

**Solicitation Number: RFP #030122****CONTRACT**

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and Commercial Vehicle Leasing, LLC, dba D&M Leasing, 1400 W. 7th Street, Suite 200, Fort Worth, TX 76102 (Supplier).

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

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

1. TERM OF CONTRACT

- A. **EFFECTIVE DATE.** This Contract is effective upon the date of the final signature below.
- B. **EXPIRATION DATE AND EXTENSION.** This Contract expires April 18, 2026, unless it is cancelled sooner pursuant to Article 22. This Contract may be extended one additional year upon the request of Sourcewell and written agreement by Supplier.
- C. **SURVIVAL OF TERMS.** Notwithstanding any expiration or termination of this Contract, all payment obligations incurred prior to expiration or termination will survive, as will the following: Articles 11 through 14 survive the expiration or cancellation of this Contract. All other rights will cease upon expiration or termination of this Contract.

2. EQUIPMENT, PRODUCTS, OR SERVICES

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

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

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

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

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

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

3. PRICING

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

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

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

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

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

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

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

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

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

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

4. PRODUCT AND PRICING CHANGE REQUESTS

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

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

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

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

5. PARTICIPATION, CONTRACT ACCESS, AND PARTICIPATING ENTITY REQUIREMENTS

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

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

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

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

6. PARTICIPATING ENTITY USE AND PURCHASING

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

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

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

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

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

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

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

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

7. CUSTOMER SERVICE

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

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

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

8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT

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

The Report must contain the following fields:

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

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

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

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

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

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

9. AUTHORIZED REPRESENTATIVE

Sourcewell's Authorized Representative is its Chief Procurement Officer.

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

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

A. **AUDIT.** Pursuant to Minnesota Statutes Section 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant to this 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 party may assign or otherwise transfer its rights or obligations under this Contract without the prior written consent of the other party and a fully executed assignment agreement. Such consent will not be unreasonably withheld. Any prohibited assignment will be invalid.

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

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

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

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

11. INDEMNITY AND HOLD HARMLESS

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

12. GOVERNMENT DATA PRACTICES

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

13. INTELLECTUAL PROPERTY, PUBLICITY, MARKETING, AND ENDORSEMENT

A. INTELLECTUAL PROPERTY

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

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

3. Use; Quality Control.

a. Neither party may alter the other party's trademarks from the form provided and must comply with removal requests as to specific uses of its trademarks or logos.

b. Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party's trademarks only in good faith and in a dignified manner consistent with such party's use of the trademarks. Upon written notice to the breaching party, the breaching party has 30 days of the date of the written notice to cure the breach or the license will be terminated.

4. As applicable, Supplier 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 Supplier 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 suppliers which may be used until the next printing). Supplier must return all marketing and promotional materials, including signage, provided by Sourcewell, or dispose of it according to Sourcewell's written directions.

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

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

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

14. GOVERNING LAW, JURISDICTION, AND VENUE

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

15. FORCE MAJEURE

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

16. SEVERABILITY

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

17. PERFORMANCE, DEFAULT, AND REMEDIES

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

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

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

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

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

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

18. INSURANCE

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

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

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

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

Minimum limits:

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

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

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

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

Minimum Limits:

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

\$1,000,000 Personal and Advertising Injury

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

\$2,000,000 general aggregate

3. *Commercial Automobile Liability Insurance.* During the term of this Contract, Supplier will maintain insurance covering all owned, hired, and non-owned automobiles in limits of liability not less than indicated below. The coverage must be subject to terms

no less broad than ISO Business Auto Coverage Form CA 0001 (2010 edition or newer), or equivalent.

Minimum Limits:

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

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

Minimum Limits:

\$2,000,000

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

Minimum limits:

\$2,000,000 per occurrence

\$2,000,000 annual aggregate

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

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

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

C. ADDITIONAL INSURED ENDORSEMENT AND PRIMARY AND NON-CONTRIBUTORY INSURANCE CLAUSE. Supplier agrees to list Sourcewell and its Participating Entities, including their officers, agents, and employees, as an additional insured under the Supplier's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Supplier, and products and completed operations of Supplier. The policy provision(s) or endorsement(s) must further provide that coverage is

primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.

D. **WAIVER OF SUBROGATION.** Supplier waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Contract or other insurance applicable to the Supplier or its subcontractors. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Supplier or its subcontractors. Where permitted by law, Supplier must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.

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

19. COMPLIANCE

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

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

20. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION

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

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

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

Participating Entities that use United States federal grant or FEMA funds to purchase goods or services from this Contract may be subject to additional requirements including the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Participating Entities may have additional requirements based on specific funding source terms or conditions. Within this Article, all references to “federal” should be interpreted to mean the United States federal government. The following list only applies when a Participating Entity accesses Supplier’s Equipment, Products, or Services with United States federal funds.

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

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

C. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708). Where applicable, all contracts awarded by the non-federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. This provision is hereby incorporated by reference into this Contract. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

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

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

F. DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689). A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. §180 that implement Executive Orders 12549 (3 C.F.R. § 1986 Comp., p. 189) and 12689 (3 C.F.R. § 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names

of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. Supplier certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

G. BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352). Suppliers must file any required certifications. Suppliers must not have used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Suppliers must disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Suppliers must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

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

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

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

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

L. PROCUREMENT OF RECOVERED MATERIALS (2 C.F.R. § 200.322). A non-federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation

and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. § 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

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

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

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

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

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

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

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

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

22. CANCELLATION

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

Sourcwell

Commercial Vehicle Leasing, LLC,
dba D&M Leasing

DocuSigned by:
Jeremy Schwartz
By: C0FD2A139D06489...

Jeremy Schwartz
Title: Chief Procurement Officer

Date: 4/13/2022 | 5:39 PM CDT

DocuSigned by:
Ed Cain
By: 9677B2E86D484E4...

