

**Solicitation Number: RFP #031721****CONTRACT**

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and Morbark LLC, 8507 S. Winn Road, P.O. Box 1000, Winn, MI 48896 (Vendor).

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

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

1. TERM OF CONTRACT

- A. **EFFECTIVE DATE.** This Contract is effective upon the date of the final signature below.
- B. **EXPIRATION DATE AND EXTENSION.** This Contract expires May 7, 2025, unless it is cancelled sooner pursuant to Article 22. This Contract may be extended up to one additional one-year period upon request of Sourcewell and with written agreement by Vendor.
- C. **SURVIVAL OF TERMS.** Articles 11 through 14 survive the expiration or cancellation of this Contract.

2. EQUIPMENT, PRODUCTS, OR SERVICES

- A. **EQUIPMENT, PRODUCTS, OR SERVICES.** Vendor will provide the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above. Vendor's Equipment, Products, or Services Proposal (Proposal) is attached and incorporated into this Contract.

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

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

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

C. **DEALERS, DISTRIBUTORS, AND/OR RESELLERS.** Upon Contract execution, Vendor will make available to Sourcewell a means to validate or authenticate Vendor's authorized dealers, distributors, and/or resellers relative to the Equipment, Products, and Services related to this Contract. This list may be updated from time-to-time and is incorporated into this Contract by reference. It is the Vendor's responsibility to ensure Sourcewell receives the most current version of this list.

3. PRICING

All Equipment, Products, or Services under this Contract will be priced as stated in Vendor's Proposal.

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

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

A. **SHIPPING AND SHIPPING COSTS.** All delivered Equipment and Products must be properly packaged. Damaged Equipment and Products may be rejected. If the damage is not readily apparent at the time of delivery, Vendor must permit the Equipment and Products to be returned within a reasonable time at no cost to Sourcewell or its Participating Entities. Participating Entities reserve the right to inspect the Equipment and Products at a reasonable

time after delivery where circumstances or conditions prevent effective inspection of the Equipment and Products at the time of delivery.

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

Sourcwell may declare the Vendor in breach of this Contract if the Vendor intentionally delivers substandard or inferior Equipment or Products. In the event of the delivery of nonconforming Equipment and Products, the Participating Entity will notify the Vendor as soon as possible and the Vendor will replace nonconforming Equipment and Products with conforming Equipment and Products that are acceptable to the Participating Entity.

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

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

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

4. PRODUCT AND PRICING CHANGE REQUESTS

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

- Identify the applicable Sourcwell contract number;
- Clearly specify the requested change;
- Provide sufficient detail to justify the requested change;
- Individually list all Equipment, Products, or Services affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
- Include a complete restatement of pricing documentation in Microsoft Excel with the effective date of the modified pricing, or product addition or deletion. The new pricing

restatement must include all Equipment, Products, and Services offered, even for those items where pricing remains unchanged.

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

5. PARTICIPATION, CONTRACT ACCESS, AND PARTICIPATING ENTITY REQUIREMENTS

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

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

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

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

6. PARTICIPATING ENTITY USE AND PURCHASING

A. ORDERS AND PAYMENT. To access the contracted Equipment, Products, or Services under this Contract, a Participating Entity must clearly indicate to Vendor that it intends to access this Contract; however, order flow and procedure will be developed jointly between Sourcewell and Vendor. Typically, a Participating Entity will issue an order directly to Vendor. If a Participating Entity issues a purchase order, it may use its own forms, but the purchase order should clearly note the applicable Sourcewell contract number. All Participating Entity orders under this Contract must be issued prior to expiration of this Contract; however, Vendor performance, Participating Entity payment, and any applicable warranty periods or other Vendor or Participating Entity obligations may extend beyond the term of this Contract.

Vendor's acceptable forms of payment are included in Attachment A. Participating Entities will be solely responsible for payment and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

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

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

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

1. The Participating Entity fails to receive funding or appropriation from its governing body at levels sufficient to pay for the goods to be purchased;
2. Federal, state, or provincial laws or regulations prohibit the purchase or change the Participating Entity's requirements; or
3. Vendor commits any material breach of this Contract or the additional terms agreed to between the Vendor and a Participating Entity.

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

7. CUSTOMER SERVICE

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

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

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

8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT

A. CONTRACT SALES ACTIVITY REPORT. Each calendar quarter, Vendor must provide a contract sales activity report (Report) to the Sourcwell Contract Administrator assigned to this Contract. A Report must be provided regardless of the number or amount of sales during that quarter (i.e., if there are no sales, Vendor must submit a report indicating no sales were made).

