

**MASTER AGREEMENT #091125****CATEGORY: Public Utility Equipment with Related Accessories and Supplies****SUPPLIER: The Charles Machine Works, 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 The Charles Machine Works, Inc., 1959 West Fir Ave., Perry, OK 73077 (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 April 9, 2030, 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 091125 to Participating Entities. In Scope solutions include:
1. Sourcewell is seeking proposals for Public Utility Equipment with Related Accessories and Supplies including, but not limited to:
 - a. Chassis-mounted, trailer-mounted, and self-propelled (wheel or track):
 - i. Aerial lifts, towers, buckets, and platforms of all types, such as telescopic, articulated, mast, boom, etc.;
 - ii. Digger derricks;
 - iii. Cable placing, pulling, and tensioning equipment; and,
 - iv. Directional drills, trenchless excavation equipment, thrust and boring machines, soil piercing tools, trenchers, rock wheels, and pile drivers.
 - b. Accessories, supplies, replacement parts, and services; utility locating equipment; related to the offering of the solutions in subsections 1. a. above.
- 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, Supplier warrants the Solutions are suitable for and will perform in accordance with the ordinary use for which they are intended.

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.
- 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, directly arising out of any act or omission in the performance of this Agreement by the Supplier or its agents or employees, to the extent caused by Supplier; 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.

Article 3: Supplier Obligations to Participating Entities

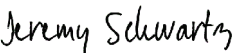
The Terms in this Article 3 relate specifically to Supplier and a Participating Entity when entering transactions utilizing the General Terms established in this Master Agreement. Article 1 General Terms control over any conflict with this Article 3. Where this Master Agreement is silent on any subject, 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, and Warranty.** 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.
- 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 Sourcwell 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 Sourcwell 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. Sourcwell 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.
- 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

The Charles Machine Works, Inc.


Signed by:

 C0FD2A139D06489...

By: _____

Jeremy Schwartz

Title: Chief Procurement Officer

Date: 4/13/2026 | 7:30 PM CDT

DocuSigned by:

 D8D1CE4FD784455...

By: _____

Kevin Smith

Title: Vice President Ditch Witch Division3

Date: 4/8/2026 | 3:05 AM CDT

RFP 091125 - Public Utility Equipment with Related Accessories and Supplies

Vendor Details

Company Name: The Charles Machine Works, Inc.
Does your company conduct business under any other name? If yes, please state: Ditch Witch
Address: 1959 W. Fir Ave.
Perry, OK 73077
Contact: Mike Spillars
Email: mike.spillars@ditchwitch.com
Phone: 580-572-2390
HST#: 73-0660844

Submission Details

Created On: Thursday July 24, 2025 08:41:42
Submitted On: Wednesday September 03, 2025 16:12:22
Submitted By: Mike Spillars
Email: mike.spillars@ditchwitch.com
Transaction #: c251ea46-a85b-462d-b7ed-ad3fa3c02bd1
Submitter's IP Address: 147.243.204.142

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.	The Charles Machine Works, Inc.
2	In the event of award, is this entity the Responsible Supplier that will execute the master agreement with Sourcewell? Y or N.	Yes
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).	Ditch Witch, Hammerhead Trenchless, Subsite Electronics, American Augers
4	Provide your CAGE code or Unique Entity Identifier (SAM):	FPKMXH62LPU7
5	Provide your NAICS code applicable to Solutions proposed.	33120
6	Proposer Physical Address:	1959 West Fir Ave. Perry, OK 73077
7	Proposer website address (or addresses):	www.ditchwitch.com www.subsite.com www.hammerheadtrenchless.com www.americanaugers.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):	Kevin Smith Vice President, Ditch Witch Division 1959 West Fir Ave. Perry, OK 73077 ksmith@ditchwitch.com PH: 920 648 4820
9	Proposer’s primary contact for this proposal (name, title, address, email address & phone):	Mike Spillars Corporate Accounts Sales Manager 1959 West Fir Ave. Perry, OK 73077 mike.spillars@ditchwitch.com PH: 580-370-0965
10	Proposer’s other contacts for this proposal, if any (name, title, address, email address & phone):	Jon McLarty Inside Sales Rep. 1959 West Fir Ave. Perry, OK 73077 jon.mclarty@ditchwitch.com PH: 580-370-6131

Table 2A: Financial Viability and Marketplace Success (50 Points, applies to Table 2A and 2B)

Line Item	Question	Response *
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<p>11</p>	<p>Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested Solutions.</p>	<p>The Charles Machine Works, best known for its flagship brand Ditch Witch®, operated as a privately held company from its founding in 1949 until its acquisition by The Toro Company in early 2019. Today, it operates as the Ditch Witch Division of Toro.</p> <p>Ditch Witch® is a recognized leader in underground construction equipment, serving a diverse range of markets including utilities, pipeline and telecom contractors, rental providers, and government and infrastructure agencies. Our comprehensive product portfolio includes trenchers, vibratory plows, compact utility equipment, utility inspection systems, directional drills, vacuum excavation units, HammerHead® pneumatic tools, and Subsite® utility locating and HDD guidance electronics.</p> <p>We pioneered the first compact utility line trencher nearly seven decades ago and continue to drive innovation in underground construction. Our success is built on a robust dealer network—widely regarded as an industry benchmark—which enables us to deliver consistent value and support to our customers. Our vision is to provide the most effective solutions for success in the global underground construction market, anchored by an exceptional customer experience.</p> <p>Our operations are guided by four core values:</p> <p>Integrity – Above all else.</p> <p>Pride – In our work, both individually and collectively.</p> <p>Care – For our families, coworkers, communities, customers, and the world around us.</p> <p>Pioneering Spirit – Driving innovation and continuous improvement. *</p> <p>The Ditch Witch® brand embodies over 75 years of innovation, craftsmanship, and leadership. Founded by Ed Malzahn in response to a direct customer need, our legacy is rooted in solving real-world jobsite challenges. Every product we design reflects a deep understanding of the demands of underground construction—where efficiency drives profitability, and profitability drives success. Our commitment to partnership is more than a promise; it's a principle that informs every interaction and every solution we deliver.</p> <p>Since its inception, The Charles Machine Works has remained focused on serving the underground utility market, continuously expanding our capabilities in directional drilling, underground boring, and subsurface electronic technologies.</p> <p>All Ditch Witch products are manufactured and shipped from our facilities in Perry, Oklahoma. The majority of our employees—from both Ditch Witch and Subsite—live in or near the Perry community, fostering a strong sense of pride in our products and mission.</p> <p>Our long-standing market presence is built on enduring relationships between our factory, dealers, and end users. To support these connections, our Regional Managers spend at least two weeks each month in the field, working directly with dealers and engaging with customers to ensure their needs are met.</p> <p>Please note: While this response focuses on The Charles Machine Works, Ditch Witch, Subsite, and HammerHead brands, certain topics—such as financial statements, market share, and sustainability awards—may reference The Toro Company. We have made every effort to provide accurate and brand-specific information wherever possible.</p>
<p>12</p>	<p>What are your company's expectations in the event of an award?</p>	<p>We are fully committed to expanding our Ditch Witch®, HammerHead®, and Subsite® Utility business through the Sourcewell cooperative purchasing contract. Our nationwide Ditch Witch dealer network has consistently demonstrated excellence in promoting the contract to government, education, and nonprofit organizations across their respective territories. This proven success reinforces our confidence in Sourcewell as a strategic partner.</p> <p>Looking ahead, we anticipate steady, incremental growth in both equipment sales and complementary product offerings. Our goal is to deliver industry-leading utility equipment through the most respected dealer network, supported by the most effective cooperative purchasing agreement available. *</p> <p>We will continue to collaborate with Sourcewell to educate our internal teams, dealer partners, and end users on the most efficient and compliant pathways for procurement. We believe the Sourcewell contract represents the optimal solution for public-sector entities seeking streamlined access to high-performance utility equipment.</p> <p>Our longstanding participation in cooperative purchasing has yielded consistent year-over-year growth, and we expect this trend to continue through our partnership with Sourcewell.</p>