Ed Cain
Title: President/Government & Commercial Divisions

Date: 4/13/2022 | 3:56 PM CDT

Approved:

DocuSigned by:
Chad Coauette
By: 7E42B8F817A64CC...

Chad Coauette
Title: Executive Director/CEO

Date: 4/13/2022 | 7:48 PM CDT

RFP 030122 - Fleet Management Services

Vendor Details

Company Name: Commercial Vehicle Leasing, LP DBA D&M Leasing
Does your company conduct business under any other name? If yes, please state: D&M Leasing is our DBA
Address: 1400 W 7th Street
Fort Worth, TX 76102
Contact: Charles Cain
Email: ecain@dmautoleasing.com
Phone: 214-412-1656
HST#: 90-0996325

Submission Details

Created On: Wednesday February 02, 2022 09:30:40
Submitted On: Friday February 25, 2022 16:42:38
Submitted By: Charles Cain
Email: ecain@dmautoleasing.com
Transaction #: ced1df1b-f43c-4f57-ae8c-36e01341175c
Submitter's IP Address: 209.105.247.82

Specifications

Table 1: Proposer Identity & Authorized Representatives

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

Line Item	Question	Response *
1	Proposer Legal Name (one legal entity only): (In the event of award, will execute the resulting contract as "Supplier")	Commercial Vehicle Leasing, LLC
2	Identify all subsidiary entities of the Proposer whose equipment, products, or services are included in the Proposal.	N/A
3	Identify all applicable assumed names or DBA names of the Proposer or Proposer's subsidiaries in Line 1 or Line 2 above.	D&M Leasing
4	Provide your CAGE code or DUNS number:	CAGE Code: 896L3, DUNS number: 116986553
5	Proposer Physical Address:	1400 W 7th Street Suite 200 Fort Worth, TX 76102
6	Proposer website address (or addresses):	www.dmautoleasing.com https://dmdriveevfleets.org/
7	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer and, in the event of award, will be expected to execute the resulting contract):	Ed Cain, President/Government & Commercial Divisions 1400 W 7th Street Suite 200 Fort Worth, TX 76102 ecain@dmautoleasing.com 214-412-1656
8	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Ed Cain, President/Government & Commercial Divisions 1400 W 7th Street Suite 200 Fort Worth, TX 76102 ecain@dmautoleasing.com 214-412-1656
9	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Christi Paine, Account Manager 1400 W 7th Street Suite 200 Fort Worth, TX 76102 cpaine@dmautoleasing.com 214-412-1657

Table 2: Company Information and Financial Strength

Line Item	Question	Response *
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10	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested equipment, products or services.	<p>For over 40 years, D&M Leasing has been serving the automotive needs of our customers. Headquartered in Fort Worth, Texas, D&M began business in 1976 by offering consumer leases to individuals throughout the State of Texas. Today, D&M Leasing has grown to become the largest consumer leasing company in the United States while also serving the fleet management needs of commercial and government fleets. D&M Leasing is the flagship for a number of affiliated automotive companies under the Vehicle Leasing Holdings, LLC umbrella. Through common ownership our sister company, Four Stars Auto Group, is a network of eight franchise dealerships including: Ford, Chevrolet, Dodge, Ram, Jeep and Toyota. Four Stars Auto Group operates Four Stars Finance (an in-house lease aggregate), Dallas Lease Returns (a retail used car outlet), and other related businesses. D&M has offices in Dallas, Fort Worth, Austin, and Houston to better serve our customers. Combined, the affiliated companies produce \$920 million in annual sales and over \$1 billion in leased vehicles. The company has been profitable every year for the last two decades.</p> <p>The result is one of the most unique relationships between sales, supply, and funding in the fleet management industry. As a family-owned business, we believe we need to earn your business every day. Our employees are trained to go above and beyond for our customers, providing value with every interaction. We are proud that 70% of our business comes from repeat and referral business and our customer satisfaction rating is 96%. Our focus is simple: provide value with every interaction and help our customers operate their fleet to the lowest Total Cost of Ownership (TCO).</p> <p>Commercial Vehicle Leasing, LLC, the government division of D&M, was formed to provide leasing and fleet management services to government fleets. Commercial Vehicle Leasing, LLC is certified by the Texas Comptroller's Office as a minority owned HUB.</p> <p>We provide leasing and fleet management to state agencies, universities, independent school districts, municipalities, water systems, government authorities, and non-profits nationwide.</p>
11	What are your company's expectations in the event of an award?	<p>D&M is proud to have been awarded the original contract for leasing and fleet management through Sourcewell. Our partnership with Sourcewell has yielded excellent service and savings to members across the country. Even amid government cutbacks due to COVID and diminished production capabilities from the auto manufacturers, D&M has been able to forge strong relationships with members. These relationships are leading to repeat orders from the members. For many members, purchasing their fleet is all they have ever known, so leasing their fleet requires educating individuals throughout the organization. This takes a tremendous amount of time and effort. Additionally, a Master Lease Agreement must be executed which requires a legal review by the member which can take weeks or months and draws the sales process out further. However, the groundwork has been laid with members which we believe will continue to bear fruit over the coming years.</p> <p>A particular area of success has been the partnership between Sourcewell, the Electrification Coalition and Climate Mayors Electric Vehicle Purchasing Collaborative. Sourcewell introduced D&M to the program and after much research and planning, D&M developed a way to monetize the electric vehicle Federal Tax-Credit and pass it through to the members. This is literally saving members up to \$5,000 off the cost of each EV they lease through D&M. As government fleets race to adopt EV fleets, D&M expects our program to continue to gain traction. The Electrification Coalition has written two white papers to showcase the D&M program as a best practice for cities wishing to implement an EV program in the most cost-effective manner.</p> <p>Being headquartered in Texas, D&M has met several times with the Governor's Office and Comptroller's Office seeking implementation of the Sourcewell contract in lieu of a state leasing contract. We have several state agencies that would like to implement a leasing program without having to produce an RFP. These agencies have requested the Comptroller to adopt the contract. We are awaiting a decision.</p> <p>Lastly, as COVID concerns are waning and conferences are beginning again, D&M is making a push to attend as many government conferences as possible. The average government fleet was unable to acquire 20% of their replacement vehicles in 2021 and 2020 saw many government fleets not acquiring any vehicles at all. This pent-up demand creates great opportunities with government fleets. Production constraints will continue across all manufacturers due to supply chain and microchip shortages. However, D&M has been proactively having conversations with Sourcewell members to be prepared to move quickly and place orders when the manufacturers open their order banks. Production shortages will be in effect for another 12 – 18 months so D&M intends to educate Sourcewell members about market conditions and to implement strategies to overcome these obstacles.</p>