The Report must contain the following fields:

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

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

The Vendor will submit payment to Sourcwell for the percentage of administrative fee stated in the Proposal multiplied by the total sales of all Equipment, Products, and Services purchased by Participating Entities under this Contract during each calendar quarter. Payments should note the Vendor's name and Sourcwell-assigned contract number in the memo; and must be mailed to the address above "Attn: Accounts Receivable" or remitted electronically to Sourcwell's banking institution per Sourcwell's Finance department instructions. Payments must be received no later than 45 calendar days after the end of each calendar quarter.

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

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

9. AUTHORIZED REPRESENTATIVE

Sourcewell's Authorized Representative is its Chief Procurement Officer.

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

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

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

B. **ASSIGNMENT.** Neither the Vendor nor Sourcewell may assign or transfer any rights or obligations under this Contract without the prior consent of the parties and a fully executed assignment agreement. Such consent will not be unreasonably withheld.

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

D. **WAIVER.** If either party fails to enforce any provision of this Contract, that failure does not waive the provision or the right to enforce it.

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

F. **RELATIONSHIP OF THE PARTIES.** The relationship of the parties is one of independent contractors, each free to exercise judgment and discretion with regard to the conduct of their

respective businesses. This Contract does not create a partnership, joint venture, or any other relationship such as master-servant, or principal-agent.

11. LIABILITY

Vendor must indemnify, save, and hold Sourcewell and its Participating Entities, including their agents and employees, harmless from any claims or causes of action, including attorneys' fees, arising out of the performance of this Contract by the Vendor or its agents or employees; this indemnification includes injury or death to person(s) or property alleged to have been caused by some defect in the Equipment, Products, or Services under this Contract to the extent the Equipment, Product, or Service has been used according to its specifications.

12. GOVERNMENT DATA PRACTICES

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

If the Vendor receives a request to release the data referred to in this article, the Vendor must immediately notify Sourcewell and Sourcewell will assist with how the Vendor should respond to the request.

13. INTELLECTUAL PROPERTY, PUBLICITY, MARKETING, AND ENDORSEMENT

A. INTELLECTUAL PROPERTY

1. *Grant of License.* During the term of this Contract:
 - a. Sourcewell grants to Vendor a royalty-free, worldwide, non-exclusive right and license to use the Trademark(s) provided to Vendor by Sourcewell in advertising and promotional materials for the purpose of marketing Sourcewell's relationship with Vendor.
 - b. Vendor grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Vendor's Trademarks in advertising and promotional materials for the purpose of marketing Vendor's relationship with Sourcewell.
2. *Limited Right of Sublicense.* The right and license granted herein includes a limited right of each party to grant sublicenses to its and their respective distributors, marketing representatives, and agents (collectively "Permitted Sublicensees") in advertising and promotional materials for the purpose of marketing the Parties' relationship to Participating Entities. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this Article by any of their respective sublicensees.
3. *Use; Quality Control.*

- a. Sourcewell must not alter Vendor's Trademarks from the form provided by Vendor and must comply with Vendor's removal requests as to specific uses of its trademarks or logos.
 - b. Vendor must not alter Sourcewell's Trademarks from the form provided by Sourcewell and must comply with Sourcewell's removal requests as to specific uses of its trademarks or logos.
 - c. Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party's Trademarks only in good faith and in a dignified manner consistent with such party's use of the Trademarks. Upon written notice to the breaching party, the breaching party has 30 days of the date of the written notice to cure the breach or the license will be terminated.
4. As applicable, Vendor agrees to indemnify and hold harmless Sourcewell and its Participating Entities against any and all suits, claims, judgments, and costs instituted or recovered against Sourcewell or Participating Entities by any person on account of the use of any Equipment or Products by Sourcewell or its Participating Entities supplied by Vendor in violation of applicable patent or copyright laws.
5. *Termination.* Upon the termination of this Contract for any reason, each party, including Permitted Sublicensees, will have 30 days to remove all Trademarks from signage, websites, and the like bearing the other party's name or logo (excepting Sourcewell's pre-printed catalog of vendors which may be used until the next printing). Vendor must return all marketing and promotional materials, including signage, provided by Sourcewell, or dispose of it according to Sourcewell's written directions.

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

C. **MARKETING.** Any direct advertising, marketing, or offers with Participating Entities must be approved by Sourcewell. Materials should be sent to the Sourcewell Contract Administrator assigned to this Contract.

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

14. GOVERNING LAW, JURISDICTION, AND VENUE

Minnesota law governs this Contract. Venue for all legal proceedings out of this Contract, or its breach, must be in the appropriate state court in Todd County or federal court in Fergus Falls, Minnesota.

15. FORCE MAJEURE

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

16. SEVERABILITY

If any provision of this Contract is found to be illegal, unenforceable, or void then both Sourcewell and Vendor will be relieved of all obligations arising under such provisions. If the remainder of this Contract is capable of performance, it will not be affected by such declaration or finding and must be fully performed.