13	<p>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.</p>	<p>Charles Machine Works—encompassing the Ditch Witch®, Subsite®, American Augers®, and HammerHead® brands—is a wholly owned subsidiary of The Toro Company. As part of Toro’s Infrastructure segment, we continue to strengthen our position as a leading global provider of innovative solutions for the underground utility industry.</p> <p>The Toro Company is a publicly traded Fortune 1000 organization (NYSE: TTC) with a global footprint spanning more than 125 countries. Through a robust network of professional distributors, dealers, and retailers, Toro offers a diverse portfolio of brands that complement and reinforce the company’s financial strength and market leadership.</p> <p>For fiscal year 2024, The Toro Company reported full-year net sales of \$4.58 billion, up from \$4.55 billion in fiscal 2023. Within the Professional segment—which includes Ditch Witch—fourth-quarter net sales reached \$913.9 million, representing a 10.3% increase over the same period in the prior year.</p> <p>“We delivered our 15th consecutive year of net sales growth in what remained an extremely dynamic environment,” said Richard M. Olson, Chairman and CEO. “This was a testament to the strength of our portfolio and the disciplined execution by our team of talented employees and channel partners.”</p> <p>The Toro Company’s family of brands includes Toro, Ditch Witch, Exmark, Spartan, BOSS, Ventrac, American Augers, Trencor, Subsite, HammerHead, Radius, Perrot, Hayter, Unique Lighting Systems, Irritrol, and Lawn-Boy. Together, these brands drive innovation and build lasting relationships rooted in trust, integrity, and performance—ensuring long-term financial success and stability.</p> <p>As a subsidiary of Toro, Charles Machine Works benefits from this financial foundation, enabling us to:</p> <ul style="list-style-type: none"> Fulfill large-scale cooperative purchasing contracts with confidence Invest in continuous product innovation and customer support Maintain scalable manufacturing operations in Perry, Oklahoma Support a high-performing dealer network with national reach <p>We remain committed to delivering reliable, high-quality equipment and service to Sourcewell members and other public-sector entities, backed by the resources and resilience of The Toro Company.</p> <p>Attached is our publicly released financial report for fiscal 2024.</p>
14	<p>What is your US market share for the Solutions that you are proposing?</p>	<p>As a wholly owned subsidiary of The Toro Company—a publicly traded Fortune 1000 organization—we are unable to disclose specific market share data. However, Ditch Witch® has consistently maintained a strong and healthy presence across all markets relevant to this proposal, including government, utility, infrastructure, and nonprofit sectors.</p> <p>Ditch Witch is widely recognized as a trusted and respected name in the underground utility industry. The brand has become so synonymous with trenching equipment that, much like “Kleenex” is to tissue, “Ditch Witch” is to the trencher. In many cases, customers refer to the equipment not by its category, but by our brand name—a testament to our legacy, reliability, and market leadership.</p> <p>This level of brand recognition reflects decades of innovation, customer trust, and consistent performance in the field. Our continued investment in product development, dealer support, and customer education ensures that Ditch Witch remains a preferred choice for underground utility solutions.</p>
15	<p>What is your Canadian market share for the Solutions that you are proposing?</p>	<p>As a wholly owned subsidiary of The Toro Company—a publicly traded Fortune 1000 organization—we are unable to disclose specific market share data. However, Ditch Witch® has consistently maintained a strong and healthy presence across all markets relevant to this proposal, including Canada.</p>
16	<p>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 Sourcewell if it enters a bankruptcy proceeding at any time during the pendency of this RFP evaluation.</p>	<p>Charles Machine Works, including its affiliated brands Ditch Witch®, Subsite®, American Augers®, and HammerHead®, affirms that there have been no bankruptcy proceedings involving the company. As a wholly owned subsidiary of The Toro Company—a publicly traded and financially stable organization—we maintain a strong legal and financial standing, ensuring our ability to meet all contractual obligations under the Sourcewell cooperative purchasing agreement.</p>

17	<p>How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer the question that best applies to your organization, either a) or b).</p> <p>a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned?</p> <p>b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?</p>	<p>a.) Charles Machine Works, Inc. (Subsite) is primarily classified as a manufacturer.</p> <p>b.) Charles Machine Works operates sales programs across North America through which our authorized dealer organization specialists prepare and deliver equipment to customers purchasing via cooperative agreements such as Sourcewell. Under this model, Sourcewell customers are invoiced directly by the manufacturer, and our dealers are compensated accordingly for their role in the sale and delivery process.</p> <p>Our dealers are independent entities that employ local sales and service professionals, ensuring responsive, community-based support. While dealer personnel are not employees of Charles Machine Works, Inc., they represent our products and values with deep expertise and professionalism.</p> <p>To further support our dealer network and end users, Ditch Witch® and Subsite® maintain a team of Regional Sales Managers and Service Managers who work closely with dealers and customers across all territories. These regional teams provide hands-on assistance with equipment selection, delivery coordination, training, and after-sale service—ensuring a seamless experience from procurement to operation.</p> <p>Notably, a significant percentage of our dealer personnel began their careers as employees at our manufacturing and corporate headquarters in Perry, Oklahoma. This shared history fosters a uniquely close and collaborative relationship between our company and our dealer network—one that is unmatched in the industry and rooted in mutual respect, product knowledge, and a shared commitment to customer success.</p>	*
18	<p>If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.</p>	<p>The Ditch Witch and Subsite family of products are designed and manufactured in the United States, meeting all applicable voluntary safety and environmental standards. These standards include ISO certifications, construction equipment regulations, and exhaust and evaporative requirements established by the Environmental Protection Agency (EPA) and the California Air Resources Board (CARB).</p> <p>The Charles Machine Works holds a manufacturer's license in its home state of Oklahoma, as well as a license to sell used vehicles. Additionally, we maintain licenses to sell vehicles in Arizona, California, Kentucky, Nebraska, Utah, Tennessee, Florida, and Ohio. For products sold with trailers, we hold both new and used trailer dealer licenses in the State of Oklahoma.</p> <p>Beyond the licenses held by The Charles Machine Works, all contracted Ditch Witch dealers possess the necessary licenses and certifications to sell and service The Charles Machine Works family of products within the states and provinces in which they operate independently.</p> <p>Furthermore, Ditch Witch and Subsite require their factory and dealer sales personnel to complete rigorous sales and service training through the Ditch Witch Certified Training Programs.</p>	*
19	<p>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 Sourcewell if it enters a debarment or suspension status any time during the pendency of this RFP evaluation.</p>	<p>Charles Machine Works, Inc. affirms that it has not been subject to any suspension or debarment proceedings within the past seven years. As a wholly owned subsidiary of The Toro Company, we maintain a strong record of compliance with all applicable federal, state, and local regulations. This standing reflects our commitment to ethical business practices, transparency, and long-term partnership with public-sector entities.</p>	*

<p>20</p>	<p>Describe any relevant industry awards or recognition that your company has received in the past five years.</p>	<p>Ditch Witch Awards (2020–2025)</p> <p>2020</p> <ul style="list-style-type: none"> * “Twenty for 2020” Award, Landscape Business: SK3000 Full-Size Stand-On Skid Steer Named among the top 20 new landscaping products. * Editor’s Choice Award, Green Industry Pros: SK3000 Full-Size Stand-On Skid Steer Recognized for its advanced design and operator-focused features. <p>2021</p> <ul style="list-style-type: none"> * Editor’s Choice Award, Rental Magazine: SK3000 Full-Size Stand-On Skid Steer Celebrated as one of the top rental products of the year. * Abbot Most Innovative Product Award Finalist, NASTT: JT24 Horizontal Directional Drill Nominated for innovation in trenchless technology. <p>2022</p> <ul style="list-style-type: none"> * Innovative Iron Award, Compact Equipment: MT164 Microtrencher. Awarded for its ability to create clean, narrow trenches in a single pass. * Editor’s Choice Award, Green Industry Pros: RT70 Ride-On Trencher Recognized for ergonomic design, improved operator comfort, and intuitive controls. * No-Dig Customer Appreciation Award. Celebrated for 30 years of leadership in trenchless technology. * Editor’s Choice Award, Rental Magazine: SK900 Mini Stand-On Skid Steer Honored among the year’s top products in the rental equipment market. <p>2023</p> <ul style="list-style-type: none"> * Top Introductions Award, Heavy Equipment Guide: AT120 Directional Drill Recognized for VAM technology that ensures correct torque levels and bore efficiency. * Editor’s Choice Award, Rental Magazine: PT37 Ride-On Plow Trencher Selected as a “Rise to the Prize” winner for its multi-configuration flexibility. * Editor’s Choice Award, Green Industry Pros: PT37 Ride-On Plow Trencher Ranked #13 among the Top 35 “Claim the Prize” award winners. * “Twenty for 2023” Award, Landscape Business: PT37 Ride-On Plow Trencher Honored for blending durability, usability, and a simplified mechanical design. * Abbot Most Innovative Product Award, NASTT: AT120 All-Terrain Directional Drill Awarded for innovation in new installations using trenchless technology. * Community Impact Award, Underground Construction: Water4 with Ditch Witch Recognized for providing clean water to over 1.6 million people and trenching 250,000 miles of pipeline across Africa using Ditch Witch equipment. <p>2024</p> <ul style="list-style-type: none"> * Editor’s Choice Award, Rental Magazine: SK1750 Stand-On Skid Steer Recognized by ForConstructionPros for solving key customer needs with powerful new design features. * “Twenty for 2024” New Product Award, OPE+: SK1750 Stand-On Skid Steer Honored for its newly designed track system that offers better visibility, maneuverability, and a smoother ride.
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21	What percentage of your sales are to the governmental sector in the past three years?	<p>As a publicly traded company, our parent organization—The Toro Company—considers detailed customer and segment-specific revenue information confidential. However, in accordance with publicly available filings, we can provide the following summary from our Form 10-Q for the second quarter of fiscal year 2025 (ended May 2, 2025):</p> <p>Net sales for Subsite® by segment:</p> <p>77% Professional</p> <p>22.6% Residential</p> <p>0.5% Other</p> <p>This distribution reflects Subsite's continued focus on professional-grade solutions for the underground utility industry, while maintaining a presence in residential and other markets. These figures underscore our commitment to serving a broad customer base with high-performance products and reliable support.</p>
22	What percentage of your sales are to the education sector in the past three years?	<p>As a publicly traded company, our parent organization—The Toro Company—considers detailed customer information confidential. However, in accordance with publicly available filings, we can provide the following revenue segmentation data from The Toro Company's Form 10-Q for the second quarter of fiscal year 2025 (ended May 2, 2025):</p> <p>Net sales for Ditch Witch® by segment:</p> <p>77% Professional</p> <p>22.6% Residential</p> <p>0.5% Other</p> <p>This distribution reflects Ditch Witch's continued focus on professional-grade solutions for the underground utility industry, while maintaining a presence in residential and other markets. These figures underscore our commitment to serving a broad customer base with high-performance products and reliable support.</p>
23	List all state, cooperative purchasing agreements that you hold. What is the annual sales volume for each of these agreement over the past three years?	<p>The Sourcewell Public Utility Contract is the only cooperative purchasing agreement directly awarded to Charles Machine Works, Inc. This contract represents our premier partnership in the cooperative procurement space and is the sole agreement for which Ditch Witch® and Subsite® provide dedicated dealer training and actively engage in coordinated marketing efforts through our national dealer network.</p> <p>In addition to Sourcewell, our products are also available through HGACBuy and BuyBoard contracts. These agreements are administered by third-party entities that manage pricing, quoting, invoicing, and audit-related processes independently. While these channels offer access to our equipment, they do not involve direct contractual engagement with Charles Machine Works, nor do they receive the same level of integrated dealer support and promotional activity as our Sourcewell partnership.</p> <p>Please note: As a publicly traded company, The Toro Company considers detailed sales information for each contract to be confidential. We remain committed to transparency within the bounds of public disclosure requirements and regulatory compliance.</p>
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?	<p>Charles Machine Works, Inc. does not hold a General Services Administration (GSA) contract directly. However, similar to our participation in HGACBuy and BuyBoard, our products are available through a GSA contract administered by a third-party entity. This arrangement allows eligible government agencies to procure Ditch Witch®, Subsite®, American Augers®, and HammerHead® equipment through established federal purchasing channels.</p> <p>While we do not manage the GSA contract directly, we remain committed to supporting public-sector customers by ensuring product availability, responsive dealer support, and compliance with applicable procurement standards.</p> <p>Please note: As a publicly traded company, The Toro Company considers detailed sales information for each contract to be confidential. We remain committed to transparency within the bounds of public disclosure requirements and regulatory compliance.</p>