12	Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response.	D&M Leasing is the flagship for a number of affiliated automotive companies under the Vehicle Leasing Holdings, LLC umbrella. Through common ownership our sister company, Four Stars Auto Group, is a network of eight franchise dealerships including: Ford, Chevrolet, Dodge, Ram, Jeep and Toyota. Four Stars Auto Group operates Four Stars Finance (an in-house lease aggregate), Dallas Lease Returns (a retail used car outlet), and other related businesses. D&M has offices in Dallas, Fort Worth, Austin, and Houston to better serve our customers. Combined, the affiliated companies produce \$920 million in annual sales and over \$1 billion in leased vehicles. The company has been profitable every year for the last two decades. 2020 Audited financials and 2021 Consolidated Balance Sheet are attached.	*
13	What is your US market share for the solutions that you are proposing?	D&M's nationwide fleet totals 50,000 vehicles on lease. Making D&M one of the top lessors in the country.	*
14	What is your Canadian market share for the solutions that you are proposing?	D&M has been focused on serving the needs of the US market, but our programs and services can be utilized in Canada. Since we do not have personnel or offices in Canada, we would like to understand the Sourcewell footprint and needs prior to fully committing to serve the Canadian marketplace. Under the current contract, we have never been approached by a Canadian member to lease a vehicle.	*
15	Has your business ever petitioned for bankruptcy protection? If so, explain in detail.	Neither the firm, affiliated company, shareholder or officer has been a debtor party to a bankruptcy, receivership or insolvency.	*
16	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?	D&M is best described as b) a service provider. As a fleet management provider, D&M provides lease funding and fleet management services to our customers. Through our sister company, HERNCO, we own a network of franchise dealerships, a financial services company and other related businesses. The result is one of the most unique relationships between sales, supply and funding in the fleet management industry. Our sales and account management teams work seamlessly through our organization to manage every aspect of fleet operations. D&M does not utilize third party employees or resellers.	*
17	If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.	D&M has the following licenses and certifications that are required for our submission: Independent Motor Vehicle Dealer, Motor Vehicle Lessor, Motor Vehicle Lease Facilitator and a certified Historically Underutilized Business (HUB)/Minority Business Enterprise MBE vendor.	*
18	Provide all "Suspension or Debarment" information that has applied to your organization during the past ten years.	Not Applicable	*

Table 3: Industry Recognition & Marketplace Success

Line Item	Question	Response *
19	Describe any relevant industry awards or recognition that your company has received in the past five years	D&M Leasing continually receives year over year recognition as a top employer in the Dallas/Fort Worth area. Additionally, our dealerships receive annual recognition by the manufacturer for sales and service and our used car facility received the 2022 DealerRater Dealer of the Year/Used Car Dealer Award.
20	What percentage of your sales are to the governmental sector in the past three years	D&M began pursuing government fleets in earnest almost 5 years ago. Since then, we have seen year over year growth in all areas of SLED. While our government portfolio is relatively small in comparison to our consumer leasing division, we have seen our government portfolio rise to become 10% of our total fleet in just 5 years. When isolated on its own, our government portfolio would equate to 6% of sales.
21	What percentage of your sales are to the education sector in the past three years	As stated above, as a comparison to D&M's consumer portfolio which has been operational for 40-years and has over 200 sales personnel, government sales make up 10% of our total sales and overall fleet. Isolating sales to the education sector alone, the portfolio consists of 4% of total sales. D&M has placed a major emphasis on K – 12 over the last two years, and we are experiencing success. We expect percentage sales to increase substantially in the coming year as new accounts come onboard.
22	List any state, provincial, or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	Choice Partners is a relatively new contract with annual sales of \$525,000. However, we are placing a \$3.5mm order through Choice Partners now. BuyBoard average \$5mm in annual sales.
23	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	D&M does not hold any direct contracts through the federal government, but we have funded in excess of \$7.5mm in FEMA and HHS funded leases through state agencies, non-profits and government contractors over the last 3-years.