17. PERFORMANCE, DEFAULT, AND REMEDIES

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

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

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

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

Written notice of default and a reasonable opportunity to cure must be issued by the party claiming default. Time allowed for cure will not diminish or eliminate any liability for liquidated or other damages. If the default remains after the opportunity for cure, the non-defaulting party may:

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

18. INSURANCE

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

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

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

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

Minimum limits:

\$500,000 each accident for bodily injury by accident

\$500,000 policy limit for bodily injury by disease

\$500,000 each employee for bodily injury by disease

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

Minimum Limits:

\$1,000,000 each occurrence Bodily Injury and Property Damage

\$1,000,000 Personal and Advertising Injury

\$2,000,000 aggregate for Products-Completed operations

\$2,000,000 general aggregate

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

Minimum Limits:

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

4. *Umbrella Insurance*. During the term of this Contract, Vendor will maintain umbrella coverage over Workers' Compensation, Commercial General Liability, and Commercial Automobile.

Minimum Limits:
\$2,000,000

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

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

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

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

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

C. ADDITIONAL INSURED ENDORSEMENT AND PRIMARY AND NON-CONTRIBUTORY INSURANCE CLAUSE. Vendor agrees to list Sourcewell and its Participating Entities, including their officers, agents, and employees, as an additional insured under the Vendor's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Vendor, and products and completed operations of Vendor. 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. Vendor waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Contract or other

insurance applicable to the Vendor 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 Vendor or its subcontractors. Where permitted by law, Vendor must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.

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

19. COMPLIANCE

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

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

20. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION

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

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

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

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

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

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

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

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

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

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

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

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

G. BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352). Vendors must file any required certifications. Vendors 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. Vendors 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. Vendors must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

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

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

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

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

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

22. CANCELLATION

Sourcewell or Vendor may cancel this Contract at any time, with or without cause, upon 60 days' written notice to the other party. However, Sourcewell may cancel this Contract immediately upon discovery of a material defect in any certification made in Vendor's Proposal. Cancellation of this Contract does not relieve either party of financial, product, or service obligations incurred or accrued prior to cancellation.

Sourcewell

Morbark LLC

DocuSigned by:
Jeremy Schwartz
By: C0FD2A139D06489...
Jeremy Schwartz
Title: Chief Procurement Officer

DocuSigned by:
Erika Snyder
By: E4A15FEDE12940C...
Erika Snyder
Title: Governmental Sales Representative

Date: 5/6/2021 | 12:08 PM CDT

Date: 5/7/2021 | 12:06 PM CDT

Approved:

DocuSigned by:
Chad Coquette
By: 7E42B8F817A64CC...
Chad Coquette
Title: Executive Director/CEO

Date: 5/7/2021 | 12:13 PM CDT

RFP 031721 - Tree Maintenance Equipment, Attachments, and Accessories

Vendor Details

Company Name: MORBARK LLC

Does your company conduct business under any other name? If yes, please state: Michigan

Address: PO BOX 1000
8507 S Winn Rd
WINN, MI 48896

Contact: Erika Snyder

Email: erika.snyder@morbark.com

Phone: 800-831-0042 1500

Fax: 989-866-2280

HST#: 38-2805772

Submission Details

Created On: Friday February 19, 2021 10:00:22

Submitted On: Wednesday March 17, 2021 07:19:29

Submitted By: Erika Snyder

Email: erika.snyder@morbark.com

Transaction #: 4c6cc9ed-2392-48dd-8fa8-0185fb9367a7

Submitter's IP Address: 64.25.195.48

Specifications

Table 1: Proposer Identity & Authorized Representatives

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

Line Item	Question	Response *
1	Proposer Legal Name (and applicable d/b/a, if any):	Morbark LLC.
2	Proposer Address:	8507 S. Winn Rd PO Box 1000, Winn MI 48896
3	Proposer website address:	www.morbark.com
4	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer and, in the event of award, will be expected to execute the resulting contract):	Erika Snyder Governmental Sales Representative 8507 S. Winn Rd, Winn MI 48896 989-824-0013
5	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Erika Snyder Governmental Sales Representative 8507 S. Winn Rd, Winn MI 48896 989-824-0013
6	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Michael Stanton Vice President of Sales & Marketing 8507 S. Winn Rd, Winn MI 48896 989-400-2497

