. a. and b. above, including installation, maintenance, repair, refurbishment, replacement, system upgrades, efficiency measurement, energy saving performance contracting, emergency or short-term HVAC equipment rental, assessment, integration, training, support, and customization.
- 8) **Included Solutions.** Supplier's Proposal to the above referenced RFP is incorporated into this Master Agreement. Only those Solutions included within Supplier's Proposal and within Scope (Included Solutions) are included within the Agreement and may be offered to Participating Entities.
- 9) **Indefinite Quantity.** This Master Agreement defines an indefinite quantity of sales to eligible Participating Entities.
- 10) **Pricing.** Pricing information (including Pricing and Delivery and Pricing Offered tables) for all Included Solutions within Supplier's Proposal is incorporated into this Master Agreement.
- 11) **Not to Exceed Pricing.** Suppliers may not exceed the prices listed in the current Pricing List on file with Sourcewell when offering Included Solutions to Participating Entities. Participating Entities may request adjustments to pricing directly from Supplier during the negotiation and execution of any transaction.
- 12) **Open Market.** Supplier's open market pricing process is included within its Proposal.
- 13) Supplier Representations:**

- i) **Compliance.** Supplier represents and warrants it will provide all Included Solutions under this Agreement in full compliance with applicable federal, state, and local laws and regulations.
 - ii) **Licenses.** As applicable, Supplier will maintain a valid status on all required federal, state, and local licenses, bonds, and permits required for the operation of Supplier's business with Participating Entities. Participating Entities may request all relevant documentation directly from Supplier.
 - iii) **Supplier Warrants.** Supplier warrants that all Included Solutions furnished under this Agreement are free from liens and encumbrances, and are free from defects in design, materials, and workmanship. In addition, for all Solutions furnished by and manufactured by Supplier, Supplier warrants the Solutions are suitable for and will perform in accordance with the ordinary use for which they are intended as detailed in Supplier's technical documentation and proposal for the Solutions.
- 14) **Bankruptcy Notices.** Supplier certifies and warrants it is not currently in a bankruptcy proceeding. Supplier has disclosed all current and completed bankruptcy proceedings within the past seven years within its Proposal. Supplier must provide notice in writing to Sourcewell if it enters a bankruptcy proceeding at any time during the term of this Agreement.
- 15) **Debarment and Suspension.** 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 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 Agreement. Supplier further warrants that it will provide immediate written notice to Sourcewell if this certification changes at any time during the term of this Agreement.
- 16) **Provisions for non-United States federal entity procurements under United States federal awards or other awards (Appendix II to 2 C.F.R § 200).** Participating Entities that use United States federal grant or other federal funding to purchase solutions from this Agreement 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 Section, all references to "federal" should be interpreted to mean the United States federal government. The following list applies when a Participating Entity accesses Supplier's Included Solutions with United States federal funds.
- i) **EQUAL EMPLOYMENT OPPORTUNITY.** Except as otherwise provided under 41 C.F.R. § 60, all agreements 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.

ii) **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 comply with all applicable Davis-Bacon Act provisions.

iii) **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, 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 Agreement. Supplier certifies that during the term of an award for all Agreements by Sourcwell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

iv) **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 Agreements by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

v) **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 Agreement it will comply with applicable requirements as referenced above.

vi) **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.

vii) **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).

viii) **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.

ix) **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.

x) **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.

xi) **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 Agreement 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.

xii) **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.

xiii) **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.

xiv) **NO OBLIGATION BY FEDERAL GOVERNMENT.** The U.S. federal government is not a party to this Agreement 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 Agreement or any purchase by an authorized user.

xv) **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 Agreement or any purchase by a Participating Entity.

xvi) **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.

xvii) **CONFLICTS OF INTEREST.** The Supplier must notify the U.S. Office of General Services, Sourcewell, and Participating Entity as soon as possible if this Agreement or any aspect related to the anticipated work under this Agreement 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.

xviii) **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.

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

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

Article 2: Sourcewell and Supplier Obligations

The Terms in this Article 2 relate specifically to Sourcewell and its administration of this Master Agreement with Supplier and Supplier's obligations thereunder.

- 1) **Authorized Sellers.** Supplier must provide Sourcewell a current means to validate or authenticate Supplier's authorized dealers, distributors, or resellers which may complete transactions of Included Solutions offered under this Agreement. Sourcewell may request updated information in its discretion, and Supplier agrees to provide requested information within a reasonable time.
- 2) **Product and Price Changes Requirements.** Supplier may request Included Solutions changes, additions, or deletions at any time. All requests must be made in writing by submitting a Sourcewell Price and Product Change Request Form to Sourcewell. At a minimum, the request must:
 - Identify the applicable Sourcewell Agreement number;
 - Clearly specify the requested change;
 - Provide sufficient detail to justify the requested change;
 - Individually list all Included Solutions affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
 - Include a complete restatement of Pricing List with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Included Solutions 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 Agreement and will be incorporated by reference.

- 3) **Authorized Representative.** Supplier will assign an Authorized Representative to Sourcewell for this Agreement and must provide prompt notice to Sourcewell if that person is changed. The Authorized Representative will be responsible for:
 - Maintenance and management of this Agreement;
 - Timely response to all Sourcewell and Participating Entity inquiries; and
 - Participation in reviews with Sourcewell.

Sourcewell's Authorized Representative is its Chief Procurement Officer.

- 4) **Performance Reviews.** Supplier will perform a minimum of one review with Sourcewell per agreement year. The review will cover transactions to Participating Entities, pricing and terms, administrative fees, sales data reports, performance issues, supply chain issues, customer issues, and any other necessary information.

- 5) **Sales Reporting Required.** Supplier is required as a material element to this Master Agreement to report all completed transactions with Participating Entities utilizing this Agreement. Failure to provide complete and accurate reports as defined herein will be a material breach of the Agreement and Sourcewell reserves the right to pursue all remedies available at law including cancellation of this Agreement.
- 6) **Reporting Requirements.** Supplier must provide Sourcewell an activity report of all transactions completed utilizing this Agreement. Reports are due at least once each calendar quarter (Reporting Period). Reports must be received no later than 45 calendar days after the end of each calendar quarter. Supplier may report on a more frequent basis in its discretion. Reports must be provided regardless of the amount of completed transactions 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;
- Sourcewell Participating Entity Account Number;
- Transaction Description;
- Transaction Purchased Price;
- Sourcewell Administrative Fee Applied; and
- Date Transaction was invoiced/sale was recognized as revenue by Supplier.

If collected by Supplier, the Report may include the following fields as available:

- Participating Entity Contact Name;
- Participating Entity Contact Email Address;
- Participating Entity Contact Telephone Number;

- 7) **Administrative Fee.** In consideration for the support and services provided by Sourcewell, Supplier will pay an Administrative Fee to Sourcewell on all completed transactions to Participating Entities utilizing this Agreement. Supplier will include its Administrative Fee within its proposed pricing. Supplier may not directly charge Participating Entities to offset the Administrative Fee.
- 8) **Fee Calculation.** Supplier's Administrative Fee payable to Sourcewell will be calculated as a stated percentage (listed in Supplier's Proposal) of all completed transactions utilizing this Master Agreement within the preceding Reporting Period. For certain categories, a flat fee may be proposed. The Administrative Fee will be stated in Supplier's Proposal.
- 9) **Fee Remittance.** Supplier will remit fee to Sourcewell no later than 45 calendar days after the close of the preceding calendar quarter in conjunction with Supplier's Reporting Period obligations defined herein. Payments should note the Supplier's name and Sourcewell-assigned Agreement number in the memo; and must be either mailed to Sourcewell above "Attn: Accounts Receivable" or remitted electronically to Sourcewell's banking institution per Sourcewell's Finance department instructions.