Table 4: References/Testimonials

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

Entity Name *	Contact Name *	Phone Number *
City of Des Moines, IA	Brian Bennett	515-323-8940
Guadalupe Blanco River Authority	Victor Castillo	830-379-5822
City of Mission, TX	Crissy Cantu	956-580-8791

Table 5: Top Five Government or Education Customers

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

Entity Name	Entity Type *	State / Province *	Scope of Work *	Size of Transactions *	Dollar Volume Past Three Years *
Austin Independent School District	Education	Texas - TX	Leasing & Fleet Management program for 165 Facilities vehicles	\$5.75mm	\$3.7mm in 2 years
Texas State Technical College	Education	Texas - TX	Leasing & Fleet Management program (Full Maintenance) for 158 campus vehicles	\$6.32mm	\$1.25mm
Texas Division of Emergency Management	Government	Texas - TX	Leasing & Fleet Management program (Full Maintenance) for 115 SUV's with aftermarket upfits coordinated by D&M	\$4.25mm	\$450,000 implementation began in 12/21.
Southwest Key Programs	Non-Profit	Texas - TX	Leasing & Fleet Management program (Full Maintenance) for 95 vehicles	\$2.85mm	\$2.85mm
Sunny Glen Children's Home	Non-Profit	Texas - TX	Leasing & Fleet Management program (Full Maintenance) for 37 vehicles	\$1.15mm	\$1.15mm

Table 6: Ability to Sell and Deliver Service

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

Line Item	Question	Response *
26	Sales force.	D&M is a Texas based company with 300 employees spread between 4 offices in Ft. Worth, Dallas, Houston, and Austin. In total, D&M has a salesforce of 205 individuals. The government division has 5 government sales/account management personnel who work remotely covering their US territories.
27	Dealer network or other distribution methods.	D&M's sister company HERNCO, owns a network of franchise dealerships. D&M will process the orders through these dealerships to the manufacturer and delivery will be coordinated through a local dealer in the member's region.
28	Service force.	D&M works with the premier providers in the industry to provide our ancillary products and administer our service programs. Our partnerships include: WEX, Geotab and Network. These providers work under the supervision of D&M's account management teams and their services are completely integrated into our offering.
29	Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others.	D&M personnel are fleet experts and will communicate directly with members to determine their needs and prepare a quote to the exact specifications of the customer. Vehicles will be placed on order with the manufacturer and delivery will be coordinated through a local dealership in the member's region. This is known as a Courtesy Delivery and all manufacturers require the vehicles to be inspected prior to being released to the end user. In instances where the member has an immediate need for a vehicle, D&M will acquire the vehicles directly through dealerships on behalf of the member. In either case, D&M manages the entire process through our personnel. No distributors or outside personnel will be working with the member. D&M personnel will also work on behalf of the member to title, register and obtain a license plate.

30	Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.	<p>Our goal is to lift as much of the burden of managing a fleet from our customers as possible. At D&M, we believe we need to earn our customers' business every day. Our employees are trained to go above and beyond for our customers, providing value with every interaction. D&M believes in developing a strong, personal relationship with each of our customers. This is developed through conversations and attending to the needs of our customers. We want to oversee the day-to-day management of their account for them. We do not want to simply be a vendor. We want to be a trusted advisor.</p> <p>D&M boasts a companywide customer satisfaction rating of 96%. Our commitment to customer satisfaction is further illustrated by the following statistic: 70% of our business comes from repeat and referral customers.</p> <p>D&M personnel are available Monday through Friday during normal business hours to provide support and assistance. Each account is managed by a three-person team to allow for immediate response to customer needs. 24/7 service capabilities include: maintenance and repair management, emergency roadside assistance, rental cars, programs to assist during emergencies/natural disasters, damage or theft, accident reporting assistance via a toll-free call (including towing and security services)</p> <p>To ensure responsiveness, availability and the highest level of customer service to our clients, our service partners monitor all incoming calls. On average, calls are answered within 45-seconds.</p>	*
31	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in the United States.	D&M can and does fully serve customers throughout the United States.	*
32	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	<p>D&M has the ability to provide our products and services in Canada. However, D&M does not have a physical location or personnel in Canada. Therefore, D&M will examine each opportunity on a case by case basis to determine if the member opportunity is within the scope of our abilities.</p> <p>To date, D&M does not lease any vehicles in Canada, nor have we been approached by any Sourcewell members under the current contract.</p>	*
33	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	As stated previously, D&M services the entire United States without limitations. D&M is currently unaware of any region of Canada that cannot be serviced.	*
34	Identify any Sourcewell participating entity sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract?	D&M services all participating entity sectors which make up Sourcewell membership. While D&M holds other cooperative purchasing contracts, none of these contracts limits our ability to fully service the Sourcewell contract.	*
35	Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	<p>D&M does not have any restrictions to working with members in Hawaii and Alaska.</p> <p>D&M does not currently work with fleets in US Territories. Therefore, D&M will examine each opportunity on a case-by-case basis to determine if the member opportunity is within the scope of our abilities.</p>	*

Table 7: Marketing Plan

Line Item	Question	Response *
36	Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	D&M's government sales team is actively engaged in their territories calling on entities. Additionally, sales personnel attend numerous SLED procurement conferences each year to market and raise awareness of our programs and cooperative contracts. A strong example of D&M's commitment to marketing our Sourcewell contract is our participation in the Climate Mayors Electric Vehicle Purchasing Collaborative. After being approached by Sourcewell to be apart of the initiative, D&M worked directly with the Electrification Coalition to understand the needs of the participants and joint calls were made to market the program and how the Sourcewell contract could best be utilized. A program was designed which monetizes the Federal Tax-Credit back to these government fleets saving them on average, \$5,000 per EV. This program took three months and the work of tax accountants and attorneys to develop. D&M developed a complete marketing campaign to capitalize and raise awareness to the program. The following website and materials were designed around the program https://dmdriveevfleets.org/ As participation grew, white papers were developed in conjunction with the Electrification Coalition to market the success of the program. As government fleets seek to adopt EVs into their fleet, we believe our program is uniquely positioned to capitalize on this growth.
37	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	D&M already employs a wide variety of marketing tools such as: print, radio, tv and social media to reach new customers and communicate with current customers. Our annual marketing budget exceeds \$3.5mm. D&M is beginning to utilize metadata as a way of strategically marketing to our target audience through our outside marketing firm. D&M always welcomes Sourcewell's direction on how we could enhance our marketing efforts to the members in a strategic manner via any medium.
38	In your view, what is Sourcewell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcewell-awarded contract into your sales process?	Our Government Fleet Division is singularly focused on marketing to the target audience that Sourcewell already serves. D&M has used the Sourcewell member directory to cross-reference our top prospects nationally and market to them. As contract participation has grown, D&M has been able to serve a number of influential government fleets. D&M would like to work with Sourcewell to produce white papers and testimonials that can be shared in newsletters and industry publications highlighting the tangible results members are receiving through the Sourcewell/D&M contract. As COVID concerns wane, D&M would like to increase our participation in venues that Sourcewell has a presence. Our goal will be to highlight our contract to every governmental entity we meet to grow membership and increase the value proposition to participating members.
39	Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	D&M does not offer our customers the ability to order online. Instead, we work directly with the customer to place an order and establish the funding parameters. D&M employs professionals that can add value to the ordering process and through our involvement mistakes are mitigated.