Table 2: Company Information and Financial Strength

Line Item	Question	Response *
7	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested equipment, products or services.	Morbark, LLC, based in Winn, Mich., has been innovating and manufacturing durable, high-performance equipment for more than 60 years. Morbark's family of companies and equipment helps customers to process and convert waste wood and other organic materials into sellable end products. The Company and its affiliate brands, Rayco, DENIS CIMAF, and Boxer Equipment, produce a full line of brush chippers, stump cutters, mini skid steers, forestry mulchers, aerial trimmers, whole tree, and biomass chippers, flails, horizontal and tub grinders, sawmill equipment, material handling systems, and mulcher head attachments for excavators, backhoes, and skid steers. Sales and aftermarket support are conducted through a worldwide, authorized dealer network.
8	What are your company's expectations in the event of an award?	Morbark, LLC has been very pleased with the cooperative relationship we have with Sourcewell. Our expectation would be continued support to remain successful and compliant with our Sourcewell contract(s).
9	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.	As a company owned by Alamo Group Inc. out of Seguin TX, we have a solid financial backing. Please see attachment '2020 10K - Alamo Group.pdf'
10	What is your US market share for the solutions that you are proposing?	North America market share is as follows: Horizontal Grinders 30% Tree Care Products 15% Boxer 5%

11	What is your Canadian market share for the solutions that you are proposing?	North America market share is as follows: Horizontal Grinders 30% Tree Care Products 15% Boxer 5%	*
12	Has your business ever petitioned for bankruptcy protection? If so, explain in detail.	No	*
13	How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer whichever question (either a) or b) just below) best applies to your organization. a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned? b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?	We are a manufacturer, with a worldwide dealer network supporting our products in sales, service and aftermarket part sales. The employees of our dealerships are third-party employees, with whom our representatives work closely with. As well we provide factory trainings for our dealers.	*
14	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.	Morbark has documented processes and an established Quality Management System that espouses the principles of ISO 9001:2015 with the focus being on satisfying our customers. There is a staff of Quality professionals, Continuous Improvement leaders and Manufacturing engineers on-site dedicated to ensuring that processes are clearly identified and products manufactured to the design requirements. Gauges used for dimensional verification are calibrated and maintained using GAGETrak software. Calibration and maintenance of our equipment is essential and Morbark maintains a formal system for ensuring routine maintenance is completed based on the manufacturer's recommendations. In our commitment to 5S and continuous improvement, TPM is being implemented as a long-term strategy for excellence in key production areas in our 1.1 million sq. ft. facility. Welding is an essential core process of Morbark. Over \$3 million dollars has been invested in the past three years to obtain state of the art robotic welding machines and other production equipment. This investment in welding equipment is coupled with the creation of a Welder Training School. All new welders go through an intensive training school to obtain internal certification demonstrating proficiency to GMAW and FCAW techniques. This training is led by a degreed Weld Engineer and a Certified Welding Inspector. Training is conducted to American Welding Society standard D14.3.	*
15	Provide all "Suspension or Debarment" information that has applied to your organization during the past ten years.	None	*

Table 3: Industry Recognition & Marketplace Success

Line Item	Question	Response *
16	Describe any relevant industry awards or recognition that your company has received in the past five years	2016 - John G. Thodis Michigan Manufacturer of the the Year Award 2020,2019,2018,2017,2016 - I Make America, AEM Advocates Gold Award 2020 - Rental Editor's Choice Awards - Rayco RG165T-R 2020 -Top 10 "Coolest Thing Made in Michigan" - Michigan Manufacturers Association
17	What percentage of your sales are to the governmental sector in the past three years	Tree Care Product lines approximately 30% and Industrial Product lines approximately 15%.
18	What percentage of your sales are to the education sector in the past three years	Less than 1% of sales in all product lines.
19	List any state, provincial, or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	NY State Contract - piggyback to our Sourcwell #062117-MBI, ~ \$2.6M HGAC ~ \$960k MN State Contract ~ \$440k CT State Contract ~ \$200k WA State Contract ~ \$90k SC State Contract ~ \$30k PA State Contract ~ \$150k
20	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	We do not currently hold a GSA or SOSA.

Table 4: References/Testimonials

Line Item 21. Supply reference information from three customers who are eligible to be Sourcwell participating entities.

Entity Name *	Contact Name *	Phone Number *
Jefferson County, MO	Doyl Chilton	314-803-9405
City of Bridgeport, CT	Steve Hladun	203-650-4673
City of St Peters, MO	Elliot Schneider	314-570-2931

Table 5: Top Five Government or Education Customers

Line Item 22. Provide a list of your top five government, education, or non-profit customers (entity name is optional), including entity type, the state or province the entity is located in, scope of the project(s), size of transaction(s), and dollar volumes from the past three years.