Table 2B: References/Testimonials

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

Entity Name *	Contact Name *	Phone Number *	
City of Newport News	Natalie Minton	757-926-8721	*
Blue Valley School District 229 Olathe, KS	Mason McMurphy	913-239-4215	*
City of Cleveland, GA	Lee Wilson	706-865-2017	*

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

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

Line Item	Question	Response *	
26	Sales force.	<p>The Ditch Witch® factory maintains a robust national support infrastructure to serve Sourcewell members and other public-sector customers across North America. Our team includes:</p> <ul style="list-style-type: none"> 8 Ditch Witch Regional Sales Managers 5 Product Specialists 4 Subsite® Electronics Regional Sales Managers 5 Regional Parts Managers <p>Numerous marketing personnel dedicated to supporting our specialized dealership organization</p> <p>All factory representatives are based out of our headquarters in Perry, Oklahoma, but spend a minimum of two weeks per month traveling with dealers in their assigned territories. These field visits include joint customer calls with dealer sales teams across all market segments, including local and state government entities. This hands-on approach ensures consistent engagement, product expertise, and responsive support.</p> <p>Our authorized Ditch Witch dealers employ more than 250 professional salespersons across the United States and Canada. These local representatives are strategically positioned to serve Sourcewell members with personalized service, technical expertise, and timely delivery. There is no populated area in the U.S. or Canada that is not covered by a Ditch Witch dealer location—including remote regions such as Anchorage, Alaska.</p> <p>This extensive coverage, combined with our factory-direct support model, ensures that every Sourcewell member has access to knowledgeable personnel, reliable equipment, and a seamless procurement experience.</p>	*
27	Describe the network of Authorized Sellers who will deliver Solutions, including dealers, distributors, resellers, and other distribution methods.	<p>Charles Machine Works supports its product lines—Ditch Witch®, HammerHead®, and Subsite®—through an independent, specialized dealer organization that operates exclusively across North America. This network is 100% focused on the sales, service, and support of our equipment, ensuring that Sourcewell members and other public-sector customers receive expert guidance and responsive local assistance.</p> <p>The dealer network is composed of 28 independent dealer owners operating more than 150 branch locations throughout the United States and Canada.</p> <p>Within these locations, there are over 250 dedicated sales professionals and 250 parts specialists, all trained to provide comprehensive product support, technical expertise, and customer education.</p> <p>This structure enables us to deliver consistent, high-quality service across every region, with coverage that includes all major population centers—including remote areas such as Anchorage, Alaska.</p> <p>To support this proposal, we have included a detailed list of our dealer locations and a corresponding coverage map. This documentation illustrates our ability to serve Sourcewell members efficiently and reliably, regardless of geographic location.</p>	*

28	Service force.	<p>Charles Machine Works maintains a robust service infrastructure designed to ensure maximum uptime and customer satisfaction for Sourcewell members and other public-sector clients. In addition to our dedicated team of Service Support and Parts Support Managers located at our Perry, Oklahoma campus, our independent dealership organization employs over 600 trained service personnel across North America.</p> <p>Factory representatives and dealer service teams work in close coordination to deliver responsive, high-quality support throughout the equipment lifecycle. This collaborative model ensures that customers receive expert assistance with installation, maintenance, troubleshooting, and repairs—regardless of location.</p> <p>All authorized Ditch Witch® dealers are equipped with service crane trucks, enabling them to perform on-site service in 100% of the United States and Canada. If a unit cannot be transported, dealer technicians travel directly to the machine, minimizing downtime and maximizing productivity.</p> <p>This commitment to field-based service, combined with our extensive training programs and regional support structure, allows us to deliver unmatched customer care and operational reliability across every market segment.</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>Charles Machine Works, Inc. has established a streamlined and transparent order process to support Sourcewell members in procuring Ditch Witch® equipment efficiently and in full compliance with cooperative purchasing guidelines. The process is designed to ensure accurate pricing, timely delivery, and centralized administrative oversight:</p> <p>Equipment Specification Local Ditch Witch dealership sales personnel work directly with the Sourcewell member to properly spec equipment based on regional needs and application requirements.</p> <p>Quotation and Pricing The dealer submits the specifications to our internal Global Account team, which prepares a formal quote using Sourcewell contract pricing.</p> <p>Purchase Order Submission Once the Sourcewell member elects to proceed, the purchase order is made out to Charles Machine Works, Inc., ensuring direct manufacturer engagement.</p> <p>Order Fulfillment The authorized Ditch Witch dealer either places a factory order or fulfills the request from existing inventory, depending on availability and customer needs.</p> <p>Delivery Confirmation Upon delivery, the dealer submits a delivery receipt to the factory to confirm completion of the transaction.</p> <p>Billing and Dealer Compensation Charles Machine Works invoices the Sourcewell member directly and simultaneously compensates the dealer for the sale.</p> <p>This centralized system ensures that all Sourcewell purchase orders are processed directly through Charles Machine Works, allowing us to:</p> <ul style="list-style-type: none"> Guarantee contract-compliant pricing Maintain accurate sales tracking Generate timely quarterly reports for Sourcewell Relieve dealers of administrative burdens related to invoicing and reporting <p>Our corporate team in Perry, Oklahoma manages the entire process, providing consistency, accountability, and full visibility into Sourcewell-related transactions.</p>