Table 8: Value-Added Attributes

Line Item	Question	Response *
40	Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.	For members that warrant online reporting, D&M provides program user guides and online training for personnel tasked with managing maintenance, fuel, safety/risk management and telematics. This training is provided to each customer and is free of charge.
41	Describe any technological advances that your proposed products or services offer.	Data analytics is the key to fleet management. D&M and our partners are on the forefront of technology and data capture. Our programs capture data which can be used to lower costs, increase efficiency and increase driver safety. Our custom reporting can integrate hundreds of data points from maintenance, fuel, driver safety and telematics into a condensed dashboard which allows our fleet customers to make sound decisions. D&M has partnered with the largest and most advanced players in their respective fields. This will allow the Sourcewell members to know they are receiving cutting edge technology and comprehensive offerings.

42	Describe any "green" initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each.	Government fleets across the US are being mandated to adopt green initiatives. However, utilizing available resources to sustain a fleet of electric, CNG, E85, propane, etc. vehicles vary from market to market. D&M works with the OEM's and professionals in alternative fuels to understand the needs and goals of the fleet and which product is best suited for their fleet. This allows the government fleet to make an informed decision. At the forefront of the green initiative is Electric Vehicles (EVs). D&M has worked very closely with the Electrification Coalition under the Climate Mayors initiative to develop and promote a lease which passes through the Federal Tax-Credit to the governmental entity. The results are increased participation in the Sourcwell contract and tens of thousands in savings per member. These savings allow members to acquire a larger amount of EVs and rapidly achieve their green initiatives.	*
43	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	D&M does not manufacture any equipment or vehicles and therefore has not received any certifications or ratings. However, as fleet experts and leaders in the adoption of EVs, D&M works with Sourcwell members to understand the EV landscape and select the best EV for their needs.	*
44	Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response.	D&M is a certified Historically Underutilized Business (HUB)/Minority Business Enterprise (MBE)	*
45	What unique attributes does your company, your products, or your services offer to Sourcwell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcwell participating entities?	Through our sister company HERNCO, D&M Leasing owns a network of franchise dealerships, a financial services company and other automotive related businesses. The result is one of the most unique relationships between sales, supply and funding in the fleet management industry. Over the last two years, the automotive industry has grappled with severe supply-chain issues. However, D&M has been able to navigate these issues due to our ability to source vehicles through our dealerships. Allowing our customers access to our substantial inventory. Our platform of services is scalable and sufficiently flexible to accommodate the most basic to the complex fleet needs of each Sourcwell member. After being awarded the initial Leasing and Fleet Management contract through Sourcwell, Tom Pertulla joked that the other three awarded vendors had already assigned the small government accounts over to D&M while they would focus on the larger members. D&M is proud to have served the needs of members seeking one vehicle to members seeking fifty vehicles. Regardless of size, we make sure each Sourcwell member is provided excellent service and their needs are met. We do not and will not turn away members because they are too small or don't fall in our market niche. D&M's Government Division is exclusively focused on serving the needs of government fleets. Our personnel understand the unique nuances of government fleets and are adept at serving this market. Other fleet management companies dip in and out of the government arena but their primary focus is commercial business. D&M is willing to invest the manpower necessary to work hand in hand with Sourcwell and their members. Our dedicated team will provide consistency and experienced fleet management recommendations to Sourcwell members. In contrast to other fleet management companies whose salespeople are selling to a plumbing company one day and a Sourcwell member the next.	*