Entity Name	Entity Type *	State / Province *	Scope of Work *	Size of Transactions *	Dollar Volume Past Three Years *
City of Los Angeles	Government	California - CA	Quote, awarded bid and purchase process	(2) 1300 Tub Grinders (2) 6600 Wood Hogs	\$4,404,880
City of Bakersfield	Government	California - CA	Quote and purchase process	(1) 7600B Electric Wood Hog	\$1,008,544
BVSWMA	Government	Texas - TX	Demo of machine, quote, and purchase process	(1) 6400XT Wood Hog	\$925,918
Franklin Co.	Government	Florida - FL	Demo of machine, quote, and purchase process	(1) 6400XT Wood Hog	\$819,000
Div of Homeland Security	Government	New York - NY	Quote and purchase process	(4) 2131-TA Chippers	\$319,154

Table 6: Ability to Sell and Deliver Service

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

Line Item	Question	Response *
23	Sales force.	Morbark has a dedicated staff of sales professionals who are available to provide pre-sale expertise in equipment as well as post sale product support. We currently have a factory sales staff of 27, not including administrative or marketing staff.
24	Dealer network or other distribution methods.	Morbark and its affiliated brands are represented by over 230 dealer locations within the U.S. and CAN. Authorized dealers have requirements to meet including: stock inventory, sales and service trainings, marketing and more. We know our dealer network is what makes us stronger and we continue to innovate ways to provide the best tools for our dealers.
25	Service force.	Morbark's factory service staff of 12, have an extensive knowledge on various product lines to assist all customers. Morbark authorized dealers' service reps attend Morbark hosted service trainings as one of their dealer requirements.
26	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.	The Governmental Sales Rep's primary responsibility is to facilitate quotes and orders with all governmental entities. So from a customer service standpoint the Governmental Sales Rep, or local dealer rep, would be the front lines to the customer. Then if more assistance is needed from part sales, service, warranty, those reps will ensure a timely response is made to the customer.
27	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in the United States.	Our vast dealer network across the United States, as well as our regional sales managers, allows us to facilitate sales and support machinery anywhere in the U.S. in a timely manner. Over 200 dealer locations nationwide.
28	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	Morbark has been doing business in Canada for a long time and we are looking to expand our presentation there currently. We currently support Canada with over 30 dealer locations along with factory direct sales/service. We are prospecting a dealer that would represent our products throughout Canada with the intention of growing our market share.
29	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	Morbark, LLC. will be able to support any customer within the U.S. or Canada, through either a local authorized dealer or factory representative.
30	Identify any Sourcewell participating entity sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract?	There are currently no Sourcewell sectors that we would not participate with.
31	Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	These territories will be handled no differently. Understandably, freight expense and travel expenses may be increased.

Table 7: Marketing Plan

Line Item	Question	Response *
32	Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	Should Morbark be awarded a contract to sell the products outlined in this RFP, we would first communicate the contract award via a standardized internal procedure. This process includes an email to all US and Canadian Dealers that explains the contract award and then directs them to our dedicated Dealer Intranet that provides more information on contract pricing, eligible customers, dealer compensation, etc. Our Governmental Sales Representative will work closely (through individual and regional training events and regular dealer visits) with dealers to help them understand the Sourcewell contract benefits and eligible customers.
33	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	Morbark.com provides detailed product information for all equipment being contemplated in this RFP. Customers can view information on product features and specifications and view images and videos of the equipment in action. We also provide forms for customers to request a quote, a demonstration, or further product information. All submitted forms are automatically routed to the appropriate personnel for follow-up – often the same day. We also provide a Morbark-branded dealer website to all of our authorized dealers that is updated and maintained by our Morbark's Marketing Department, ensuring that all equipment information is current and consistent at all times. Our Sourcewell contract is featured on the home page carousel with a link to an interior page that describes how Sourcewell makes the bidding process simple. Also on this page is a form that a potential customer can complete to initiate a conversation about their equipment needs. When the form is completed and submitted, the dealer is immediately notified, and their Morbark territory manager is copied on the lead. This transparency in the lead process enables our territory managers to have an open dialogue with their dealers and provide assistance if needed with follow-up efforts. Providing our dealers with a Morbark-branded website also enables us to run lead generating, digital marketing campaigns on their behalf. These campaigns include pay-per-click, social media, and display (retargeting) digital ad campaigns. In addition to these efforts, Morbark, and its affiliated brands, Rayco, Denis Cimaf, and Boxer, are active on social media channels – Facebook, Twitter, Instagram, and YouTube. Our strategy is to provide followers with helpful information about our equipment, aftermarket parts, dealer network, events, and industry news. We monitor all channels for shares, likes, comments, mentions, impressions, and, most importantly, clicks. Data is regularly analyzed to determine which networks contribute the most to lead generation, what types of content make audiences click, share, and convert, and what are our top-converting posts.
34	In your view, what is Sourcewell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcewell-awarded contract into your sales process?	In doing business with our current Sourcewell contracts, it has been proven that the Sourcewell business plan brings benefits to its members and vendors. Support has been fantastic thus far. We already have a current sales process which is described in detail within the answer to question #51.
35	Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	While our products are not available for e-procurement, we do utilize several avenues for lead generation and communication tools from our website and our dealer websites as described in question 33.