- 10) **Noncompliance.** Sourcewell reserves the right to seek all remedies available at law for unpaid or underpaid Administrative Fees due under this Agreement. Failure to remit payment, delinquent payments, underpayments, or other deviations from the requirements of this Agreement may be deemed a material breach and may result in cancellation of this Agreement and disbarment from future Agreements.
- 11) **Audit Requirements.** Pursuant to Minn. Stat. § 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant to this Agreement are subject to examination by Sourcewell and the Minnesota State Auditor for a minimum of six years from the end of this Agreement. Supplier agrees to fully cooperate with Sourcewell in auditing transactions under this Agreement to ensure compliance with pricing terms, correct calculation and remittance of Administrative Fees, and verification of transactions as may be requested by a Participating Entity or Sourcewell. To the extent not prohibited by law, the scope of any audit shall exclude (i) personal information of Supplier's employees, and (ii) Supplier's proprietary information.
- 12) **Assignment, Transfer, and Administrative Changes.** Supplier may not assign or otherwise transfer its rights or obligations under this Agreement without the prior written consent of Sourcewell. Such consent will not be unreasonably withheld. Sourcewell reserves the right to unilaterally assign all or portions of this Agreement within its sole discretion to address corporate restructurings, mergers, acquisitions, or other changes to the Responsible Party and named in the Agreement. Any prohibited assignment is invalid. Upon request Sourcewell may make administrative changes to agreement documentation such as name changes, address changes, and other non-material updates as determined within its sole discretion.
- 13) **Amendments.** Any material change to this Agreement must be executed in writing through an amendment and will not be effective until it has been duly executed by the parties.
- 14) **Waiver.** Failure by Sourcewell to enforce any right under this Agreement 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.
- 15) **Complete Agreement.** This Agreement represents the complete agreement between the parties for the scope as defined herein. Supplier and Sourcewell may enter into separate written agreements relating specifically to transactions outside of the scope of this Agreement.
- 16) **Relationship of Sourcewell and Supplier.** This Agreement does not create a partnership, joint venture, or any other relationship such as employee, independent contractor, master-servant, or principal-agent.
- 17) **Indemnification.** Supplier must indemnify, defend, save, and hold Sourcewell, including their agents and employees, harmless from any claims or causes of action, including attorneys' fees incurred by Sourcewell, arising out of any act or omission in the performance of this Agreement 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 design, condition, or performance of Included Solutions under this Agreement. Sourcewell's responsibility will be governed by the State of Minnesota's Tort Liability Act (Minnesota Statutes Chapter 466) and other applicable law.

18) **Data Practices.** Supplier and Sourcewell acknowledge Sourcewell is subject to the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13. As it applies to all data created and maintained in performance of this Agreement, Supplier may be subject to the requirements of this chapter.

19) **Grant of License.**

a) **During the term of this Agreement:**

i) **Supplier Promotion.** 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, promotional materials, and informational sites for the purpose of marketing Sourcewell's Agreement with Supplier.

ii) **Sourcewell Promotion.** Supplier grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Supplier's trademarks in advertising, promotional materials, and informational sites for the purpose of marketing Supplier's Agreement with Sourcewell.

b) **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, partners, or agents (collectively "Permitted Sublicensees") in advertising, promotional, or informational materials for the purpose of marketing the Parties' relationship. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this section by any of their respective sublicensees.

c) **Use; Quality Control.**

i) 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.

ii) 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. Each party may make written notice to the other regarding misuse under this section. The offending party will have 30 days of the date of the written notice to cure the issue or the license/sublicense will be terminated.

d) **Termination.** Upon the termination of this Agreement 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.

20) **Venue and Governing law between Sourcewell and Supplier Only.** The substantive and procedural laws of the State of Minnesota will govern this Agreement between Sourcewell and Supplier. Venue for all legal proceedings arising out of this Agreement between Sourcewell and Supplier will be in court of competent jurisdiction within the State of Minnesota. This section does not apply to any dispute between Supplier and Participating Entity. This Agreement reserves the right for Supplier and Participating Entity to negotiate this term to within any transaction documents.

- 21) **Severability.** If any provision of this Agreement 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 Agreement is capable of being performed, it will not be affected by such determination or finding and must be fully performed.
- 22) **Insurance Coverage.** At its own expense, Supplier must maintain valid insurance policy(ies) during the performance of this Agreement 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:
- a) **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 Agreement.
 - \$1,500,000 each occurrence Bodily Injury and Property Damage
 - \$1,500,000 Personal and Advertising Injury
 - \$2,000,000 aggregate for products liability-completed operations
 - \$2,000,000 general aggregate
 - b) **Certificates of Insurance.** Prior to execution of this Agreement, Supplier must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Agreement. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or provided to in an alternative manner as directed by Sourcewell. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf. Failure of Supplier to maintain the required insurance and documentation may constitute a material breach.
 - c) **Additional Insured Endorsement and Primary and Non-contributory Insurance Clause.** Supplier agrees to list Sourcewell, including its 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 Agreement 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 Agreement can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies), or self-insured retention.
- 23) **Termination for Convenience.** Sourcewell or Supplier may terminate this Agreement upon 60 calendar days' written notice to the other Party. Termination pursuant to this section will not relieve the Supplier's obligations under this Agreement for any transactions entered with Participating Entities through the date of termination, including reporting and payment of applicable Administrative Fees.
- 24) **Termination for Cause.** Sourcewell may terminate this Agreement upon providing written notice of material breach to Supplier. Notice must describe the breach in reasonable detail and state the intent to terminate the Agreement. Upon receipt of Notice, the Supplier will have 30 calendar days in which it must cure the breach. Termination pursuant to this section will not relieve the Supplier's obligations under this Agreement for any transactions entered with Participating Entities through the date of termination, including reporting and payment of applicable Administrative Fees.
- 25) **LIMITATION OF LIABILITY: NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED WITHIN THE PURCHASE ORDER, IN NO EVENT WILL EITHER PARTY (OR PARTICIPATING ENTITY) BE LIABLE FOR SPECIAL, INCIDENTAL, INDIRECT, PUNITIVE, CONSEQUENTIAL, DELAY OR LIQUIDATED DAMAGES FOR ANY REASON. "CONSEQUENTIAL DAMAGE" INCLUDES, WITHOUT LIMITATION, LOSS OF ANTICIPATED PROFITS, BUSINESS INTERRUPTION, LOSS OF USE, REVENUE, REPUTATION, DATA OR CROPS. IN NO EVENT WILL EITHER PARTY'S LIABILITY HEREUNDER, WHETHER IN LAW, EQUITY, CONTRACT, STRICT LIABILITY, OR OTHERWISE EXCEED THE AMOUNT OF LIABILITY INSURANCE SUPPLIER MAINTAINS UNDER THE MASTER AGREEMENT.**

Article 3: Supplier Obligations to Participating Entities

The Terms in this Article 3 relate specifically to Supplier and a Participating Entity when entering transactions utilizing the General Terms established in this Master Agreement. Article 1 General Terms control over any conflict with this Article 3. Where this Master Agreement is silent on any subject, Participating Entity and Supplier retain the ability to negotiate mutually acceptable terms.

- 1) **Quotes to Participating Entities.** Suppliers are encouraged to provide all pricing information regarding the total cost of acquisition when quoting to a Participating Entity. Suppliers and Participating Entities are encouraged to include all cost specifically associated with or included within the Suppliers proposal and Included Solutions within transaction documents.
- 2) **Shipping, Delivery, Acceptance, Rejection, Equipment Warranty and Remedies.** Supplier's proposal may include proposed terms relating to shipping, delivery, inspection, and acceptance/rejection and other relevant terms of tendered Solutions. Supplier and Participating Entity may negotiate final terms appropriate for the specific transaction relating to non-appropriation, shipping, delivery, inspection, acceptance/rejection of tendered Solutions, and warranty coverage for Included Solutions. Such terms may include, but are not limited to, costs, risk of loss, proper packaging, inspection rights and timelines, acceptance or rejection procedures, and remedies as mutually agreed include notice requirements, replacement, return or exchange procedures, and associated costs.