Table 9A: Warranty

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

Line Item	Question	Response *	
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46	Do your warranties cover all products, parts, and labor?	All vehicles, regardless of whether they are leased or purchased, are covered under the manufacturer's warranty. These warranties vary by make and model and include parts and labor. Additionally, D&M offers a "Full Maintenance" program in which the maintenance costs are fixed and guaranteed during the life of the lease. The Full Maintenance program covers routine maintenance items such as oil changes, mechanical failure such as a transmissions and engine, and can be tailored to the needs of the member to include certain "wear items" such as tires and brakes. Full maintenance does include parts and labor.	*
47	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	OEM warranties do have stipulations which can affect coverage. An example would be adding aftermarket equipment that changes the performance of the vehicle. D&M works with our customers to understand the manufacturer's warranty and make sure the vehicle is adequate to suit their needs and does not fall outside of manufacturer guidelines. D&M's Full Maintenance program is calculated by vehicle category and usage (term/annual mileage). There are no usage restrictions or limitations however, repairs arising from either neglect or abuse are not covered.	*
48	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	No. Manufacturer warranties require the vehicles to be driven or towed to their service facility (Dealership Service Center) where warranty work will be performed by manufacturer trained technicians. Vehicles are extremely complex and require all diagnostic work to be performed onsite.	*
49	Are there any geographic regions of the United States or Canada (as applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell participating entities in these regions be provided service for warranty repair?	OEM's require warranty service to be provided at authorized facilities such as a dealership service center or manufacturer certified government maintenance facility. Where population is less dense, so too will be the number of maintenance facilities serving that population. D&M's Full Maintenance program utilizes service centers nationwide (both manufacturer/dealerships, national account vendors and independent maintenance facilities) which vastly increases the ability to have service work performed.	*
50	Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?	OEM warranties are used when applicable and all vehicles will be serviced in accordance with Manufacturer's warranty at participating OEM facilities. However, through D&M's Full Maintenance program, for a fixed monthly cost, customers can have D&M perform all routine and mechanical services in excess of the manufacturer's warranty coverage. Thereby extending warranty coverage for the lifecycle of the vehicle.	*
51	What are your proposed exchange and return programs and policies?	Vehicles are built to the exact specifications of the customer. D&M works with the Sourcewell Member to understand their needs and through these discussions, vehicle specifications are produced for the Member to examine. After close examination by the Member, the Member signs off on the vehicle specs and the order is placed through the OEM. D&M goes through this process, so the needs of the Members are met and to eliminate possible mistakes. Vehicles cannot be exchanged or returned without possible financial repercussions.	*
52	Describe any service contract options for the items included in your proposal.	D&M offers two service contract options: D&M's Full Maintenance program allows customers to fix their maintenance costs through the life of the vehicle. The fixed monthly payment covers all routine, preventative and unexpected/unscheduled mechanical repairs. This makes budgeting and forecasting fleet expenses easy. The program is managed by our team of ASE certified mechanics and the customer can easily utilize one of our 70,000 service providers. Pricing is based upon the vehicle, the term of the lease and the annual mileage. D&M's other service solution is Maintenance and Repair Management. Our comprehensive Maintenance and Repair Management program addresses all aspects of vehicle repairs, including both preventative and corrective maintenance. The program is designed to provide total vehicle maintenance administration and cost control through a combination of purchasing programs and pre-approved repair networks. The program consists of a system of national account service providers designed to handle tire replacement, mechanical repairs and necessary preventative maintenance. Utilizing this extensive network of national account service providers and repair facilities, customers are serviced quickly, conveniently and consistently. As repairs are performed, D&M pays the bills and provides the customer with a monthly statement itemizing the repairs per vehicle. D&M can provide a customized solution to meet the needs of any member.	*

Table 9B: Performance Standards or Guarantees

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

Line Item	Question	Response *
53	Describe any performance standards or guarantees that apply to your services	Our goal is to lift as much of the burden of managing a fleet from our customers as possible. At D&M, we believe we need to earn our customers' business every day. Our employees are trained to go above and beyond for our 40,000 customers, providing value with every interaction. D&M boasts a customer satisfaction rating of 96%. Our commitment to customer satisfaction is further illustrated by the following statistic: 70% of our business comes from repeat and referral customers. D&M retains an outside firm to conduct ongoing satisfaction surveys. Additionally, a customer service hotline is imbedded in each employee's email signature. If a customer has an issue, they can call the number to speak directly with a senior manager.
54	Describe any service standards or guarantees that apply to your services (policies, metrics, KPIs, etc.)	D&M personnel are available Monday through Friday during normal business hours to provide support and assistance. 24/7 service capabilities include: online management tool access, accident reporting assistance via a toll-free call (including towing and security services), emergency roadside assistance, programs to assist during emergencies/natural disasters, damage or theft. To ensure responsiveness, availability and the highest level of customer service to our clients, managers frequently monitor calls and claim processes. Two metrics are continuously monitored: hold times for customers calling into our maintenance and claims center and the percentage of savings a customer receives per transaction. Our service center is staffed to achieve a hold-time of less than 60-seconds even during peak call volume. Each of our technicians is trained to seek savings for the customer on every transaction. Each time a vehicle enters a facility for a repair, our technicians engage the repair facility to diagnose the necessary repair. Our technicians are experts in their field and can evaluate the repair and the cost to repair the vehicle. The percentage saving per transaction can be achieved by applying for assistance from the OEM for repairs outside of warranty and receiving them, negotiating lower labor rates, lower parts costs, and eliminating unnecessary or redundant repairs suggested by the repair facility. Our technicians receive bonuses and are evaluated for promotions based upon their ability to provide savings to our customers.

Table 10: Payment Terms and Financing Options

Line Item	Question	Response *
55	Describe your payment terms and accepted payment methods.	Terms are Net 30. Payment may be made by check, ACH, and wire.
56	Describe any leasing or financing options available for use by educational or governmental entities.	D&M will customize the lease and payment terms to meet the needs of the member. Our lease terms range from 12 – 72 months and payments can be made monthly, quarterly, semi-annually, annually or in advance as a lump sum. D&M works with the Sourcewell members to implement the easiest payment system and their PO process.
57	Describe any standard transaction documents that you propose to use in connection with an awarded contract (order forms, terms and conditions, service level agreements, etc.). Upload a sample of each (as applicable) in the document upload section of your response.	A Master Lease Agreement (MLA) is executed with each Sourcewell member. The MLA outlines the terms and conditions of the relationship between the Sourcewell member and D&M. To order a vehicle, the Sourcewell member signs a Lease Quote which outlines the anticipated cost of the vehicle and the structure of the lease. By signing the Lease Quote, the member provides authorization for D&M to acquire the vehicle on their behalf.
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?	D&M does not accept payment via P-card as a standard payment process. However, D&M has on occasion accepted it as a form of payment to accommodate the member.