Table 8: Value-Added Attributes

Line Item	Question	Response *

36	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>All Sourcewell members will have the opportunity for start-up training of their purchased unit. It is highly encouraged to participate in this training, however it may be waived upon signing as such on the start up warranty validation form. In some cases this training is provided at no additional charge, if there is an additional charge, which is based on product or area of customer that will be a separate line item charge. Also, we provide several additional no cost to low-cost outlets for customers to learn best practices for safely operating and maintaining their equipment, including:</p> <ul style="list-style-type: none"> • Tree Care Industry Association (TCIA) accredited Brush Chipper Operator Safety Training Workshop • Brush Chipper Safety DVD provided with every brush chipper and upon request • Morbark Industrial Equipment Service Factory Training Level 1 and Level 2 (horizontal and tub grinders, whole tree drum, and disc chippers) are conducted by our service department personnel. Customers can participate in this training for a \$500 fee, which covers training materials and meals. • Maintenance Made Easy (MMR) videos covering general maintenance topics for brush chippers, stump cutters, forestry mulchers, whole tree drum, and disc chippers. Videos are accessible from our YouTube Channel (youtube.com/morbarkinc) or by scanning a QR code decal located on the machine.
37	Describe any technological advances that your proposed products or services offer.	<p>Technology is at the heart of business innovation, and Morbark utilizes the latest software and technological breakthroughs in providing customers with state-of-the-art products and services.</p> <p>Morbark Integrated Control System (MICS) is the ultimate diagnostic system that monitors hydraulic pressures, temperatures, clutch systems, and engine efficiency to maximize performance. The system available on most grinders and chippers comes with a remote control that allows the operator to quickly adjust feed systems for top production rates and fuel efficiency.</p> <p>For over a decade, Morbark's exclusive Break-away Torque Limiter has proven to be the industry's best solution for protecting the driveline of a horizontal or tub grinder from catastrophic failure. It reacts in milliseconds to a direct hit. No other system has this response time, which ultimately will save customers downtime and money. The system is standard on most current models of our Wood Hog Horizontal Grinders and Tub Grinders. We recently introduced a new, patent-pending Vtection® System option for our 3000, 3400, and 6400 series Wood Hog Horizontal Grinders. The Vtection system monitors rotor vibration to reduce damage from contact with un-shreddable objects or other causes of damaging vibration like an out-of-balance rotor, broken insert, defective bearing, or extremely hardwood. The system features two operating modes; grinding protection and service/maintenance mode. When coupled with Morbark's Break-away Torque Limiter, these devices provide customers with the best solution in the industry for hammermill protection. We removed the anxiety of engaging a brush chipper drum, damaged drive belts, and burned clutch discs and elevated the customer's operational experience with our exclusive Morbark ZeroClutch™ available now on select brush chipper engine packages. Customers simply start the engine, throttle the machine to full RPM's and engage the feed control bar. The Morbark ZeroClutch features an integrated drum speed sensor that monitors the drum speed and will allow the clutch to engage if there is material lodged between the feed wheel and drum or the discharge chute is plugged.</p>
38	Describe any "green" initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each.	<p>Morbark has undergone an extensive review of all environmental regulations for both the EPA and EGLE. During this review, Morbark has updated written programs, employee training and facility updates. Some of these programs including the Toxic Release Inventory, Spill Prevention Control and Countermeasures Plan, NESHAP 6X, and Pollution Incident Prevention Plan. Morbark collects data on processes and chemicals used onsite monthly to help maintain and reduce usages to better the environment.</p>
39	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	<p>We do have several models available now as CE certified for the EU. As for the US and CAN, nothing specific to mention.</p>
40	Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response.	<p>While Morbark LLC does not hold any of these certifications, we do have dealers we work with that do.</p>

41	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>Morbark strives to provide our customers with the highest quality products and service in the industry by having dedicated employees, innovative designs, robust machinery and quality management systems to ensure our products have been built to the requirements that meet our customers' needs for machines and equipment that operate in a very demanding environment.</p> <p>We have been able to expand our product offerings for our in the wood processing market with the acquisitions of Boxer, Rayco and Denis Cimaf.</p>	*
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Table 9: Warranty