<p>30</p>	<p>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>	<p>As outlined in responses to Questions 25–28, Charles Machine Works maintains an extensive and specialized dealer network across North America. Each dealer branch is equipped with full-service shops, featuring specialized tools and diagnostic equipment designed to efficiently service and maintain Ditch Witch®, Subsite®, HammerHead®, and American Augers® machinery.</p> <p>Dealer locations work in close collaboration with our factory team to ensure customer equipment is repaired and returned to the job site as quickly and accurately as possible. While shop workload may influence turnaround times, our dealerships coordinate directly with factory service representatives to prioritize timely, high-quality repairs.</p> <p>Our long-standing success in the underground utility industry is rooted in a steadfast commitment to world-class service after the sale. A key example of this commitment is our Pro Technician Program, developed by the Ditch Witch organization. This comprehensive training initiative includes Bronze, Silver, and Gold certification levels, focusing exclusively on Ditch Witch products. The program ensures that our technicians are among the most knowledgeable and capable in the industry, equipped to deliver expert service and support.</p> <p>To further empower our customers, we offer a digital portal called My Ditch Witch, accessible via our website. Through this platform, customers can engage in self-guided training via Ditch Witch University, which includes:</p> <ul style="list-style-type: none"> Operational and maintenance training modules Interactive parts diagrams Owner’s manuals and service documentation <p>All available at no cost to the customer</p> <p>This combination of factory-trained technicians, certified dealer personnel, and accessible digital resources ensures that Sourcewell members receive unmatched support throughout the lifecycle of their equipment.</p>
<p>31</p>	<p>Describe your ability and willingness to provide your products and services to Sourcewell participating entities.</p>	<p>Ditch Witch® proudly pledges to support customers across the United States and Canada with comprehensive service coverage and unwavering dedication to their success.</p> <p>As stated on our website:</p> <p>“At Ditch Witch, we don’t just sell equipment. We pledge to be there when you need us—with a promise to help you be more productive, and a passion to help you be more profitable. We operate with a simple understanding: time is money.”</p> <p>With full dealer coverage throughout both countries, we are fully equipped to provide products and services to Sourcewell entities. Every authorized Ditch Witch dealer actively participates in the Sourcewell cooperative contract and views it as a strategic asset—ensuring that public-sector customers receive contract-compliant pricing, responsive support, and expert guidance.</p> <p>Our dealers are committed to delivering the highest level of service and support to all Sourcewell members, backed by factory-trained personnel, mobile service capabilities, and a shared mission to maximize customer productivity and profitability.</p>
<p>32</p>	<p>Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.</p>	<p>Charles Machine Works proudly maintains complete dealer coverage across Canada, with 46 authorized dealer locations spanning 9 provinces. This extensive network ensures that Sourcewell members throughout Canada have full access to our products, services, and support infrastructure.</p> <p>Just as in the United States, every Canadian dealer location actively participates in the Sourcewell cooperative contract when the opportunity arises. These dealers view the Sourcewell agreement as a strategic asset and are committed to delivering the highest level of service and support to all Sourcewell members.</p> <p>Canadian dealers are held to the same rigorous standards as their U.S. counterparts. Each location is equipped with Service Crane Trucks, enabling technicians to reach even the most remote areas of Canada for on-site service and repairs. This capability ensures that public-sector customers receive timely, reliable support regardless of geography.</p> <p>Our unified North American dealer network reflects our commitment to consistent service quality, contract compliance, and customer satisfaction across all regions.</p>

33	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed agreement.	<p>Charles Machine Works is fully committed to servicing all geographic areas of the United States and Canada. With an extensive network of authorized Ditch Witch® dealers strategically located across North America, we are equipped to reach every region—including remote and rural sectors—with reliable equipment delivery, service, and support.</p> <p>Coast-to-coast coverage guarantees that Sourcewell members and other public-sector entities receive consistent, high-quality service regardless of location. Our unified North American support model reflects our commitment to accessibility, reliability, and customer satisfaction.</p>	*
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.	<p>.Charles Machine Works is committed to providing full access to our solutions across all Sourcewell member sectors, including government, education, and nonprofit organizations. As noted in Question 32, our extensive dealer network spans North America, enabling us to reach every geographic region with reliable product delivery, service, and support.</p> <p>Importantly, our ability to serve Sourcewell members is not restricted by participation in other cooperative contracts. While our products may be available through third-party-administered agreements such as HGACBuy, BuyBoard, and GSA, our Sourcewell contract remains our premier cooperative partnership. It is the only contract directly awarded to Charles Machine Works, and it receives dedicated support through dealer training, marketing, and centralized administrative oversight.</p> <p>This structure ensures that all Sourcewell members receive consistent, contract-compliant access to our full range of equipment and services—regardless of location or sector.</p>	*
35	Define any specific requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	<p>Charles Machine Works affirms that there are no contract restrictions preventing Sourcewell members in Alaska or Hawaii from purchasing equipment under the Sourcewell cooperative agreement. Our dealer network and fulfillment processes are fully equipped to support customers in these regions.</p> <p>For equipment delivered to Alaska or Hawaii, additional freight charges will apply due to geographic logistics. These charges will be clearly itemized and included in the formal quote provided to the Sourcewell member prior to purchase.</p> <p>This approach ensures transparency, contract compliance, and full accessibility for Sourcewell members across all U.S. states and territories.</p>	*
36	Will Proposer extend terms of any awarded master agreement to nonprofit entities?	<p>Charles Machine Works affirms that contract terms under the Sourcewell cooperative agreement are fully extended to all eligible nonprofit entities that are Sourcewell members. This includes organizations operating in education, public health, infrastructure, and other qualifying sectors.</p> <p>Our dealer network is equipped to support nonprofit members with the same level of service, pricing, and responsiveness provided to government and educational institutions. We view nonprofit participation as a vital component of our Sourcewell partnership and are committed to ensuring equitable access to our products and services across all eligible member categories.</p>	*

Table 4: Marketing Plan (100 Points)

Line Item	Question	Response *
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<p>37</p>	<p>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.</p>	<p>Charles Machine Works is committed to actively promoting and supporting the Sourcewell cooperative purchasing contract through a comprehensive, multi-tiered marketing and outreach strategy. This approach ensures that Sourcewell members are aware of the contract, understand its benefits, and can easily access our products and services.</p> <p>Dealer Network Engagement All authorized Ditch Witch®, Subsite®, and HammerHead® dealers are trained on the Sourcewell contract and view it as a strategic asset. Dealers incorporate Sourcewell messaging into their sales presentations, customer outreach, and regional marketing efforts. Twice annually, the Ditch Witch factory distributes the Sourcewell member list by Area of Primary Responsibility (APR), enabling dealer sales teams to identify and engage directly with Sourcewell members within their territories.</p> <p>Proactive Outreach In collaboration with our dealers, we use the Sourcewell member list to pursue new business opportunities with current members. Additionally, we leverage the list to encourage nearby SLED (State, Local, and Education) agencies that are not yet members to join Sourcewell—often by highlighting neighboring municipalities that are already participating. This peer-based approach has proven effective in building trust and easing procurement concerns.</p> <p>Public Relations and Digital Marketing We will issue a formal press release announcing our Sourcewell partnership, which will be published in our online Press Room at ditchwitch.com/press-room. Additional marketing efforts will be conducted through our corporate website and digital channels, including email campaigns, social media, and dealer microsites. Our “My Ditch Witch” portal also includes contract-related training and procurement guidance.</p> <p>Sales Team Engagement Our corporate and dealer sales teams are fully immersed in the Sourcewell sales process. We strongly encourage participation in Sourcewell University training events and host dedicated breakout sessions on Sourcewell at our National Sales Meetings. Ensuring that our dealer sales managers are confident and well-versed in the contract is one of our most effective strategies, as they engage directly with Sourcewell customers on a daily basis.</p> <p>Reporting and Oversight Our internal team in Perry, Oklahoma tracks all Sourcewell-related activity and provides quarterly reports to Sourcewell. This centralized oversight ensures contract compliance, accurate reporting, and continuous improvement of our outreach efforts.</p> <p>This integrated marketing strategy reflects our commitment to maximizing contract visibility, supporting our dealer network, and delivering consistent value to Sourcewell members across North America.</p>
<p>38</p>	<p>Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.</p>	<p>Ditch Witch leverages a robust suite of digital marketing tools to enhance customer engagement, support new product launches, and reinforce our leadership in the underground utility industry. Our strategy includes:</p> <p>Social media platforms: Facebook, Twitter, LinkedIn, YouTube, and Instagram</p> <p>Smart display advertising and paid search</p> <p>Marketing automation and social sentiment tracking</p> <p>These tools allow us to maintain a strong and responsive presence in the marketplace, while delivering targeted messaging to Sourcewell members and prospects.</p> <p>Our website is designed to be both informative and interactive, offering educational content and tools that empower customers to make informed decisions. A key feature of our digital ecosystem is the My Ditch Witch portal, which enables customers to track equipment and monitor fleet performance in real time—enhancing operational efficiency and visibility.</p>

39	<p>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?</p>	<p>Charles Machine Works looks forward to a strong and collaborative partnership with Sourcewell in promoting our newly awarded cooperative purchasing contract. To help build early awareness and momentum, we respectfully request that Sourcewell announce the award via an email blast to all current members and share the news across its social media platforms.</p> <p>Throughout the duration of the agreement, we encourage Sourcewell to take a leadership role in promoting cooperative procurement and showcasing its awarded vendors. Specifically, we request that Ditch Witch® be included in all relevant Sourcewell publications, advertisements, and promotional materials that highlight available contract holders. We also support Sourcewell maintaining a visible presence at key government and industry trade shows to promote its procurement solutions and vendor partnerships.</p> <p>Ditch Witch has invested significant effort over the years to integrate Sourcewell into our sales processes across our dealer network. Today, Sourcewell is second nature to our dealer sales teams. The Sourcewell sales process is documented within our dealer portal and supported by onboarding materials, including two dedicated PowerPoint presentations that outline how to use Sourcewell as a selling tool and guide internal sales procedures.</p> <p>We also actively promote Sourcewell University and Sourcewell Sales Accelerator training opportunities. These resources are distributed to our internal Regional Sales Managers and local dealer locations, encouraging enrollment for both new and experienced salespeople. These training sessions serve as valuable tools for reinforcing contract knowledge, improving sales effectiveness, and ensuring consistent messaging across our organization.</p> <p>This integrated approach reflects our commitment to maximizing the value of the Sourcewell partnership and ensuring that public-sector customers receive the full benefit of cooperative purchasing.</p>
40	<p>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.</p>	<p>Due to the highly specialized and configurable nature of our equipment, Charles Machine Works does not offer a traditional e-procurement ordering system. Each Ditch Witch®, Subsite®, HammerHead®, and American Augers® model requires a customized quote based on application, geographic conditions, and customer-specific needs. Soil types, climate, and jobsite variables vary significantly across the United States and Canada, making personalized consultation essential.</p> <p>To ensure accurate specifications and optimal performance, we rely on our local dealer sales professionals to advise Sourcewell members on the best equipment solutions for their environment. This hands-on approach allows us to deliver tailored recommendations and maintain the high standards of productivity and reliability our customers expect.</p> <p>While a full e-commerce solution is not feasible given the complexity of our product offerings, we do actively participate in the Sourcewell Marketplace to the highest level possible. Through this platform, we provide visibility into available solutions and facilitate engagement with Sourcewell members seeking cooperative purchasing options.</p> <p>Our commitment to personalized service, combined with strategic Marketplace participation, ensures that Sourcewell members receive the right equipment, the right way—every time.</p>