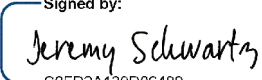
- 26) Shipping dates for equipment, components and some parts (i) will be estimated per acknowledgement by Supplier; and (ii) are not guaranteed. For a period of 12 months from initial startup or 18 months from the date of shipment whichever is less, Supplier will repair or replace equipment as a result of defects in material or workmanship. For equipment furnished by Supplier but manufactured by others, Supplier will pass through to Participating Entity the manufacturer's warranty for all parts and equipment furnished by Supplier, as Participating Entity's sole warranty and remedy. These warranties do not extend to equipment or parts that have been abused, altered, or misused, or have not been properly maintained or to work performed by others. Services furnished by Supplier are guaranteed to meet industry standards for a period of thirty (30) days from date of performance. THESE WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THOSE OF MERCHANTABILITY AND FITNESS FOR A SPECIFIC PURPOSE WHICH ARE HEREBY SPECIFICALLY DISCLAIMED.
- 3) **Applicable Taxes.** Participating Entity is responsible for notifying supplier of its tax-exempt status and for providing Supplier with any valid tax-exemption certification(s) or related documentation.
- 4) **Ordering Process and Payment.** Supplier's ordering process and acceptable forms of payment are included within its Proposal. Participating Entities will be solely responsible for payment to Supplier and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.
- 5) **Transaction Documents.** Participating Entity may require the use of its own forms to complete transactions directly with Supplier utilizing the terms established in this Agreement. Supplier's standard form agreements may be offered as part of its Proposal. Supplier and Participating Entity may complete and document transactions utilizing any type of transaction documents as mutually agreed. In any transaction document entered utilizing this Agreement, Supplier and Participating Entity must include specific reference to this Master Agreement by number and to Participating Entity's unique Sourcewell account number.
- 6) **Additional Terms and Conditions Permitted.** Participating Entity and Supplier may negotiate and include additional terms and conditions within transaction documentation as mutually agreed. Such terms may supplant or supersede this Master Agreement when necessary and as solely determined by Participating Entity. Sourcewell has expressly reserved the right for Supplier and Participating Entity to address any necessary provisions within transaction documents not expressly included within this Master Agreement, including but not limited to transaction cancellation, dispute resolution, governing law and venue, non-appropriation, insurance, defense and indemnity, force majeure, and other material terms as mutually agreed. S If, in response to Supplier's quote, Participating Entity proposes additional terms and conditions, or terms and conditions other than those of this Master Agreement, Supplier reserves the right to amend its quote in response to the additional or superseding terms and conditions offered by a Participating Entity.
- 7) **Subsequent Agreements and Survival.** Supplier and Participating Entity may enter into a separate agreement to facilitate long-term performance obligations utilizing the terms of this Master Agreement as mutually agreed. Such agreements may provide for a performance period extending beyond the full term of this Master Agreement as determined in the discretion of Participating Entity.

8) **Participating Addendums.** Supplier and Participating Entity may enter a Participating Addendum or similar document extending and supplementing the terms of this Master Agreement to facilitate adoption as may be required by a Participating Entity.

Sourcewell

Daikin Applied Americas Inc.

Signed by:



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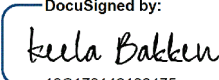
By: _____

Jeremy Schwartz

Title: Chief Procurement Officer

Date: 11/19/2024 | 12:54 PM CST

DocuSigned by:



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By: _____

Keela Bakken

Title: VP of National Accounts

Date: 11/19/2024 | 12:16 PM CST

RFP 080824 - HVAC Systems with Related Products and Services

Vendor Details

Company Name: Daikin Applied Americas

Does your company conduct business under any other name? If yes, please state: Daikin Comfort, Daikin Industries, Ltd

Address: 13600 Industrial Park Blvd
Plymouth, Minnesota 55441

Contact: Greg Coffman

Email: greg.coffman@daikinapplied.com

Phone: 763-353-2252

Fax: 763-353-2252

HST#: 41-0404230

Submission Details

Created On: Friday June 21, 2024 10:37:32

Submitted On: Thursday August 08, 2024 15:35:15

Submitted By: Greg Coffman

Email: greg.coffman@daikinapplied.com

Transaction #: 12fc5acb-5edd-42f3-bf0a-a33416506196

Submitter's IP Address: 155.190.17.7

Specifications

Table 1: Proposer Identity & Authorized Representatives (Not Scored)

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).

Table 1 Specific Instructions. Sourcewell requires identification of all parties responsible for providing Solutions under a resulting master agreement(s) (Responsible Supplier). Proposers are strongly encouraged to include all potential Responsible Suppliers including any corporate affiliates, subsidiaries, D.B.A., and any other authorized entities within a singular proposal. All information required under this RFP must be included for each Responsible Supplier as instructed. Proposers with multiple Responsible Supplier options may choose to respond individually as distinct entities, however each response will be evaluated individually and only those proposals recommended for award may result in a master agreement award. Unawarded entities will not be permitted to later be added to an existing master agreement through operation of Proposer's corporate organization affiliation.

Line Item	Question	Response *	
1	Provide the legal name of the Proposer authorized to submit this Proposal.	Gregory R. Coffman	*
2	In the event of award, is this entity the Responsible Supplier that will execute the master agreement with Sourcewell? Y or N.	Y	*
3	Identify all subsidiaries, D.B.A., authorized affiliates, and any other entity that will be responsible for offering and performing delivery of Solutions within this Proposal (i.e. Responsible Supplier(s) that will execute a master agreement with Sourcewell).	Daikin Applied Americas Inc	*
4	Provide your CAGE code or Unique Entity Identifier (SAM):	3A3W3	*
5	Provide your NAICS code applicable to Solutions proposed.	333415	
6	Proposer Physical Address:	13600 Industrial Park Blvd, Plymouth, MN 55441	*
7	Proposer website address (or addresses):	www.daikinapplied.com	*
8	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):	Greg Coffman, National Government Cooperative Sales Manager, greg.coffman@daikinapplied.com, 13600 Industrial Park Blvd, Plymouth, MN 55441, 763-353-2252	*
9	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Greg Coffman, National Government Cooperative Sales Manager, greg.coffman@daikinapplied.com, 13600 Industrial Park Blvd, Plymouth, MN 55441, 763-353-2252	*
10	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Bob Preston, Contract Manager National Accounts, 13600 Industrial Park Blvd, Plymouth, MN 55441, robert.preston@daikinapplied.com, 540-680-0749	

Table 2A: Financial Viability and Marketplace Success (50 Points)

Line Item	Question	Response *
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11	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested Solutions.	<p>Daikin Applied (formerly McQuay International) headquartered in Minneapolis, Minnesota designs, manufactures and sells heating, ventilation, and air conditioning (HVAC) products, systems, parts, and services for commercial buildings. Since 2006, McQuay was a subsidiary of Daikin Industries, Ltd. In late 2013, Daikin dropped the McQuay name, ending 80 years of business for the name.</p> <p>At Daikin Applied, our commercial air conditioning solutions combine excellent energy savings and customizability with dependable maintenance service to fulfill a wide array of customer needs. Most recently, solutions with high-performance filters manufactured in-house and air conditioners equipped with outdoor air intake functions have been added to remote monitoring services and energy management to meet the growing needs for improved indoor air quality (IAQ). At factories and data centers, customers have widely adopted our air-cooled chillers, which feature free cooling options, and our magnetic centrifugal chillers, which excel in high efficiency, minimal maintenance, space savings, and quick recovery after power outages. We also offer rooftop air conditioners ranging from small to large sizes. Some of the ways in which we ensure total customer satisfaction include energy savings through inverter operation, precise temperature and humidity control, outdoor air processing, and excellent customizability. On the air side, solutions corresponding to customer demands for air handling units vary from standard to full-custom designs. SiteLine™ Building Controls, a simple Daikin instrumentation system, easily discovers improvements in equipment operation while supporting energy savings and indoor air quality (IAQ) optimization. Through the development of wireless building automation system (BAS), we can provide simple BAS integration and optimal IAQ control as a package with the introduction of Daikin variable refrigerant volume (VRV) systems, rooftop air conditioners, and air side air conditioning equipment.</p> <p>Environmental Sustainability: Daikin Industries, Ltd is committed to environmental sustainability for all products, facilities, and practices and is taking the following actions to address environmental issues.</p> <p>Path to Daikin Carbon Neutrality: To align with the 2015 Paris Agreement, Daikin Industries, Ltd has formulated Environmental Vision 2050 which aims to achieve carbon neutrality by 2050 by reducing greenhouse gas emissions throughout the product lifecycle. We set the target in our strategic management plan, Fusion 25, to reduce our company's net CO2 emissions by 30% or more in 2025 and 50% or more by 2030, compared with emissions without measures with the base year set at 2019.</p> <p>Daikin Industries, Ltd. fully supports the historic 2016 Kigali Amendment to the Montreal Protocol for a global phase-down of hydrofluorocarbons (HFCs) in total global warming potential (GWP) volume.</p> <p>Daikin Industries, Ltd. has received certification from the Science Based Targets initiative (SBTi), an international climate change initiative, for the Group's greenhouse gas (GHG) emissions reduction targets for 2030.</p> <p>Reducing the Environmental Impact of HVAC Systems by using R-32 Refrigerant as a replacement to R-410A Refrigerant, which has a lower refrigerant carbon footprint.</p> <p>Creation of Products and Services with High Environmental Performance. We continue to promote energy efficiency through inverter and other technologies as well as develop systems that have a reduced environmental impact throughout the entire life cycle from material procurement to disposal and recycling.</p> <p>Creation of Environmental Solutions. We work diligently on environmental solutions that can mitigate the impact of air conditioners on the environment, such as the recovery and recycling of refrigerants, as well as optimal operating systems.</p> <p>Creation of Air Value: We aim to develop innovations that protect people's health from pollutants, while also helping create environments that are conducive to high productivity and that improve the quality of sleep.</p>
12	What are your company's expectations in the event of an award?	<p>Daikin expectations are that numerous agencies we are currently soliciting who participate in Sourcwell will begin leveraging the contract for purchasing our equipment and services. We have had agencies ask us if we have or utilize Sourcwell, which is why we are pursuing contract adoption. We also expect to be able to pursue becoming a strategic supplier for many new customers with Sourcwell. We are also anticipating leveraging Canoe in Canada, which will mark the first time Daikin North America will be able to leverage a cooperative in Canada. Our Service and Reps have been asking for this for a number of years.</p>