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

Line Item	Question	Response *	
42	Do your warranties cover all products, parts, and labor?	Yes, all products and equipment parts are covered, with labor covered within reason. Please refer to the 'Warranty Handbook' document attached.	*
43	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	There are limit restrictions, dependent on the product. These are stated within the 'Warranty Handbook'.	*
44	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	Travel is covered only in warranty claims on the Industrial products (those found on the "Industrial Pricebook"). Mileage is paid at Morbark's approved rate. Please refer to the 'Warranty Handbook'.	*
45	Are there any geographic regions of the United States or Canada (as applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell participating entities in these regions be provided service for warranty repair?	There is no region of the United States that Morbark cannot provide coverage. Our extensive dealer network will be handling warranty repairs, but if there is an area not represented by a dealer, a certified Morbark service technician will be able to service those customers. Dealer service technicians are factory trained and certified by Morbark.	*
46	Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?	Purchased components will follow the manufacturer's warranty. Morbark's dealer and factory service/warranty departments will assist in ensuring the customer has what is needed to handle such claims, specifically engine warranties.	*
47	What are your proposed exchange and return programs and policies?	New replacement component coverage is determined by the failure analysis of the failed item. All components required to be shipped back to Morbark must be sent prepaid.	*
48	Describe any service contract options for the items included in your proposal.	Extended manufacturer or engine warranties may be available for additional charge, depending on the product. A service maintenance contract may also be available for additional charge. These options are discussed at the time of quoting the products.	*

Table 10: Payment Terms and Financing Options

Line Item	Question	Response *	
49	What are your payment terms (e.g., net 10, net 30)?	Net 30 days	*
50	Do you provide leasing or financing options, especially those options that schools and governmental entities may need to use in order to make certain acquisitions?	We work with National Cooperative Leasing in these instances.	*
51	Briefly describe your proposed order process. Include enough detail to support your ability to report quarterly sales to Sourcewell as described in the Contract template. For example, indicate whether your dealer network is included in your response and whether each dealer (or some other entity) will process the Sourcewell participating entities' purchase orders.	<p>A Sourcewell member will contact Morbark directly or one of Morbark's dealers requesting a quote. If it is a direct quote Morbark's Governmental Sales Rep. will supply them with the requested information. If it is a dealer request the dealer representative will contact Morbark's Governmental Sales Rep. a quote will be generated and returned to the dealer. They will contact the Sourcewell member and supply them with the requested information.</p> <p>At this time Morbark does not plan to assign this contract to any of the dealer's within its network. Their involvement will be speaking with existing and potential customers, promoting the Sourcewell contract. If awarded, Morbark would hold the contract in exclusivity and therefore the PO would need to be issued to Morbark. This allows us to control the transaction from start to finish and ensure administrative fees are paid, reporting is properly filed in a timely manner, and the sale is scored on the annual dealer review.</p> <p>Morbark's Governmental Sales Rep. is responsible for tracking all Sourcewell sales and ensuring quarterly sales reports are made and administration fees are processed in a timely manner.</p>	*
52	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?	Yes, we do accept with a maximum charge of \$100,000. No additional cost in this case.	*

Table 11: Pricing and Delivery

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

Line Item	Question	Response *
53	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.	Sourcewell discount will be a % off MSRP, for both the standard product and all possible options. Attached you will find four separate price books named by that of the product line it covers, showing a SKU for each model and MSRP/Sourcewell discounted prices for the standard model and all options.
54	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.	Tree Care and Boxer Products = 13.5% Industrial and Rayco Forestry-D.C. Products = 10%
55	Describe any quantity or volume discounts or rebate programs that you offer.	This will be reviewed on a case-by-case basis.
56	Propose a method of facilitating "sourced" products or related services, which may be referred to as "open market" items or "nonstandard options". For example, you may supply such items "at cost" or "at cost plus a percentage," or you may supply a quote for each such request.	All possible products and it's options are listed in the attached price books. Any requests outside of those listed will be taken to management for review.
57	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.	Freight will be estimated at the time of quoting and added as an additional line item. Pre-Delivery Inspection and/or Start-up Training may be added as a separate line item. Extended Warranties or Service Maintenance Packages requested by the customer would be added as a separate line item.
58	If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program.	Upon quoting a Sourcewell member, the Governmental Sales Rep. will provide model and delivery location information to on-site logistics personnel at either Morbark or Rayco to acquire a freight quote. This amount will be added to the quote as a line item and will be final charge, barring no changes to delivery plans. All shipments will be sent FOB-Destination.
59	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	The same process as described in the answer to question #58 is followed.
60	Describe any unique distribution and/or delivery methods or options offered in your proposal.	Our products may be delivered by the member's local dealership, a factory rep, or via carrier. This is all pre-determined during the quoting process to ensure a successful delivery, inspection and training if needed.