Table 5A: Value-Added Attributes (100 Points, applies to Table 5A and 5B)

Line Item	Question	Response *
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<p>41</p>	<p>Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.</p>	<p>Charles Machine Works is committed to ensuring that Sourcewell members receive comprehensive operator and equipment training at no additional cost. Our training program is designed to promote safety, maximize productivity, and empower users with the knowledge needed to operate and maintain their equipment effectively.</p> <p>Delivery-Based Training At the time of equipment delivery, our authorized Ditch Witch® dealers provide hands-on operator and equipment training free of charge. This includes a walk-through of key features, operational best practices, and safety protocols tailored to the specific machine and jobsite conditions.</p> <p>Documentation and Digital Resources Each unit is delivered with a complete owner's manual, and customers also have access to service and parts manuals via our website. These resources are designed to support ongoing maintenance and troubleshooting.</p> <p>My Ditch Witch Portal and Ditch Witch University Through the My Ditch Witch portal at www.ditchwitch.com, customers can access Ditch Witch University, a robust online training platform offering:</p> <ul style="list-style-type: none"> Operational and service videos customized to specific equipment models Unlimited user access per entity, allowing every operator to follow a personalized training path Manager-level tracking tools to monitor participation and ensure operators are fully trained before using equipment <p>All digital training resources are provided free of charge to Sourcewell members.</p> <p>In-Person Maintenance Training In-person maintenance training is available on an as-needed basis and is conducted by either our authorized Ditch Witch dealers or factory representatives. This initial training is also provided at no cost to Sourcewell members and can be scheduled to accommodate customer timelines and operational needs.</p> <p>This multi-channel training approach ensures that Sourcewell members are equipped with the tools, knowledge, and support necessary to operate safely and efficiently from day one.</p>
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<p>42</p>	<p>Describe any technological advances that your proposed Solutions offer.</p>	<p>Ditch Witch® is the only manufacturer in our industry that designs and builds the majority of components used in our equipment in-house. This vertically integrated systems approach allows us to engineer and manufacture key elements—including directional drills, drill pipe, downhole tools, and electronic guidance systems—at our own facilities in Perry, Oklahoma, rather than sourcing them externally.</p> <p>This model provides a distinct advantage in quality control, innovation, and responsiveness. By owning the entire process, we can implement design improvements, address field challenges, and maintain consistent product performance more effectively than competitors who rely on third-party suppliers.</p> <p>Technological Advancements Built into Ditch Witch Equipment</p> <p>Integrated Electronic Guidance Systems Proprietary technology designed and manufactured in-house for precise directional drilling and enhanced operator control.</p> <p>Advanced Drill Pipe Engineering Custom-designed drill pipe optimized for durability, torque transmission, and seamless compatibility with Ditch Witch drills.</p> <p>Downhole Tool Innovation Purpose-built tools engineered for maximum performance across diverse soil conditions and jobsite environments.</p> <p>Smart Hydraulic Systems Intelligent hydraulic controls that improve efficiency, reduce fuel consumption, and enhance machine responsiveness.</p> <p>Real-Time Machine Monitoring Fleet tracking and performance analytics available through the My Ditch Witch portal, enabling proactive maintenance and operational insights.</p> <p>Operator-Centric Controls Ergonomically designed control stations with intuitive interfaces to reduce fatigue and improve productivity.</p> <p>Noise and Vibration Reduction Technologies Engineered systems that minimize environmental impact and enhance operator comfort during extended use.</p> <p>Telematics and Remote Diagnostics Integrated telematics for remote monitoring, diagnostics, and support—reducing downtime and improving service response times.</p> <p>Automated Maintenance Alerts Built-in systems that notify operators and fleet managers of upcoming service needs, helping extend equipment life and reduce unplanned downtime.</p> <p>Enhanced Safety Features Machine-integrated safety systems including emergency shutoffs, operator presence controls, and visibility enhancements.</p> <p>These innovations reflect our commitment to keeping Sourcewell members safe, productive, and supported with industry-leading technology and service.</p>
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<p>43</p>	<p>Describe any “green” initiatives that relate to your company or to your Solutions, and include a list of the certifying agency for each.</p>	<p>Charles Machine Works has long been committed to responsible environmental practices, and our efforts have been further strengthened since joining The Toro Company. Toro’s purpose—“to help our customers enrich the beauty, productivity, and sustainability of the land”—aligns seamlessly with our values and operations.</p> <p>Full details of Toro’s sustainability initiatives can be found in Toro’s Sustainability Endures report, which outlines the company’s long-term commitment to environmental responsibility across its global operations. That report is provided in the attachments.</p> <p>At our manufacturing facility in Perry, Oklahoma, we have implemented a wide range of “green” initiatives, including:</p> <p>Recycling Programs Regular recycling of cardboard, glass, plastic, and scrap metal.</p> <p>Waste Recovery Capture and recycling of waste oil and ethylene glycol.</p> <p>Pallet Recycling Wooden pallets are sent to the city recycling center for shredding and reuse.</p> <p>Eco-Friendly Cleaning Supplies All janitorial products used in our facility are environmentally safe.</p> <p>Green Coolants NC machines and lathes utilize non-petroleum-based, environmentally friendly coolants.</p> <p>Energy-Efficient Lighting Low-consumption fluorescent lighting throughout the plant; all parking lot lights upgraded to LED.</p> <p>Geothermal HVAC Systems Three buildings are heated and cooled using ground-source heat pumps for enhanced energy efficiency.</p> <p>Energy Management Systems Toro has implemented a centralized energy management system to monitor and optimize energy consumption across production facilities.</p> <p>Digital Documentation Transition from paper manuals to online digital versions to reduce paper usage and waste.</p> <p>Innovative Pipe Repair Technology Our HammerHead® brand introduced a revolutionary Blue Light LED system for “cure-in-place” pipe repairs—extending the life of aging infrastructure and significantly reducing landfill waste.</p> <p>These initiatives reflect our commitment to sustainability, operational efficiency, and environmental responsibility—values that are deeply embedded in our manufacturing processes and product innovation.</p>
<p>44</p>	<p>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>	<p>Ditch Witch® and our parent company, The Toro Company, have been consistently recognized for innovation, sustainability, and product excellence across the construction, landscaping, and environmental sectors. These honors reflect our commitment to engineering leadership, responsible manufacturing, and customer-focused solutions.</p> <p>Notable Awards and Achievements</p> <p>2020 Editor’s Choice Award – Green Industry Pros Ditch Witch SK3000 Full-Size Stand-On Skid Steer Honored for its innovation, performance, and impact on the green industry.</p> <p>2019 Editor’s Choice Award – Green Industry Pros Ditch Witch SK3000 Recognized for continued excellence and industry-leading design.</p> <p>2020 Recycling Demand Champion – Association of Plastic Recyclers (APR) The Toro Company Celebrated for its commitment to increasing the use of recycled plastics in manufacturing and supporting a circular economy.</p> <p>WaterSense® Excellence Award – U.S. Environmental Protection Agency The Toro Company Received for the fifth consecutive year in 2020, honoring leadership in water efficiency through education and the development of certified water-saving products.</p> <p>These accolades underscore our dedication to advancing the industry through sustainable innovation and high-performance equipment. We remain committed to delivering value to Sourcewell members through products that meet the highest standards of quality and environmental stewardship.</p>