13	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. DO NOT PROVIDE ANY TAX INFORMATION OR PERSONALLY IDENTIFIABLE INFORMATION	Daikin Applied's parent company, Daikin Industries Ltd. is a Forbes 1000 global company with 2023 revenues of \$29.4 billion with more than 96,000 employees, 125 manufacturing facilities, 50 R&D centers and sales offices in 175 countries worldwide, making us the world's number one air conditioning company. For over 98 years, Daikin Industries, LTD has been engaged primarily in the development, manufacture, sales and aftermarket support of heating, ventilation, air conditioning and refrigeration (HVACR) equipment, refrigerants, and other chemicals, as well as oil hydraulic products. Daikin Industries, LTD was named one of the world's most innovative companies by Forbes magazine. Additional financial information is found in the Daikin Industries Ltd, Consolidated Financial Statements for the Year Ended March 31, 2024, and Independent Auditor's Report. Which has been uploaded to the Document section of RFP response.	*
14	What is your US market share for the solutions that you are proposing?	Daikin Applied's HVAC market share in the United States is 17%.	*
15	What is your Canadian market share for the solutions that you are proposing?	Daikin's HVAC market share in Canada is 30%.	*
16	Disclose all current and completed bankruptcy proceedings for Proposer and any included possible Responsible Party within the past seven years. Proposer must provide notice in writing to Sourcwell if it enters a bankruptcy proceeding at any time during the pendency of this RFP evaluation.	As Daikin Applied and its parent Daikin Industries are multi-billion-dollar entities, they are occasionally involved in litigation. There are no known legal matters that would adversely affect Daikin Applied's ability to perform under this Agreement. Daikin Applied has not been involved in a bankruptcy or reorganization.	*
17	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. 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? 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?	Daikin Applied designs, manufactures, and sells heating, ventilation, and air conditioning (HVAC) products, systems, parts, and services for commercial buildings. Daikin Applied goes to market two ways. Through the Daikin Applied sales and service organization for a full complement of HVAC products and service solutions and through the independent Daikin Applied manufacturers' representatives that offer Daikin Applied HVAC equipment solutions, system design, and mechanical services to building owners, engineers, and contractors. The independent Daikin Applied manufacturer's representative companies have a contractual relationship with Daikin Applied. Through our expansive manufacturer's representative, and sales and service networks. Daikin Applied will offer Sourcwell's Participating Entities all the products and services being offered in our RFP response, within the 50 U.S. states, Washington, DC, and Canada.	*
18	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.	The eighty (80) Daikin Applied service and sales office, twenty (20) Service Alliance Partner offices and our one-hundred and thirty (130) independent Daikin Applied manufacturer's representatives holds the required business licenses to operate in all 50 US states and Canada. The service employees for both entities hold the required licenses, certifications and are factory trained to service Daikin Applied's equipment. All of Daikin Applied's subcontractors are contractually required to have the necessary licenses and certification for the work being performed.	*
19	Disclose all current and past debarments or suspensions for Proposer and any included possible Responsible Party within the past seven years. Proposer must provide notice in writing to Sourcwell if it enters a debarment or suspension status any time during the pendency of this RFP evaluation.	As Daikin Applied and its parent Daikin Industries are multi-billion-dollar entities, they are occasionally involved in litigation. There are no known legal matters that would adversely affect Daikin Applied's ability to perform under this Agreement. Daikin Applied has not been involved in a bankruptcy or reorganization.	*
20	Describe any relevant industry awards or recognition that your company has received in the past five years	Daikin Applied was recently recognized for excellence in product design and innovation by two leading industry publications for its PreciseLine® indoor air handler and Pathfinder® AWW with Free Cooling chiller. The PreciseLine air handler won the gold award in the HVAC Commercial Equipment category in the 18th-annual Dealer Design Awards sponsored by The Air Conditioning, Heating & Refrigeration News magazine. Entries are scored by a panel of independent judges and other industry professionals, and the awards recognize "exemplary product design that will benefit the HVAC contractor." In addition, Daikin Applied was selected as the winner in the Cooling Equipment category of Engineered Systems' Commercial Comfort Products of the Year Awards for its Pathfinder AWW with Free Cooling chiller. Open to all commercial HVAC manufacturers and judged by an independent panel of engineers, the annual contest honors the industry's most inventive technology.	*

21	What percentage of your sales are to the governmental sector in the past three years	Daikin Applied's percentage of government sales: 2021 - 5% 2022 - 4.5% 2023 - 3.5%	*
22	What percentage of your sales are to the education sector in the past three years	Daikin Applied's percentage of education sales: 2021 - 19% 2022 - 18.5% 2023 - 14%	*
23	List any state, cooperative purchasing agreements that you hold. What is the annual sales volume for each of these agreement over the past three years?	OMNIA - Greater than \$90 million/year TIPS - Greater than \$2 million (1st full year) CoStars - Greater than \$100,000/year BuyBoard - Greater than \$4 million/year IPHEC - Greater than \$25,000/year ARBuy - Greater than \$25,000/year	*
24	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?	2021 - \$3 million 2022 - \$6 million 2023 - \$4 million	*

Table 2B: References/Testimonials

Line Item 25. Supply reference information from three customers who are eligible to be Sourcwell participating entities.

Entity Name *	Contact Name *	Phone Number *	
Garrett County Public Schools	Richard Wesolowski	301-334-8905	*
Frederick County Public Schools	Keith Marconi	227-203-3277	*
Henry County Illinois	Erin Knackstedt	309-937-3400	*

Table 3: Ability to Sell and Deliver Solutions (150 Points)

Describe your company's capability to meet the needs of Sourcwell 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>Daikin Applied's product and service solutions are provided through a strategic North America network (All 50 US states; Washington, DC, and Canada) of dedicated sales, service, manufacturing, and parts locations.</p> <ul style="list-style-type: none"> • Sixty (60) Daikin Applied Sales/Service offices. • Twenty (20) Service Alliance Partner offices • One Hundred-Thirty (130) independent Daikin Applied Manufacturer Representative offices. • Six (6) Daikin Applied company owned parts stores for customer aftermarket needs. • One (1) centralized Daikin Applied parts distribution center with expansive inventory. • Eight (8) Daikin manufacturing facilities in North America. <p>The Daikin Applied offices and the service alliance partner offices throughout North America include over 450 sales and service staff. The Daikin Applied independent manufacturer representative offices have over 2,650 sales and support staff.</p>	*
27	Describe the network of Authorized Sellers who will deliver Solutions, including dealers, distributors, resellers, and other distribution methods.	<p>Daikin Applied goes to market two ways. Through the Daikin Applied sales and service organization for a full complement of HVAC products and service solutions and through the independent Daikin Applied manufacturers' representatives that offer HVAC equipment solutions, system design, and mechanical services to building owners, engineers, and contractors.</p> <p>Through our expansive manufacturer's representative, and sales and service networks. Daikin Applied will offer Sourcwell's Participating Entities all the products and services being offered in our RFP response, within the 50 U.S. states, Washington, DC, and Canada.</p>	*