Table 12: Pricing Offered

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

Table 13: Audit and Administrative Fee

Line Item	Question	Response *
62	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcewell. This process includes ensuring that Sourcewell participating entities obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcewell.	As described within question 51., all Sourcewell orders will be routed through Morbark-Governmental Sales. This ensures the proper pricing is applied. These sales are logged upon order/shipment/invoicing to ensure the necessary tracking and final administrative fee payment to Sourcewell. The administrative fee is approved for payment upon funds received by the Sourcewell member.
63	Identify a proposed administrative fee that you will pay to Sourcewell for facilitating, managing, and promoting the Sourcewell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See the RFP and template Contract for additional details.)	1.5% of the sale price of the machine and its options. Not to include any additional charges such as: PDI, training, freight, extended warranty or service plans.

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

Line Item	Question	Response *
64	Provide a detailed description of the equipment, products, and services that you are offering in your proposal.	The products offered in this proposal serve the industries of: forestry and biomass; recycling; tree care; landscaping; land clearing and ROW maintenance.
65	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	Brush Chippers; Stump Cutters; Mini Skid Steers and Attachments; Articulated Wheel Loaders; Horizontal Grinders; Tub Grinders; Whole Tree Chippers; Forestry Mulchers; and Mulching Attachments.

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

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

Line Item	Category or Type	Offered *	Comments
66	Purpose-built tree cutting, trimming and removal equipment	<input checked="" type="radio"/> Yes <input type="radio"/> No	Denis Cimaf Mulching Attachments
67	Stump cutters and grinders	<input checked="" type="radio"/> Yes <input type="radio"/> No	Rayco Stump Cutters
68	Purpose-built portable tree and brush incineration equipment	<input type="radio"/> Yes <input checked="" type="radio"/> No	None
69	Brush and limb chippers	<input checked="" type="radio"/> Yes <input type="radio"/> No	Morbark Brush Chippers
70	Arborist equipment, apparel and supplies	<input type="radio"/> Yes <input checked="" type="radio"/> No	Several of our authorized dealers do provide such.
71	Vehicle and equipment attachments designed for tree maintenance	<input checked="" type="radio"/> Yes <input type="radio"/> No	Rayco Mulching Heads and Denis Cimaf Mulching Attachments
72	Tree Maintenance Equipment supplies and accessories	<input type="radio"/> Yes <input checked="" type="radio"/> No	Several of our authorized dealers do provide such.
73	Tree maintenance equipment related services	<input type="radio"/> Yes <input checked="" type="radio"/> No	Service maintenance contracts may be available upon request through our authorized dealers.

Table 15: Industry Specific Questions

Line Item	Question	Response *
74	If you are awarded a contract, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the contract.	All governmental sales are tracked monthly by the Governmental Sales Rep, and sent to Vice President of Sales & Marketing. All Sourcewell sales are reported on quarterly to Sourcewell and to Morbark's management. These metrics are compared to historical metrics to follow trends of volume and product changes. This allows for the best possible monthly forecasting of products to be planned for in this sector of our business.
75	Describe the serviceability of the products included in your proposal (parts availability, warranty and technical support, etc.).	Morbark's dealer network throughout the U.S. and CAN will in many cases be the frontlines for the Sourcewell member. Which are all trained and reviewed in parts, warranty and service. In all cases, the member may contact Morbark's Governmental Sales Rep for assistance in any case. Morbark has a Customer Service Call Center for customers and dealers open M-F, 8-5 EST. In cases where there is a crucial service issue, the service technicians may provide their cell phone to be reached outside of these hours for assistance.
76	Describe advancements reflected in the equipment or products offered in your proposal, such as safety, longevity or life cycle cost measures.	Morbark continues to strive for complete customer satisfaction with its products. Safety is first and foremost a requirement. We pride ourselves on tough and durable products that we will stand behind. As described in some earlier questions Morbark continues to invest in design and manufacturing improvements.

Table 16: Exceptions to Terms, Conditions, or Specifications Form

Line Item 77. NOTICE: To identify any exception, or to request any modification, to the Sourcewell template Contract terms, conditions, or specifications, a Proposer must submit the exception or requested modification on the **Exceptions to Terms, Conditions, or Specifications Form** immediately below. The contract section, the specific text addressed by the exception or requested modification, and the proposed modification must be identified in detail. Proposer's exceptions and proposed modifications are subject to review and approval of Sourcewell and will not automatically be included in the contract.

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

Proposer's Affidavit

PROPOSER AFFIDAVIT AND ASSURANCE OF COMPLIANCE

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

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

- c. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.

By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Erika Snyder, Governmental Sales Representative, Morbark LLC

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

Yes No

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

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

File Name	I have reviewed the below addendum and attachments (if applicable)	Pages
Addendum_2_Tree_Maintenance_Equipment_RFP_031721 Tue March 9 2021 09:32 PM	<input checked="" type="checkbox"/>	1
Addendum_1_Tree_Maintenance_Equipment_RFP_031721 Mon February 22 2021 02:14 PM	<input checked="" type="checkbox"/>	1