<p>45</p>	<p>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>	<p>Our Commitment to Quality, Innovation, and Customer Success At Ditch Witch®, we don't just sell equipment—we make a pledge to our customers:</p> <p>"We pledge to be there when you need us. With a promise to help you be more productive. A passion to help you be more profitable. And the simple understanding that time is money."</p> <p>This philosophy is embedded in every aspect of our operations—from product design to post-sale support.</p> <p>A Systems Approach to Manufacturing Ditch Witch is the only manufacturer in our industry that designs and builds the majority of its equipment components in-house. This vertically integrated model allows us to engineer and produce key elements—including directional drills, drill pipe, downhole tools, and electronic guidance systems—at our own facilities in Perry, Oklahoma.</p> <p>Unlike competitors who rely on third-party suppliers, our systems approach enables us to:</p> <ul style="list-style-type: none"> Ensure superior product quality through component-level design integration Rapidly implement design improvements in response to customer feedback Deliver a cohesive and reliable product experience across all equipment platforms <p>For example, we manufacture not only our directional drills, but also the drill pipe and tracking electronics that accompany them—ensuring seamless compatibility and performance. We also produce our own tanks and trailers for vacuum excavation systems, further differentiating us from manufacturers who outsource critical components.</p> <p>Industry-Leading Service and Support Our commitment to excellence extends beyond manufacturing. The Ditch Witch Pro Technician Program is a cornerstone of our service strategy. Developed in-house, this comprehensive training initiative includes Bronze, Silver, and Gold certification levels, each focused exclusively on Ditch Witch products.</p> <p>This ensures that our factory-trained technicians are among the most knowledgeable and capable in the industry—delivering expert service and support that keeps our customers productive and operational.</p> <p>Together, our manufacturing philosophy and service infrastructure reflect a deep commitment to customer success, product reliability, and long-term value for Sourcewell members and public-sector partners.</p>
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Table 5B: Value-Added Attributes

Line Item	Question	Certification	Offered	Comment
46	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 resellers if available. Select all that apply.		<input type="radio"/> Yes <input checked="" type="radio"/> No	<p>While we do not have any dealers that we are aware of with certifications in these categories we do have two dealers that have a female majority ownership and several others with non-majority female ownership. We also have other dealers that are veterans but are not certified as Veteran owned corporations.</p> <p>At The Toro Company and The Charles Machine Works, we are rooted in unity. Our focus is on nurturing an inclusive community where together everyone can thrive – our colleagues, customers, partners and communities.</p> <ul style="list-style-type: none"> • How our team members embrace their strengths and leverage their unique experiences to address emerging challenges and drive purposeful innovation. • How we recognize the cultures and backgrounds of hard-working people who enrich our world with beauty and utility each day. • How we propel inclusivity within our industries, utilizing our longstanding history to create lasting generational impact. Our world advances through the vision of those who build, shape and care for it – and we're committed to elevating those voices to drive groundbreaking sustainable solutions. Together, we can cultivate a company culture and industry reputation that embodies collaboration and fosters an authentic sense of belonging for all.
47		Minority Business Enterprise (MBE)	<input type="radio"/> Yes <input checked="" type="radio"/> No	Toro is an Equal Opportunity Employer. We consider all qualified applicants based on merit and do not discriminate on the basis of race, color, religion, sex (including pregnancy, gender identity, and sexual orientation), parental status, national origin, age, disability, genetic information, military service, or other non-merit-based factors. We are committed to creating a welcoming environment for all employees.
48		Women Business Enterprise (WBE)	<input type="radio"/> Yes <input checked="" type="radio"/> No	NA - See Question 47
49		Disabled-Owned Business Enterprise (DOBE)	<input type="radio"/> Yes <input checked="" type="radio"/> No	NA - See Question 47
50		Veteran-Owned Business Enterprise (VBE)	<input type="radio"/> Yes <input checked="" type="radio"/> No	NA - See Question 47
51		Service-Disabled Veteran-Owned Business (SDVOB)	<input type="radio"/> Yes <input checked="" type="radio"/> No	NA - See Question 47
52		Small Business Enterprise (SBE)	<input type="radio"/> Yes <input checked="" type="radio"/> No	NA - See Question 47
53		Small Disadvantaged Business (SDB)	<input type="radio"/> Yes <input checked="" type="radio"/> No	NA - See Question 47
54		Women-Owned Small Business (WOSB)	<input type="radio"/> Yes <input checked="" type="radio"/> No	NA - See Question 47

Table 6A: Pricing (400 Points, applies to Table 6A and 6B)

Provide detailed pricing information in the questions that follow below.

Line Item	Question	Response *

55	Describe your payment terms and accepted payment methods.	<p>Charles Machine Works, Inc. offers the following payment terms for purchases made under the Sourcewell cooperative contract:</p> <p>Net 30 payment terms apply to all invoiced transactions.</p> <p>We accept payment via check or ACH wire transfer.</p> <p>These terms are designed to align with standard public-sector procurement practices and ensure a smooth, transparent transaction process for Sourcewell members.</p>	*
56	Describe any leasing or financing options available for use by educational or governmental entities.	<p>Ditch Witch® Dealers offer a comprehensive suite of leasing and conditional finance programs designed to meet the diverse needs of Sourcewell members and public-sector customers. These programs provide flexible options for equipment acquisition while supporting budgetary planning and operational efficiency.</p> <p>Lease Terms and Structure Available lease durations: 24, 36, 48, and 60 months</p> <p>Lease index rates for 24-, 36-, and 48-month terms are based on the 3-, 4-, and 5-year published swap rates from the Board of Governors of the Federal Reserve System and are adjusted quarterly</p> <p>The standard lease offered by Ditch Witch Financial Services (DWFS) is a purchase option lease, not a fair market value lease</p> <p>Residual values are determined prior to contract execution, ensuring transparency and predictability</p> <p>Financial Services Provider Ditch Witch Financial Services (DWFS) operates as a private label group under the Bank of Montreal, offering trusted financial solutions backed by a leading North American financial institution.</p> <p>These leasing options are available through our authorized dealer network and are structured to support Sourcewell members with competitive terms, clear documentation, and responsive service.</p>	*
57	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.	<p>Charles Machine Works ensures a streamlined and transparent procurement experience for Sourcewell members. Our process is designed to maintain contract compliance, simplify transactions, and provide clear documentation at every step.</p> <p>Quotation Upon request, we will provide Sourcewell members with an authorized price quote for any Ditch Witch® product covered under the Sourcewell cooperative contract. Quotes are prepared by our internal Global Account team and reflect contract-compliant pricing.</p> <p>Purchase Order Acceptance We accept a standard Purchase Order from the Sourcewell member, made out to Charles Machine Works, Inc. This ensures direct engagement with the manufacturer and centralized contract oversight.</p> <p>Delivery and Documentation Once the unit is delivered by the local servicing dealer, the customer is asked to sign a delivery receipt, confirming that the product has been received as ordered. This receipt serves as official documentation of delivery and is submitted to the factory.</p> <p>Invoicing Following delivery confirmation, Charles Machine Works will issue a standard invoice to the Sourcewell member. Sample invoice copies are attached to this proposal for reference.</p> <p>This process ensures accurate pricing, proper documentation, and a consistent experience for Sourcewell members across all regions. Sample copies are attached.</p>	*

58	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell participating entities for using this process?	<p>At this time, Charles Machine Works does not accept Purchasing Card (P-Card) payments under the Sourcewell cooperative contract. However, we reserve the right to initiate acceptance of P-Cards at a future date, should we determine that this payment method aligns with our operational and customer service goals.</p> <p>We remain committed to providing flexible and compliant payment options for Sourcewell members and will evaluate P-Card acceptance as part of our ongoing contract support strategy.</p>	*
59	Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response.	<p>Charles Machine Works utilizes a discount-from-MSRP pricing model for all products offered under the Sourcewell cooperative contract. A complete list of equipment and corresponding Manufacturer's Stated Retail Prices (MSRP) is attached to this proposal for reference.</p> <p>U.S. Pricing Sourcewell members in the United States receive contract pricing based on a percentage discount off MSRP, applied consistently across all eligible products.</p> <p>Canadian Pricing To account for customs fees, cross-border logistics, and associated costs, Sourcewell members in Canada will receive a discount that is 2% lower than the U.S. discount rate. This adjustment ensures transparent pricing while maintaining contract compliance and service coverage throughout Canada.</p> <p>Detailed price lists by model are included in the RFP submission to support accurate quoting and procurement planning.</p> <p>Attached are Price Lists by model.</p> <p>This is the most aggressive pricing that The Charles Machine Works, Inc. offers to Cooperative Procurement organizations, state purchasing entities, municipalities, universities or school districts.</p>	*
60	Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range.	<p>Under the Sourcewell cooperative purchasing contract, Ditch Witch® is offering discounts of up to 10% off the Manufacturer's Stated Retail Price (MSRP) on all eligible equipment, including: Ditch Witch®, HammerHead®, American Augers® and Subsite® Electronics.</p> <p>These discounts are outlined in the attached pricing sheets, which detail specific rates by model. In many cases, the Sourcewell contract pricing reflects more favorable terms than those offered to other customers, reinforcing our commitment to public-sector value and transparency.</p> <p>This pricing model ensures that Sourcewell members receive competitive, contract-compliant pricing across our full product portfolio, supported by our nationwide dealer network and factory-direct service infrastructure.</p> <p>This is the most aggressive pricing that The Charles Machine Works, Inc. offers to Cooperative Procurement organizations, state purchasing entities, municipalities, universities or school districts.</p>	*