28	Service force.	<p>Daikin Applier's service solutions offerings include Installation and Turnkey Projects, Maintenance and Repair, Equipment Upgrades & Retrofits, Re-commissioning & Startup, Expansive Parts & Supply Inventory, Control Systems / Building Automation Systems , Asset Management Planning, Refrigerant Conversions, Customization, Financing Options & Utility Rebate Management, Training, Extended Warranty Services, Quoted Repairs, Time and Material repairs, Energy Saving Performance Contracting. These services are performed by licensed Daikin Applied technicians.</p> <p>Each Daikin Applied office offers competitive hourly technician labor rates for their service areas. Our normal business hours are Monday – Friday, 8:00 am – 4:30 pm local time. Overtime hours, outside of our normal business hours Monday - Friday are priced at 1.5x the local office rate. There is a minimum billing of four (4) hours. Saturday and Sunday service hours are priced at 2x the local office rate. There is a minimum billing of four (4) hours.</p> <p>Emergency service is available on a 7-day, 24-hour basis.</p> <p>Subcontractors</p> <p>When the nature of the work requires the services of a subcontractor. Daikin Applied will issue a subcontract to the subcontractor.</p> <p>All subcontractors undergo a qualification process in accordance with Daikin's internal procedure for the vetting of subcontractors. The objective of this procedure is to ensure subcontractors engaged by Daikin Applied will uphold the Company's core philosophies. This includes ensuring the contractors are reputable firms which are properly licensed, insured, and bonded.</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>Daikin Applied adheres to a strict compliance program with all its government cooperative contracts. This process is managed by Daikin Applied's Government National Accounts team which works directly with Daikin Applied's sales and service partners and Daikin's Manufacturer Representatives. The Daikin Applied's government team reviews all project estimates prior to the release to the customer to ensure that all the requirements of a contract are being met.</p> <p>Daikin Applied's government team will manage all pricing, training, marketing and contract compliance & reporting support to our North America teams and our customers for any resulting contract.</p> <p>All orders will be processed directly through the local Daikin Applied office or the local Daikin Applied's independent representatives. If an order is processed through a Daikin Applied independent representative, that representative partner is contractually required to adhere to any resulting Sourcewell contract terms and conditions and follow the same compliance and certification requirements.</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>Daikin provides a 24 hour, 7 days per week 1-800 number for immediate response and customer service. These incoming calls are qualified and sent to the appropriate technicians, service, parts, rentals, residential, accounts payable/receivable or local representatives. Case numbers are assigned to each request for efficient and timely responses and follow-up as well as internal tracking and resolution. Our website also offers service information for products, service, parts, solutions, and related resources. We have 9 dedicated CSRs for customer service resolution and escalation for order status, lead times, shipping, and general questions normally 8am-4:30pm CST daily.</p>	*
31	Describe your ability and willingness to provide your products and services to Sourcewell participating entities.	<p>Daikin is positioned to provide our products and services to the entire North American market. Daikin Applied provide this in two ways: through independent manufacturer's representatives and through Daikin factory owned district service offices and independent service alliance partners. Daikin Applied's representative network Requirements for National Cooperative Contract has over 130 office locations throughout North America with over 2,650 sales and support staff. Daikin Applied manufacturer representatives offers both Daikin Applied and complimentary products as part of their offering to owners, engineers, and contractors. Daikin Applied has eighty factory owned and service alliance partner locations throughout North America which include over 450 sales and support staff. These service offices offer a wide variety of service solutions including quoted repairs, maintenance contracts, and installation and turnkey contracting. Daikin Applied also has eighty-two parts distributors and six Daikin Applied owned company parts stores for customer to access their aftermarket needs. Through its expansive representative and service networks, Daikin Applied will offer all products and services in the scope of this RFP to all 50 U.S. states, including U.S. territories and outlying areas. Daikin Applied maintains a current distributor/dealer/reseller/subsidiary/partner list and will notify Sourcewell with any updates and request for authorization. Daikin Applied monitors and evaluates all existing and potential relationships to confirm financial health, debarment status, and overall general capacity of authorized affiliates.</p>	*
32	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	<p>Daikin is positioned to provide our products and services to the entire North American market, including Canada, with 9 dedicated Rep offices covering each province and 7 additional dedicated service offices in Calgary, Ottawa, Toronto, Montreal, Quebec City, Regina and Winnipeg.</p>	*
33	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed agreement.	N/A - Not Applicable	*

34	Identify any account type of Participating Entity which will not have full access to your Solutions if awarded an agreement, and the reasoning for this.	N/A - Not Applicable	*
35	Define any specific requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	No restrictions. We have authorized Reps in the indicated areas.	*
36	Will Proposer extend terms of any awarded master agreement to nonprofit entities?	Yes, we will extend terms to non-profit entities.	*

Table 4: Marketing Plan (100 Points)

Line Item	Question	Response *	
37	Describe your marketing strategy for promoting this opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	Daikin Applied's national sales and service force, including its independent representatives and service alliance participants, will be made aware, through internal marketing news, of the contract.	*
38	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	Within two weeks of contract notice, Daikin Applied will announce the Sourcewell contract via multiple media sources (i.e., LinkedIn, Facebook, internal marketing news). Daikin Applied will update its current dedicated cooperative website (https://www.daikinapplied.com/coop-purchasing.php) within DaikinApplied.com with newly awarded contract information within the first 30 days of award.	*
39	In your view, what is Sourcewell's role in promoting agreements arising out of this RFP? How will you integrate a Sourcewell-awarded agreement into your sales process?	Daikin Applied is expanding our cooperative purchasing business and Sourcewell has been identified as a partner that can help Daikin Applied grow our business. The contract information will be included in the training programs for the Daikin Applied sales and service representatives and sales coordinators. Daikin Applied sales and service representatives will promote and market a contract award with Sourcewell's Participating Entities.	*
40	Are your Solutions available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	Daikin Applied does not offer an e-procurement ordering process for the products being offered because the products are configured to meet the customer's HVAC requirements.	*

Table 5A: Value-Added Attributes (100 Points)

Line Item	Question	Response *	
41	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.	Daikin Learning offers top-quality, product-specific programs designed to provide proficiency in the operation, maintenance, and service of today's advanced HVAC technology. Training classes are available on-line, Daikin Training Facility at Plymouth, MN. and customer site. Daikin Applied is accredited by the International Association for Continuing Education and Training (IACET) and is authorized to issue the IACET CEU. We comply with IACET standards for courses awarding Continuing Education Units (CEUs). Daikin Applied publishes a catalog that contains the pricing and class schedules.	*
42	Describe any technological advances that your proposed Solutions offer.	Opened in May 2009, the Daikin Applied Development Center is the world's most advanced facility for heating, ventilation, and air conditioning (HVAC) research and development. The purpose of the center is to develop and test advanced chiller, compressor, and other HVAC technologies to reduce energy consumption and ultimately the carbon footprint of the buildings where they will be used. The Applied Development Center allows the Daikin Group to fully leverage these strengths and accelerate the development of applied products that support the environment, energy savings, innovation, leadership, and the best customer comfort. The Daikin Group is already a leading supplier for building projects pursuing LEED® certification. The 49,000-square-foot (4,600-square-meter) research center, located at our world headquarters in Minneapolis, Minnesota, includes six test cells, with space for two additional cells in the future. Included are a worldwide range of electrical voltages, frequencies, and a range of procedures for testing ambient conditions (temperature and humidity). Daikin received the Leadership in Energy and Environmental Design (LEED) Gold certification from the U.S. Green Building Council for the Applied Development Center. Daikin Applied's investments in innovation, technology, and sustainability earned the company the Frost & Sullivan's 2019 Manufacturing Leadership Award. Our products save energy, reduce environmental impact, and help facilities earn points toward LEED® certification with EPD verification. Additional information attached.	*

43	Describe any “green” initiatives that relate to your company or to your Solutions, and include a list of the certifying agency for each.	<p>DaikinApplied is committed to environmental sustainability for all products, facilities, and practices and is taking the following actions to address environmental issues.</p> <p>Path to Daikin Carbon Neutrality</p> <p>To align with the 2015 Paris Agreement, Daikin Industries, Ltd has formulated Environmental Vision 2050 which aims to achieve carbon neutrality by 2050 by reducing greenhouse gas emissions throughout the product lifecycle. We set the target in our strategic management plan, Fusion 25, to reduce our company’s net CO2 emissions by 30% or more in 2025 and 50% or more by 2030, compared with emissions without measures with the base year set at 2019.</p> <p>Daikin Industries, Ltd. fully supports the historic 2016 Kigali Amendment to the Montreal Protocol for a global phase-down of hydrofluorocarbons (HFCs) in total global warming potential (GWP) volume.</p> <p>Daikin Industries, Ltd. has received certification from the Science Based Targets initiative (SBTi), an international climate change initiative, for the Group’s greenhouse gas (GHG) emissions reduction targets for 2030.</p> <p>Reducing the Environmental Impact of HVAC Systems by using R-32 Refrigerant as a replacement to R-410A Refrigerant, which has a lower refrigerant carbon footprint.</p> <p>Creation of Products and Services with High Environmental Performance.</p> <p>We continue to promote energy efficiency through inverter and other technologies as well as develop systems that have a reduced environmental impact throughout the entire life cycle from material procurement to disposal and recycling.</p> <p>Creation of Environmental Solutions.</p> <p>We work diligently on environmental solutions that can mitigate the impact of air conditioners on the environment, such as the recovery and recycling of refrigerants, as well as optimal operating systems.</p> <p>Creation of Air Value.</p> <p>We aim to develop innovations that protect people’s health from pollutants, while also helping create environments that are conducive to high productivity and that improve the quality of sleep.</p>
44	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the Solutions included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	<p>Daikin Applied products received the following product awards.</p> <p>Pathfinder® Air-cooled Screw Chiller received the Consulting Specification Engineer (CSE) 2020 Product of the Year – Bronze award for efficiency, sound, and size. In addition to the AHR Innovation Award and Frost & Sullivan Manufacturing Leadership Award for the best new product.</p> <p>The PreciseLine® Air Handlers, Model BCV, BCA, BCH received the 2021 Dealer Design award for the ability to condition air at precise levels up to 10,000 cfm and PreciseLine’s compact footprint gives system designers and contractors unmatched design capability.</p> <p>Rebel Applied Packaged Rooftop System Models DPSA/DFSA is an all-encompassing packaged rooftop solution that rises above its class with carbon-reducing R-32 refrigerant, industry-leading high-performance design, maximum energy efficiency, lowest lifecycle cost and unlimited configurability.</p> <p>This product received the 2020 Consulting-Specifying Engineer’s Product of the Year award-Silver award,</p> <p>The 2020 Dealer Design-Silver Award, and was the winner of Facilitiesnet magazine’s, 2020 Vision award.</p>