Table 11: Pricing and Delivery

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

Line Item	Question	Response *
59	Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response.	D&M's pricing model is based upon Factory Invoice which represents an average discount of 15% off MSRP. Additionally, 100% of government, fleet and retail incentives will be applied for and credited to the members as well. Sourcewell members also receive a 15% discount off all ancillary services such as Maintenance and Repair Management, Accident Management, Emergency Roadside Assistance, Windshield Replacement/Repair, and Telematics.
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.	D&M's pricing model is based upon Factory Invoice which represents an average discount of 15% off MSRP. Additionally, 100% of government, fleet and retail incentives will be applied for and credited to the members as well. When all discounts are applied, the average discount to Sourcewell members will be between 25 - 35% off MSRP.
61	Describe any quantity or volume discounts or rebate programs that you offer.	While D&M's pricing structure is already based upon pricing given to large government fleets, D&M is always willing to work with members who are seeking additional savings due to increased volume.
62	Propose a method of facilitating "sourced" products or related services, which may be referred to as "open market" items or "nonstandard options". For example, you may supply such items "at cost" or "at cost plus a percentage," or you may supply a quote for each such request.	Under our current contract with Sourcewell, D&M proposed pricing for sourced items at "cost plus a percentage". This structure has proven to work very well in light of today's vehicle shortages. In such circumstances, D&M is able to negotiate the lowest price for a vehicle and add either a 3% markup for domestic vehicles or 5% for foreign manufacturers. This pricing method allows for transparency with the member. Sourced items such as aftermarket equipment will always be at cost.
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.	License, registration, taxes and any fees associated with securing the registration (local, state, federal government) will be invoiced as paid at cost. Other items may include Courtesy Delivery fee (charged by the delivering dealer), transportation to the member and fuel (dealership, transport company or D&M) will be billed at net cost; there will be no mark up.
64	If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program.	Vehicles are shipped from the OEM to a local dealer in proximity to the member. The "delivering dealer" determines their fee for "Courtesy Delivery". Courtesy Delivery entails inspecting, cleaning and possibly registering the vehicle. The member has input on who the delivering dealer will be, but D&M is not in control of the fee for Courtesy Delivery. The fee for Courtesy Delivery will be at cost. If the member requests the vehicle to be transported on their behalf after arriving at the dealership, costs associated with transporting the vehicle will be at cost.
65	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	Vehicles deliveries in Alaska, Hawaii and Canada will follow the same process as the continental US.
66	Describe any unique distribution and/or delivery methods or options offered in your proposal.	For immediate needs, sourced vehicles can be purchased from dealer inventory anywhere in the US and D&M will arrange for transport and delivery of the vehicles directly to the member. Transportation costs will be determined at time of acquisition and will be at cost.

Table 11A: Pricing Grid: Acquisition Terms

Provide detailed pricing information in the table below.

Line Item	Type	Charged/Percentage	Details	
67	Interest Rate Index Used	Treasury Bill	The 3-Year T Bill rate will be used for lease terms of 3-years or less and the 5-Year T Bill rate will be used for lease terms greater than 3-years	*
68	Basis Points	300 Basis Point adder	Adder may be evaluated based upon the credit worthiness of member.	*
69	Domestic Factory Order Vehicles	Manufacturers' Factory Invoice minus (-) applicable Government, Fleet, or Retail Incentives plus (+) Courtesy Delivery Fee	Delivering Dealership sets the Courtesy Delivery Fee. CD Fees average \$300 - \$350.	*
70	Foreign Factory Order Vehicles	3% over Manufacturers' Factory Invoice minus (-) applicable Government, Fleet, or Retail Incentives	A Courtesy Delivery Fee may or may not be charged depending upon the manufacturer	*
71	Domestic Dealer Stock Vehicles	Manufacturers' Factory Invoice or selling price, plus (+) 3%, minus (-) applicable Government, Fleet or Retail Incentives	Any additional fees levied by the manufacturer or dealership will be passed through at cost with no markup	*
72	Foreign Dealer Stock Vehicles	Manufacturers' Factory Invoice or selling price, plus (+) 5%, minus (-) applicable Government, Fleet or Retail Incentives	Any additional fees levied by the manufacturer or dealership will be passed through at cost with no markup	*

Table 11B: Pricing Grid: Incentives

Provide detailed pricing information in the table below.

Line Item	Type	Charged/Percentage	Details	
73	Federal Tax Incentives	67%	D&M will pass-through 67% of the available Federal Tax-Credit on Electric Vehicles as a capitalized cost reduction at the onset of the lease.	*
74	State Tax Incentives	100%	Member must apply for and secure funds on their own. D&M will assist with supplying proof of vehicle acquisition.	*
75	Manufacturer Incentives	100%	Any and all available incentives will be applied for by D&M and passed through to the member	*

Table 11C: Pricing Grid: Maintenance & Fees

Provide detailed pricing information in the table below.

Line Item	Type	Charged/Percentage	Details	
76	Fixed Maintenance	Averages .03 to .05 cents per mile	Fixed Maintenance cost is charged monthly based upon vehicle, lease term, and estimated annual mileage.	*
77	Occurance Maintenance	\$5.00	\$5.00 is charged per month for each vehicle enrolled in the program. All services performed will be billed back to the member in addition to the \$5.00 fee.	*
78	Management Fee	.08%	The Management Fee is a monthly charge calculated off the Invoice cost of the vehicle.	*
79	Service Charge	\$250	Due at the end of the lease term	*
80	Lease Termination Fee	N/A	Not applicable if vehicle goes to term. If customer defaults prior to term, additional charges may apply.	*
81	Interim Interest Yes/No, How is it calculated?	Yes	Leases begin on the first day of the month. A member who takes delivery of a vehicle prior to the 1st will be charged a pro-rated portion of the monthly payment for the days they have the vehicle prior to the 1st of the month when the lease begins.	*
82	Resale Fee	At cost	Any fees associated with the transportation and selling of a leased vehicle will be done at cost.	*
83	Provide fees not listed + rate	N/A	N/A	*

Table 12: Pricing Offered

Line Item	The Pricing Offered in this Proposal is: *	Comments
84	c. better than the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.	Because of the opportunity to reach Sourcewell's vast membership base, D&M is discounting our pricing model to match the potential volume.