61	Describe any quantity or volume discounts or rebate programs that you offer.	<p>Volume Pricing and Dealer Discretion</p> <p>Charles Machine Works considers all Sourcewell members to corporately qualify for high-volume pricing advantages under the awarded cooperative contract. As such, we offer best pricing up front on all Ditch Witch®, HammerHead®, American Augers®, and Subsite® equipment—eliminating the need for additional volume-based discounts or rebates.</p> <p>This approach ensures:</p> <ul style="list-style-type: none"> Transparent and consistent pricing for all Sourcewell members Simplified procurement without the need for negotiation or tiered pricing structures Full alignment with Sourcewell's commitment to equitable access and contract compliance <p>While our corporate pricing is standardized, local authorized dealers may, at their discretion, offer special pricing to remain competitive in their regional markets. Any such pricing will always remain below the Sourcewell contract price, ensuring that members continue to receive the most favorable terms available.</p> <p>This model reflects our commitment to fairness, simplicity, and value across all Sourcewell member sectors.</p>
62	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.	<p>Charles Machine Works recognizes that Sourcewell members may occasionally require accessories or complementary products not manufactured by Ditch Witch®, HammerHead®, American Augers®, or Subsite®. To support these needs, we offer a flexible approach to sourcing third-party items through our authorized dealer network.</p> <p>Local Dealer Sourcing Sourced products will be provided locally through the delivering dealer. The dealer will prepare a separate quote for the non-Ditch Witch item and, if approved by the customer, the sourced product quote will be bundled with the Sourcewell equipment quote for convenience.</p> <p>Customer Choice and Transparency Sourcewell members retain full discretion to:</p> <ul style="list-style-type: none"> Accept the sourced product quote and proceed with a bundled purchase Decline the sourced item and purchase only the approved Sourcewell equipment Independently procure the sourced item from a brand or vendor of their choosing <p>This approach ensures transparency, customer autonomy, and compliance with Sourcewell's cooperative purchasing guidelines. All sourced product pricing is handled at the dealer level and is not governed by the Sourcewell contract.</p>
63	Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.	<p>Installation Charges for Optional Features Certain optional features on Ditch Witch® equipment may require professional installation by our authorized dealer network. When applicable, installation charges for these features will be:</p> <ul style="list-style-type: none"> Clearly itemized on the Sourcewell customer's quote Fully disclosed prior to order confirmation Performed by trained technicians to ensure proper integration and performance <p>This transparent approach ensures that Sourcewell members are fully informed of any additional costs associated with optional configurations and can make procurement decisions with confidence.</p>

<p>64</p>	<p>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>	<p>Freight and Delivery Policy All products purchased under the Sourcewell cooperative contract are shipped from our manufacturing facility in Perry, Oklahoma to the local authorized Ditch Witch® dealer responsible for final delivery to the Sourcewell member.</p> <p>Freight Charges and Transparency A detailed freight matrix is attached, outlining current shipping rates to each geographic region of the United States and Canada. Freight charges are subject to change throughout the life of the contract to reflect market conditions and logistics updates.</p> <p>All freight charges are clearly itemized on the final quote provided to the Sourcewell customer prior to order placement, ensuring full transparency and informed decision-making.</p> <p>Freight to Hawaii and Alaska will be quoted separately on a case-by-case basis, accounting for regional logistics and delivery requirements.</p> <p>Dealer Delivery The local authorized dealer does not charge freight or delivery fees for final delivery from the dealership to the Sourcewell member.</p> <p>In certain instances, Sourcewell members may choose to take delivery from existing dealer inventory. Such inventory is subject to the same freight charges as new production orders shipped from the factory.</p> <p>This policy ensures consistent pricing, reliable delivery logistics, and a transparent procurement experience for Sourcewell members across all regions.</p>
<p>65</p>	<p>Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.</p>	<p>Canada All products shipped to Sourcewell members in Canada are subject to freight charges as outlined in the attached freight matrix. These rates reflect current cross-border logistics and are adjusted to account for customs fees and associated import costs.</p> <p>Canadian freight rates are listed in response to Question #61 of this proposal.</p> <p>Freight charges for Canadian deliveries are clearly itemized on the final quote provided to the Sourcewell customer prior to order placement.</p> <p>Canadian pricing also reflects a 2% discount adjustment compared to U.S. pricing to accommodate international shipping and customs-related expenses.</p> <p>Hawaii Due to significant variability in shipping costs to Hawaii over the past 18 months, freight charges for deliveries to Sourcewell members in Hawaii will be quoted separately on a case-by-case basis.</p> <p>These quotes will reflect current market conditions and transportation logistics.</p> <p>All freight charges for Hawaiian deliveries will be clearly listed on the final quote prior to order placement.</p> <p>This targeted freight policy ensures transparency and accurate cost forecasting for Sourcewell members in both Canada and Hawaii.</p> <p>All freight charges will be listed on the final quote provided to all Sourcewell customers prior to their placement of the order to Ditch Witch.</p>

<p>66</p>	<p>Describe any unique distribution and/or delivery methods or options offered in your proposal.</p>	<p>Pre-Delivery Inspection and Delivery Protocol All equipment provided under the Sourcewell cooperative contract will receive a comprehensive Pre-Delivery Inspection (PDI) performed by the authorized Ditch Witch® dealer prior to final delivery. This inspection ensures that each unit meets Ditch Witch's operational standards and is ready for immediate use.</p> <p>Multi-Point Inspection The PDI includes a multi-point inspection of key components to verify functionality, safety, and compliance with Ditch Witch specifications. This process ensures that the equipment is delivered in optimal working condition.</p> <p>Delivery Checklist and Customer Orientation At the time of delivery, the dealer will review a delivery checklist with the Sourcewell member to confirm that all essential items and procedures have been covered. This includes:</p> <p>Provision of an operator's manual for each machine</p> <p>Explanation of the standard limited warranty</p> <p>Contact information for dealer service and parts personnel</p> <p>Optional operator training, provided at delivery as needed</p> <p>This hands-on approach ensures that Sourcewell members are fully informed, supported, and equipped to operate their new equipment safely and effectively from day one.</p>
<p>67</p>	<p>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>	<p>To ensure full contract compliance and pricing integrity, Charles Machine Works has implemented a centralized quoting, ordering, and reporting process for all Sourcewell transactions. This structure removes the dealer from pricing decisions and guarantees that Sourcewell members receive accurate, contract-aligned pricing and documentation.</p> <p>Quoting All Sourcewell quotes are generated by the Ditch Witch® factory, not by independent dealers.</p> <p>Quotes are issued on an official Ditch Witch quote form (sample attached), ensuring consistency and contract alignment.</p> <p>Purchase Orders All purchase orders for Sourcewell equipment must be issued to The Charles Machine Works, not to the servicing dealer.</p> <p>This ensures that the PO matches the official factory quote and maintains contract pricing integrity.</p> <p>Invoicing and Payment Invoices are issued directly by The Charles Machine Works to the Sourcewell member.</p> <p>Payments are made to The Charles Machine Works, streamlining financial processing and ensuring centralized tracking.</p> <p>Sales Tracking and Reporting Each Sourcewell sale is tracked in our internal sales system by customer member number, allowing for precise recordkeeping.</p> <p>We generate quarterly reports from our sales accounting system to verify that:</p> <p>All Sourcewell transactions are priced correctly</p> <p>Each sale is properly reported to Sourcewell</p> <p>The administrative fee is calculated and remitted accurately</p> <p>This process ensures transparency, accountability, and full alignment with Sourcewell's cooperative purchasing requirements—while providing Sourcewell members with a seamless and compliant procurement experience.</p>

68	<p>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.</p>	<p>Charles Machine Works maintains a rigorous internal reporting process to ensure transparency, compliance, and strategic alignment with the Sourcewell cooperative contract.</p> <p>We provide monthly sales reports detailing Sourcewell-related activity to our internal stakeholders and executive management. These reports include:</p> <ul style="list-style-type: none"> Sourcewell member transactions by dealer. Equipment models and quantities purchased Pricing validation against contract terms Freight and administrative fee tracking Dealer delivery coordination and status updates <p>This reporting structure enables us to monitor contract performance, identify trends, and ensure that all Sourcewell transactions are accurately documented and compliant. A sample report is attached for reference.</p>
69	<p>Provide a proposed Administration Fee payable to Sourcewell. The Fee is in consideration for the support and services provided by Sourcewell. The proposed 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.</p>	<p>Charles Machine Works, Inc. proposes to pay Sourcewell an administrative fee of 2% on the contract sales price of each machine, excluding freight and setup charges.</p> <p>The 2% fee applies only to the equipment portion of the invoice.</p> <p>Freight and setup charges are excluded, as these are typically pass-through costs with no margin applied by Ditch Witch®.</p> <p>This fee structure ensures accurate reporting and fair compensation to Sourcewell while maintaining transparency in pricing.</p> <p>All qualifying sales under the Sourcewell contract are tracked internally by customer member number, and reported quarterly to Sourcewell to ensure proper fee calculation and remittance.</p>