45	What unique attributes does your company, your products, or your services offer to Sourcewell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcewell participating entities?	<p>Daikin Applied's manufactured products provides quality and environmentally safe products due to the Daikin Applied Quality Management Systems (QMS) we employ.</p> <p>Chillers – Daikin Applied maintains a Certificate of Registration from HSB Registration Services certifying that Daikin Applied has established a Quality Management System for the design and fabrication of chiller product and accessories in accordance with ISO 9001:2015. External ISO audits are conducted by HSB Registration Services and internal audits are conducted in accordance with the Daikin Applied Internal Quality Audit Program.</p> <p>Various Heating, Ventilation, Air Conditioning, Refrigeration, and Water Heating Products - These types of products are certified through the AHRI (Air-Conditioning, Heating, and Refrigeration Institute) Product Performance Certification Program and are continuously tested, at the direction of AHRI, by an independent third-party laboratory, contracted by AHRI, to determine the product's ability to conform to one or more product rating standards or specifications. The AHRI Product Performance Certification Program is a voluntary program, administered and governed by AHRI, which ensures that distinct types of heating, ventilation, air conditioning, refrigeration, and water heating products perform according to manufacturers' published claims.</p> <p>Internal audits are conducted at all our factories in accordance with the Daikin Applied Internal Quality Audit Program.</p> <p>Environmental Sustainability</p> <p>Daikin Applied offers a wide range of heating and cooling solutions from across our product portfolio, with a focus on decarbonizing buildings to help improve the environment inside and out while reducing utility and operating costs. Daikin Applied's approach to decarbonization revolves around three core technologies — low-global warming potential (GWP) refrigerants, inverter compressors and heat pumps.</p> <p>R-32 Refrigerant</p> <p>Daikin Applied has committed to R-32 for applications that previously used R-410A refrigerant, which is gradually being phased out in accordance with new federal and state regulations in the U.S. As a single-component refrigerant, R-32 boasts a two-thirds lower GWP compared to R-410A. Not only is R-32 a more sustainable choice, but it stands as one of the most efficient and proven options available. In fact, with over 230 million R-32 HVAC units already installed worldwide, this refrigerant has been tested and widely recognized for its exceptional performance.</p> <p>Inverter Compressors</p> <p>Inverter Compressors are foundational to energy-efficient heating and cooling. With inverter technology, Daikin HVAC systems optimize energy use and eliminate wasted operation by precisely controlling the motor speed within a unit's compressor. Inverter-based systems offer additional benefits including quiet operation and consistent temperature and comfort control.</p> <p>Heat Pumps</p> <p>As the industry advances electrified equipment, residential and commercial heat pumps deliver electricity-powered heating and cooling that reduces the need to use fossil fuels and standard combustion methods to control indoor temperatures. Daikin offers an extensive lineup of inverter heat pump systems, providing immense flexibility for all applications.</p>
46	What industry specific certifications does your company and/or equipment hold? (e.g. ENERGY STAR, NEBB).	<p>Daikin Applied holds several industry certifications that highlight our commitment to quality, safety, and environmental standards. Here are some key certifications:</p> <ol style="list-style-type: none"> 1. ISO 9001: This certification ensures that Daikin Applied maintains a quality management system that consistently provides products and services meeting customer and regulatory requirements¹. 2. ISO 14001: This certification demonstrates Daikin Applied's commitment to environmental management, ensuring they minimize their environmental impact¹. 3. ISO 45001: This certification focuses on occupational health and safety management systems, helping to ensure a safe and healthy workplace¹. 4. ISO 27001: This certification pertains to information security management, ensuring that Daikin Applied protects sensitive information¹. 5. AHRI Certification: The Air Conditioning, Heating, and Refrigeration Institute (AHRI) certifies Daikin Applied's climatic chamber, ensuring it meets industry standards for performance and reliability². 6. IACET Accreditation: Daikin Applied is accredited by the International Association for Continuing Education and Training (IACET), allowing them to issue Continuing Education Units (CEUs) for their training programs³.
47	Describe any design, installation and efficiency standards or regulations that apply to your equipment (SMACNA Standards, ACCA Standards, EPA Regulations).	<p>Our products are designed and manufactured to comply with industry standards (ASHHRAE, SMACNA) and government regulations (Department of Energy, EPA) for energy efficiency and sustainability.</p>

Table 5B: Value-Added Attributes

Line Item	Question	Certification	Offered	Comment
48	Select 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 and a listing of dealerships, HUB partners or re-sellers if available. Select all that apply.		<input type="radio"/> Yes <input checked="" type="radio"/> No	
49		Minority Business Enterprise (MBE)	<input type="radio"/> Yes <input checked="" type="radio"/> No	
50		Women Business Enterprise (WBE)	<input type="radio"/> Yes <input checked="" type="radio"/> No	
51		Disabled-Owned Business Enterprise (DOBE)	<input type="radio"/> Yes <input checked="" type="radio"/> No	
52		Veteran-Owned Business Enterprise (VBE)	<input type="radio"/> Yes <input checked="" type="radio"/> No	
53		Service-Disabled Veteran-Owned Business (SDVOB)	<input type="radio"/> Yes <input checked="" type="radio"/> No	
54		Small Business Enterprise (SBE)	<input type="radio"/> Yes <input checked="" type="radio"/> No	
55		Small Disadvantaged Business (SDB)	<input type="radio"/> Yes <input checked="" type="radio"/> No	
56		Women-Owned Small Business (WOSB)	<input type="radio"/> Yes <input checked="" type="radio"/> No	

Table 6: Pricing (400 Points)

Provide detailed pricing information in the questions that follow below.

Line Item	Question	Response *	
57	Describe your payment terms and accepted payment methods.	Net 30, purchase order, credit card	*
58	Describe any leasing or financing options available for use by educational or governmental entities.	No leasing or financing options offered.	*
59	Describe any standard transaction documents that you propose to use in connection with an awarded agreement (order forms, terms and conditions, service level agreements, etc.). Upload all template agreements or transaction documents which may be proposed to Participating Entities.	Proposal documents and Daikin T&Cs attached in documents section.	*
60	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcwell participating entities for using this process?	No	*