Table 6B: Pricing Offered

Line Item	The Pricing Offered in this Proposal is: *	Comments
70	<p>The pricing offered is as good as or better than pricing typically offered through existing cooperative contracts, state contracts, or agencies.</p>	<p>We are proud to offer exclusive upfront discounts from MSRP to Sourcewell members—pricing that is not typically available to any other customer segment.</p> <p>This preferential pricing reflects our recognition of Sourcewell’s aggregated purchasing power and our commitment to supporting public-sector procurement with transparent, high-value solutions. It ensures that Sourcewell members receive best pricing without the need for negotiation or volume-based incentives, streamlining the procurement process and reinforcing contract integrity.</p> <p>Price file is attached. It is very large. Allow time for processor to open the file.</p>

Table 7A: Depth and Breadth of Offered Solutions (200 Points, applies to Table 7A and 7B)

Line Item	Question	Response *
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<p>71</p>	<p>Provide a detailed description of all the Solutions offered, including used solutions if applicable, offered in the proposal.</p>	<p>Under the Sourcewell cooperative contract, Charles Machine Works is proud to offer the complete line of equipment and technology solutions from our family of brands, including Ditch Witch®, Subsite®, HammerHead®, and American Augers®. These products are available through our extensive authorized dealer network, ensuring nationwide coverage and expert support.</p> <p>Available Product Categories Ditch Witch® Equipment</p> <p>Pedestrian and ride-on trenchers</p> <p>Vibratory plows</p> <p>Compact utility products</p> <p>Stand-on track loaders and attachments</p> <p>Directional drills</p> <p>Vacuum excavation systems</p> <p>Micro trenching solutions</p> <p>Subsite® Electronics</p> <p>Pipe and cable locators</p> <p>Electronic tracking and guidance systems</p> <p>HammerHead® Trenchless Solutions</p> <p>Pneumatic piercing tools</p> <p>Pipe bursting systems</p> <p>Point repair technologies</p> <p>American Augers® Equipment</p> <p>Large-scale drilling rigs and fluid management systems</p> <p>All equipment listed above is supported by our dealer network and eligible for Sourcewell contract pricing. For detailed pricing and model availability, please refer to the attached pricing sheets and current product lists included in this proposal.</p>
<p>72</p>	<p>Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.</p>	<p>Ditch Witch® Utility Trailers Ditch Witch® Utility Trailers are purpose-built for the exclusive transportation of Ditch Witch walk-behind trenching models. These trailers are engineered to ensure safe, secure, and efficient transport of trenchers from jobsite to jobsite, supporting operational readiness and equipment longevity.</p> <p>Key features include:</p> <p>Custom-fit design for Ditch Witch pedestrian trenchers</p> <p>Durable construction to withstand rugged field conditions</p> <p>Optimized loading and tie-down systems for secure transport</p> <p>Compatibility with standard towing configurations</p> <p>These trailers are only available through our authorized dealer network and are included in the Sourcewell contract offering.</p>

<p>73</p>	<p>Describe in detail warranties offered and how they will be administered, including if they cover all products, parts, labor, technician travel, and geographic regions covered.</p>	<p>Warranty Coverage and Service Support Charles Machine Works provides a standard one-year factory warranty on all equipment offered under the Sourcewell cooperative contract. This warranty covers failures in material and workmanship, excluding normal wear items. All parts and labor associated with warrantable failures are included at no additional cost to the Sourcewell member.</p> <p>Maintenance Responsibility Sourcewell members are responsible for performing all routine maintenance and adjustments as outlined in the operator's manual for each model. Failure to perform required maintenance may result in denial of warranty coverage for components affected by neglect or improper care.</p> <p>Warranty Exclusions The following items and conditions are excluded from warranty coverage:</p> <p>Incidental or consequential damages</p> <p>Defects, damages, or injuries caused by misuse, abuse, improper installation, alteration, or neglect</p> <p>Issues resulting from improper training, operation, or servicing inconsistent with manufacturer recommendations</p> <p>Engines and engine accessories (covered under the original manufacturer's warranty) *</p> <p>Tires, belts, and other components subject to third-party warranties (available to the purchaser as applicable)</p> <p>A copy of our limited warranty is included in the attached Owner's Manual, which accompanies each machine at the time of delivery.</p> <p>Nationwide Service Network Charles Machine Works supports Sourcewell members through a comprehensive dealer network that spans the United States and Canada. This includes:</p> <p>Over 600 factory-trained technicians</p> <p>Brick-and-mortar service locations</p> <p>Mobile service trucks for on-site repairs and diagnostics</p> <p>In the event that a service truck must be dispatched, we compensate our dealers for travel distances up to 400 miles, ensuring responsive support regardless of location.</p> <p>This warranty and service infrastructure reflects our commitment to product reliability, customer satisfaction, and long-term value for Sourcewell members.</p> <p>A copy of our standard warranty is attached for reference.</p>
<p>74</p>	<p>Describe any service contract options or extended warranties being offered with your proposal.</p>	<p>Extended Warranty and Service Contract Options In addition to our standard one-year factory warranty, Ditch Witch® offers extended warranty coverage for up to two additional years, providing Sourcewell members with enhanced protection and peace of mind.</p> <p>Factory Extended Warranty Available for purchase at the time of delivery</p> <p>Covers failures in material and workmanship beyond the standard warranty period</p> <p>No discounts are offered on extended warranty pricing</p> <p>Can be added to the official quote and invoice as a "sourced" item, similar to third-party accessories *</p> <p>Dealer-Offered Service Contracts Authorized Ditch Witch dealers may also offer local service contracts to Sourcewell members. These agreements:</p> <p>Are offered at dealer discretion</p> <p>May include routine maintenance, inspections, or priority service</p> <p>Are quoted and invoiced as locally sourced items, separate from the factory warranty</p> <p>These options provide Sourcewell members with flexible coverage solutions tailored to their operational needs and regional support preferences.</p>

Table 7B: 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	Aerial lifts, towers, buckets, and platforms of all types, such as telescopic, articulated, mast, boom, etc.	<input type="radio"/> Yes <input checked="" type="radio"/> No	Charles Machine Works specializes in ground-engaging and underground construction equipment, offering a comprehensive lineup of solutions designed to support the full scope of underground utility installation. This specialization allows us to deliver purpose-built equipment that meets the demands of utility contractors, municipalities, and public-sector agencies—backed by our nationwide dealer network and industry-leading support.
76	Digger derricks	<input type="radio"/> Yes <input checked="" type="radio"/> No	Charles Machine Works specializes in ground-engaging and underground construction equipment, offering a comprehensive lineup of solutions designed to support the full scope of underground utility installation. This specialization allows us to deliver purpose-built equipment that meets the demands of utility contractors, municipalities, and public-sector agencies—backed by our nationwide dealer network and industry-leading support.
77	Cable placing, pulling, and tensioning equipment	<input checked="" type="radio"/> Yes <input type="radio"/> No	Ditch Witch® directional drills, vibratory plows, micro trenchers, and ride-on trenchers are all designed for cable placing and pulling. HammerHead® products also support underground cable pulling and tensioning, offering versatile solutions for utility installation.
78	Directional drills, trenchless excavation equipment, thrust and boring machines, soil piercing tools, trenchers, rock wheels, and pile drivers	<input checked="" type="radio"/> Yes <input type="radio"/> No	Charles Machine Works offers all listed equipment categories under the Sourcewell contract except pile drivers. We are an industry leader in Directional drills, Trenchless excavation equipment, Thrust and boring machines, Soil piercing tools, Trenchers and Rock wheels. These products are engineered to support underground utility installation and infrastructure development, backed by our nationwide dealer network and expert service capabilities.
79	Accessories, supplies, replacement parts, and services; utility locating equipment; related to the offering of the solutions in subsections 75 - 78 above	<input checked="" type="radio"/> Yes <input type="radio"/> No	Charles Machine Works offers a full range of accessories, supplies, and utility locating equipment, all manufactured in-house and available under the Sourcewell cooperative contract. While parts and service are not covered by the contract, they are readily available through our authorized dealer network at local prevailing rates. This ensures Sourcewell members have access to responsive support and genuine components throughout the life of their equipment.

Exceptions to Terms, Conditions, or Specifications Form

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

Documents

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

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.
2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.
3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.
4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as "Marketing Plan."
 - [Pricing](#) - Ditch Witch Pricing and Warranty Info.zip - Wednesday September 03, 2025 15:22:31
 - [Financial Strength and Stability](#) - The Toro Company Full-Year Fiscal 2024 Financial Results.pdf - Tuesday August 05, 2025 08:39:22
 - [Marketing Plan/Samples](#) - Marketing Documents - Samples.zip - Wednesday September 03, 2025 15:34:14
 - WMBE/MBE/SBE or Related Certificates (optional)
 - [Standard Transaction Document Samples](#) - Transaction Document Samples-Quote through Delivery.zip - Wednesday September 03, 2025 15:30:12
 - [Requested Exceptions](#) - RFP_091125_Public_Utility_Equipment_Master_Agreement MD red.docx - Tuesday August 05, 2025 08:34:50
 - [Upload Additional Document](#) - Dealer Lists&Maps - Training - COI - My Ditch Witch.zip - Wednesday September 03, 2025 15:57:16

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. - Mike Spillars, Global Accounts Sales Manager, The Charles Machine Works, 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_1_Public_Utility_Equipment_RFP_091125 Mon August 4 2025 05:46 PM	<input checked="" type="checkbox"/>	1