61	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.	Daikin is offering line-item discounts.	*
62	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.	30-46% discount off MSRP for products and 10% discount off MSRP for labor	*
63	Describe any quantity or volume discounts or rebate programs that you offer.	None being offered.	*
64	Propose a method of facilitating "sourced" products or related services, which may be referred to as "open market" items or "non-contracted items". 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.	Open market/non-contract items (product & labor) will be cost times a 1.60 markup.	*
65	Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.	<p>The costs for the following activities are not included in Daikin Applied's proposed product or service pricing. The costs for these activities are determined based on a project's equipment, site conditions, and customer requirements.</p> <p>Subcontractor Services – each Daikin Applied sales/service office has a pre-qualified list of subcontractors that can provide the services listed.</p> <p>Sheet Metal, Piping, Plumbing, Electrical, Mechanical Engineering, Electrical Engineering, Structural Engineering, Concrete work, Steel Contractor, Crane Rental, General Contractor work, Demolition, Refrigerant Recovery Service, Building Automation Controls Contractor, Roofing, Safety Consultant, Energy Analysis, Engineering, Testing and Balancing, Commissioning Consultant or Agent, Insulation, Abatement Remediation, Equipment Rental, Shipping, Delivery.</p> <p>Direct Job Expenses - Site Trailer/Job Office, Signage, Project Development Engineer, Permits and Inspections, Site Electricity, Site Water, Portable Toilets, Site Fence, Site Safety, Performance and Payment Bonds, Project and Site Insurance, Warranty on Purchased Equipment (non-Daikin), Use Taxes.</p> <p>Travel Costs – Airfare, Car Rental, Hotel, Meals, Parking, Tolls, Personal Vehicle Mileage.</p>	*
66	If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program.	<p>All Daikin Applied manufactured products are shipped F.O.B. factory, freight prepaid and allowed to the first destination specified by the customer.</p> <p>Daikin Applied has a logistics team that manages the flow of raw materials and purchased parts to our manufacturing facilities, as well as finished goods to our customers and job sites. They ensure that packaging, cargo handling, distribution processing, storage, transportation, and product delivery are executed quickly, efficiently, safely, and on time.</p>	*
67	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	Daikin Applied has a trade compliance team that handles offshore shipping logistics. This team assesses rules, regulations, and changes in the global market to ensure Daikin Applied complies with international import, export, and trade laws. International trade compliance involves various aspects of trade, including classification, taxes and import duties, certifications, screenings, training, trade risk management, and country-specific import licensing and approvals. We also have established contracts with domestic and international transportation companies.	*
68	Describe any unique distribution and/or delivery methods or options offered in your proposal.	No unique distribution and/or delivery methods or options being offered.	*
69	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed agreement with Sourcewell. This process includes ensuring that Sourcewell participating entities obtain the proper pricing.	<p>Daikin Applied's government team will review all project estimates prior to the release to the customer to ensure that all the requirements of a contract are being met.</p> <p>Daikin Applied's government team will also manage all pricing, training, marketing and contract compliance & reporting support to our North America teams and our customers for any resulting contract.</p>	*

70	If you are awarded an agreement, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the agreement.	All contract sales activity will be tracked and reported to management monthly. We will track: New Customer Opportunities/Total Opportunities Created/Annual Contract Value/Pipeline Value/Win Rate/Conversion Rate/Annual Growth Percentage and more. A contract status review will be conducted twice a month. Contract management will be assigned to a member of the Daikin Government Team.	*
71	Provide a proposed Administration Fee payable to Sourcewell. The Fee is in consideration for the support and services provided by Sourcewell. The propose an Administrative Fee will be payable to Sourcewell on all completed transactions to Participating Entities utilizing this Agreement. The Administrative Fee will be calculated as a stated percentage, or flat fee as may be applicable, of all completed transactions utilizing this Master Agreement within the preceding Reporting Period defined in the agreement.	Daikin would like to propose a 1% administration fee based on the total sale amount of contract. Excluding the costs for shipping, travel, and direct job expenses.	*

Table 7: Pricing Offered

Line Item	The Pricing Offered in this Proposal is: *	Comments	
72	The pricing offered is as good as or better than pricing typically offered through existing cooperative contracts, state contracts, or agencies.	Daikin Applied adheres to a strict compliance program with all its government cooperative contracts. This process is managed by Daikin's Government National Accounts team which works directly with Daikin's sales and service partners when a cooperative contract is utilized for procurement. An Agency can further verify pricing by contacting Daikin directly and request a Price Verification Document for a specified Certified Proposal Number. (CPN)	*

Table 8A: Depth and Breadth of Offered Solutions (200 Points)

Line Item	Question	Response *	
73	Provide a detailed description of all the Solutions offered, including used, offered in the proposal.	<p>Daikin Applied Product Solutions.</p> <p>Chillers Chillers make cold water or water/glycol fluid mixture to cool buildings or processes. Often used in conjunction with coils in air handlers, chillers receive warm fluid from the air handler coil or process load, lower the temperature of the fluid, then a pump returns the fluid to the air handler coil or process. Chillers come in two main varieties: air-cooled and water-cooled. An air-cooled chiller rejects the heat absorbed from the building or process directly to the outdoor air using refrigerant to air coils and fans that blow outdoor air directly over those coils. A water-cooled chiller rejects the absorbed heat to an additional fluid loop that can then reject the heat through a secondary device such as a cooling tower (more common) or dry cooler (less common).</p> <p>Indoor and Outdoor Air Handlers Indoor and outdoor air handlers are used to condition and circulate large volumes of air throughout a space via ductwork. Air handlers are part of a system using either a chiller with cooled water or a condensing unit in a direct expansion (DX) system. Dictated by local codes and based on the application, each air handler will have a different set of needs including, but not limited to, fresh air intake, humidity control, heating, filtration, and energy recovery. In general, an air handling unit will use a mixture of outside air and recirculated air from the building to filter, cool, and heat. Energy recovery devices are used to transfer heat or moisture from exhausted air to supply air, or vice versa. This helps reduce energy usage while providing fresh air to the building.</p> <p>Rooftop Systems Rooftop systems offer a flexible way to provide treated air for one- to eight-story buildings. Many options and configurations are available to satisfy a wide number of applications. Fresh outside air is mixed with return air from the occupied space and</p>	

then filtered, conditioned, and supplied back into the building. Conditioning involves cooling, dehumidifying, or heating the air for optimal space comfort. Rooftop units can serve a single zone, or an entire building filled with many zones. Some units can be designed specifically for make-up air, where only outside air is treated and sent to the space. Inverter compressors, beltless ECM fans, and energy recovery solutions make rooftop systems an easy-to-maintain, energy-efficient choice for conditioning any space. Heat produced by natural gas, electricity, hot water, steam, and heat pumps provides reliable heating for spaces with colder seasons and climates.

Fan Coils

Fan coils are distributed heating and cooling equipment designed to condition the air space they serve. A fan coil unit can either be exposed or recessed. An exposed unit features a painted metal cabinet. A recessed fan coil unit is covered with a wall plate or uses ductwork connected to the conditioned space. Our fan coil units come in three basic configurations: horizontal in or along the ceiling, vertical running the height of the wall, and unit heaters low along the wall.

Self-contained Systems

Self-contained systems provide a unique ventilation solution for high-rise buildings in urban areas like New York City. These units can be built and shipped as a complete system. Alternatively, they can be built and shipped in module form to fit into freight elevators, hallways, and doorways. This modular approach allows for assembly at the system's designated location, thereby avoiding the need to run extreme lengths of duct to the roof. Typically, each floor will have their own self-contained AC unit, making self-contained systems an ideal solution for multi-tenant office buildings where management can track energy usage per tenant. Units are typically located in a building's mechanical room. Thus, unit servicing is done behind closed doors and does not disrupt the workplace. Units are available with factory-provided controls, direct expansion (DX) cooling, chilled water cooling, electric heat, and hot water heat.

Water Source Heat Pump Systems

Water source heat pump systems are one of the most efficient, environmentally friendly systems available for heating and cooling buildings. High-efficiency, self-contained units are available in a variety of sizes and configurations and can be placed in virtually any location within a building. Each water source heat pump system responds only to the heating or cooling load of the individual zone it serves. This permits an excellent comfort level for occupants, better control of energy use for building owners, and lower seasonal operating costs. Commercial water source heat pumps can be applied to geothermal closed-circuit or open-well loops, or on a traditional boiler/tower loop system. These systems offer benefits ranging from low-cost installation to the highest energy efficiency available in the market today.

Unit Ventilators

Daikin's unit ventilators use advanced HVAC technology to reduce operating costs while closely matching classroom comfort requirements. For nearly a century, schools have relied on unit ventilators to keep classrooms comfortable. Since 1918, Daikin and its legacy brands have remained an industry leader by meeting the changing requirements of schools with the highest quality unit ventilator products available. In addition, we realize that keeping expenditures down is a high priority for school administrators and school boards. Our unit ventilators are inexpensive to install and operate, and they are designed with dependable, efficient features that provide years of trouble-free service.

Condensing Units

Whether your priority is lifecycle costs, initial costs or performance, we have a solution. Daikin offers a wide range of condensing units from 6 to 140 tons with a full range of options to meet efficiency, performance or serviceability requirements. Our model RCS condensing unit meets ASHRAE 90.1 2010 efficiencies, uses scroll compressors for reliability, offers optional condenser fans for quiet operation, and provides low ambient operation range down to 0°F.

Coils

Whatever the application — new or replacement — Daikin has the right coil for you. We offer the widest variety of materials, physical sizes, fin spacings, row depths and circuiting. Coil choices include water cooling, water heating, steam, booster, evaporator and condenser. Our Daikin Hi-F (high-efficiency) fins maximize heat transfer with fewer fins to lower your initial cost. Our Daikin E-F (energy-efficient) fins save energy by reducing air pressure drop as much as 33% while also lowering fan brake horsepower requirements. This feature can lower operating costs over the life of the coil.

VAV Terminal Unit

Terminal units reduce energy costs and minimize carbon footprint. Daikin's single duct VAV boxes, from 80 to 8000 CFM, provide high performance and set the standard in the industry for construction, performance, and quality. Our fan-powered terminal units, available as parallel and series, provide operating cost savings through reduced central fan horsepower and use of waste heat recovery.

Daikin Applied Service Solutions

Time & Material

Providing at-will service and/or repair work that is not quoted in advance is

		<p>considered time and material. Customer agrees to scope of work and is invoiced on a Time and Material basis. Non-quoted effort, at-will, or emergency effort to complete.</p> <p>Retrofit/Upgrades</p> <p>Modifying Daikin Applied equipment from its original design or configuration to a newer design or configuration on an installed basis via Daikin Applied designed retrofit or upgrade program or product.</p> <p>Equipment Only</p> <p>Sale of uninstalled equipment. Labor for disassembly/reassembly for ingress into a building or the oversight of the delivery can be included.</p> <p>Service & Repair – Quoted</p> <p>Providing service and/or repair work with a quoted fixed price arrangement. The arrangement is mutually agreed in a legally enforceable document prior to the work being performed. Most of the work is completed with Daikin Labor. Also includes re-commissioning, refrigerant conversions, and start-up services.</p> <p>Turnkey & Installation Contracting</p> <p>The installation of real property at customer location. The majority of the project is comprised of the installation of primary HVAC/R equipment (chillers, AHU's, RTU's, boilers, towers, etc.), indifferent with respect to manufacturer.</p> <p>Contracting</p> <p>Quoted building solutions, outside of standard service and repair work. This would include work like controls equipment installation, piping installation, duct work installation, mold remediation, or any other project in a building or at a customer site not covered by the other LOBs, etc. The majority of the work is completed with Subcontractor Labor. Also includes Energy Saving Performance Contracting (ESPC).</p> <p>Controls Installation</p> <p>Controls Installation is the sales and installation services as it relates to building automation systems, controls engineering, consulting, commissioning, chiller plant controls, chiller onboard controls, software upgrades and related controls work (Front end software, integration platforms, analytics engines, Input/Output controllers, end devices).</p> <p>Maintenance Agreements</p> <p>Scope of effort is for maintenance (preventative or comprehensive) on equipment. Time period of agreement is for one year or greater. Also includes inspection services.</p>	
74	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	Air Conditioner, HVAC Controller, Air Damper, Duct, Economizer, Evaporator, Makeup Air Unit, Packaged Terminal Air Conditioner, Evaporator Coil, Compressor, Exhaust Outlet, Air Return, Central Air Conditioner, Ductless HVAC System, Mini Split system.	*

Table 8B: Depth and Breadth of Offered Solutions

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

Line Item	Category or Type	Offered *	Comments	
75	HVAC, IAQ, geothermal, and water heating or treatment infrastructure, equipment, components, products, parts, and related technology	<input checked="" type="radio"/> Yes <input type="radio"/> No	We are a global company that offers a full line of HVAC products, accessories, and value-added services.	*
76	Sensors, smart controls, thermostats, gauges, system automation, integration equipment, monitoring equipment, software, or management products and technology	<input type="radio"/> Yes <input checked="" type="radio"/> No	We are not offering these products and technology in our initial application.	*
77	Services complementary to the offering of the solutions described in 75 and 76 above, including installation, maintenance, repair, refurbishment, replacement, system upgrades, efficiency measurement, energy saving performance contracting, emergency or short-term HVAC equipment rental, assessment, integration, training, support, and customization	<input checked="" type="radio"/> Yes <input type="radio"/> No	We have outlined in detail the additional and complementary services in the documents section which will have the information on our installation, maintenance, upgrades, energy assessments, training, and support information.	*

Table 9: Exceptions to Terms, Conditions, or Specifications Form

Line Item 78. NOTICE: To identify any exception, or to request any modification, to Sourcewell standard Master Agreement terms, conditions, or specifications, a Proposer must submit the proposed exception(s) or requested modification(s) via redline in the Master Agreement Template provided in the “Bid Documents” section. Proposer must upload the redline in the “Requested Exceptions” upload field. All exceptions and/or proposed modifications are subject to review and approval by Sourcewell and will not automatically be included in the Master Agreement.

Do you have exceptions or modifications to propose?	Acknowledgement *
	<input checked="" type="radio"/> Yes <input type="radio"/> No

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](#) - Sourcewell Pricing Final Package - Final.pdf - Thursday August 08, 2024 14:33:32
 - [Financial Strength and Stability](#) - Daikin Applied Financial Data 2024-Table 2-Line 13 pdf.pdf - Thursday August 08, 2024 11:08:54
 - [Marketing Plan/Samples](#) - Sourcewell Marketing - Final.pdf - Thursday August 08, 2024 14:39:39
 - WMBE/MBE/SBE or Related Certificates (optional)
 - [Standard Transaction Document Samples](#) - Standard Transaction Proposal Sourcewell.pdf - Thursday August 08, 2024 14:07:18
 - [Upload Additional Document](#) - Sourcewell Additional Documents Reps SVC Training.pdf - Thursday August 08, 2024 15:32:39
 - [Requested Exceptions](#) - MASTER AGREEMENT Final.pdf - Thursday August 08, 2024 13:00:24
 - [Additional Document](#) - Sourcewell Value Add - Final.pdf - Thursday August 08, 2024 14:54:31

Addenda, Terms and Conditions

PROPOSER AFFIDAVIT OF COMPLIANCE

I certify that I am an authorized representative of Proposer and have authority to submit the foregoing Proposal:

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 award.
3. The Proposer certifies that:
 - (1) The prices in this Proposal have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other Proposer or competitor relating to-
 - (i) Those prices;
 - (ii) The intention to submit an offer; or
 - (iii) The methods or factors used to calculate the prices offered.
 - (2) The prices in this Proposal have not been and will not be knowingly disclosed by the Proposer, directly or indirectly, to any other Proposer or competitor before award unless otherwise required by law; and
 - (3) No attempt has been made or will be made by Proposer to induce any other concern to submit or not to submit a Proposal for the purpose of restricting competition.
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 is created when a current or prospective supplier is unable to render impartial service to Sourcewell due to the supplier's: a. creation of evaluation criteria during performance of a prior agreement which potentially influences future competitive opportunities to its favor; b. access to nonpublic and material information that may provide for a competitive advantage in a later procurement competition; c. impaired objectivity in providing advice to Sourcewell.
5. Proposer will provide to Sourcewell Participating Entities Solutions in accordance with the terms, conditions, and scope of a resulting master agreement.
6. The Proposer possesses, or will possess all applicable licenses or certifications necessary to deliver Solutions under any resulting master agreement.
7. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.
8. 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, 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. - Greg Coffman, National Government Cooperative Sales Manager, Daikin Applied Americas Inc

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

☒ 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
Addendum_8_HVAC Systems with Related Products and Services_RFP_080824 Thu August 1 2024 10:18 AM	<input checked="" type="checkbox"/>	1
Addendum_7_HVAC Systems with Related Products and Services_RFP_080824 Tue July 30 2024 04:12 PM	<input checked="" type="checkbox"/>	2
Addendum_6_HVAC Systems with Related Products and Services_RFP_080824 Mon July 29 2024 04:00 PM	<input checked="" type="checkbox"/>	1
Addendum_5_HVAC Systems with Related Products and Services_RFP_080824 Fri July 19 2024 08:29 AM	<input checked="" type="checkbox"/>	1
Addendum_4_HVAC Systems with Related Products and Services_RFP_080824 Tue July 2 2024 03:42 PM	<input checked="" type="checkbox"/>	1
Addendum_3_HVAC Systems with Related Products and Services_RFP_080824 Mon July 1 2024 04:15 PM	<input checked="" type="checkbox"/>	1
Addendum_2_HVAC Systems with Related Products and Services_RFP_080824 Tue June 25 2024 11:27 AM	<input checked="" type="checkbox"/>	2
RFP 080824 HVAC Systems with Related Products and Services Thu June 20 2024 04:11 PM	<input checked="" type="checkbox"/>	1