Table 13: Audit and Administrative Fee

Line Item	Question	Response *						
85	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcewell. This process includes ensuring that Sourcewell participating entities obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcewell. Provide sufficient detail to support your ability to report quarterly sales to Sourcewell as described in the Contract template.	<p>D&M's system allows for a standard pricing model unique to Sourcewell members. This alleviates the need for manual entry. To track quarterly administrative fees due to Sourcewell, D&M will utilize a unique Sourcewell code to track all member purchases. This coding will allow D&M to easily source vehicles delivered to Sourcewell members from other customers.</p> <p>In addition to the automated processes listed above, our accounting team manually reviews all deliveries to ensure compliance.</p>						
86	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.	<p>As a sales organization, D&M measures activity (defined as incoming leads versus leads generated by the salesperson), new account closures from lead activity, and repeat business (defined as customers placing additional orders after the initial account is closed).</p> <p>Because of COVID, many government fleets halted spending in anticipation of budget shortfalls. Subsequently, due to supply chain shortages, OEMs limited availability to government fleets or cut off production with little or no advanced warning. Leaving government fleets unable to acquire vehicles. These two factors have dramatically changed what has been traditionally very stable sales and closing percentages.</p> <p>Through the Sourcewell contract, D&M has generated a significant number of conversations with members about the program and its merits. While the actual amount of business generated from the contract has not met our expectations, we believe our investment in conversations and activity over the last few years will bear fruit in 2022 and beyond. D&M is already working with municipalities to be poised to place orders for 2023 models the moment the manufacturers announce pricing. This is a monumental shift for governments who traditionally take months to receive approval for a PO.</p> <p>D&M is highly encouraged that members who have already placed a round of orders with D&M are pursuing additional vehicles through us. As a company, D&M has focused on being a trusted advisor to our customers. We see that the Sourcewell members view us as a trusted advisor and not simply as an acquisitions source.</p>						
87	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.)	<p>D&M understands that the pricing contained in this proposal is for the global membership and it will be imposed if a member is seeking 1 vehicle or 100 vehicles as part of the contract. As a service provider and not the manufacturer, a fee based upon a percentage of the vehicle cost would be onerous to D&M because our margins do not increase at an exponential rate with the cost of the vehicle. Additionally, it is labor intensive to onboard a new customer who only orders a few vehicles at a time. D&M believes it would be best to charge a per unit fee which gradually rises based upon the total orders accumulated for the quarter. For example:</p> <table border="0"> <thead> <tr> <th>Quarterly Volume</th> <th>Per Unit Fee</th> </tr> </thead> <tbody> <tr> <td>1-100</td> <td>\$150</td> </tr> <tr> <td>101+</td> <td>\$250 (retroactive back to unit 1)</td> </tr> </tbody> </table> <p>*If a member seeks additional concessions from D&M due to a large volume order, D&M may ask Sourcewell to participate by waiving some of the administrative fee in order to secure the business from the member.</p> <p>**If Sourcewell would like to propose an alternative fee structure, D&M is open to it.</p>	Quarterly Volume	Per Unit Fee	1-100	\$150	101+	\$250 (retroactive back to unit 1)
Quarterly Volume	Per Unit Fee							
1-100	\$150							
101+	\$250 (retroactive back to unit 1)							

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

Line Item	Question	Response *
88	Provide a detailed description of the equipment, products, and services that you are offering in your proposal.	D&M is a full-service fleet management provider. D&M offers our customers needs-based solutions which allow them to operate their fleet more efficiently while reducing the overall costs associated with operating the fleet. Our programs and services are tailored to provide assistance throughout the lifecycle of the fleet. D&M can provide our customers with any make or model vehicle sold. While this allows our customers access to the complete universe of vehicles, D&M assists our customers in getting the right vehicle for their needs in an unbiased manner. Our goal is to lift as much of the burden of managing the fleet from the member's shoulders as possible. We have programs that provide solutions for every facet of operating a fleet. During our initial needs assessment, we identify areas where our programs or services may/may not be beneficial to the member. We do not try to fix what isn't broken. Our goal is to become a trusted advisor which means we seek to add value on every interaction with the customer. D&M's products and services include: Lifecycle analysis, Full Maintenance program (where maintenance costs are fixed and guaranteed during the life of the lease), Maintenance and Repair Management (where maintenance costs are billed to the end user as they occur), Accident Management, License and Registration, Insurance (Physical Damage and Liability Coverage), Emergency Roadside Assistance, Glass Repair and Replacement, Rental Replacement Vehicles, Vehicle Disposal, a Driver Safety Program, Telematics, Fuel Card, and custom reporting.
89	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	Vehicle Leasing, Fleet Management, Disposal, Maintenance, Fuel, Insurance, Telematics, Reporting

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
90	Services for the acquisition by Sourcewell participating entities, whether by lease or financing, of on-road vehicles of all types or classifications, all weight classes, and all engine types	<input checked="" type="radio"/> Yes <input type="radio"/> No	D&M can lease Sourcewell members all on-road make/model vehicles regardless of classification, weight or engine type.
91	New vehicle service and preparation for the vehicles described in Line 90 above, such as, pre-delivery inspection, parts and accessories installation, and vehicle marking application or installation	<input checked="" type="radio"/> Yes <input type="radio"/> No	As a full-service fleet management company, D&M routinely manages the installation of aftermarket equipment (AME) and graphics packages for our customers. D&M does not charge for the management of this process nor is there a markup. It is done at cost.
92	Preventative maintenance plans, vehicle maintenance and repair services, and related service level agreements for Sourcewell participating entity on-road vehicle fleets of all types	<input checked="" type="radio"/> Yes <input type="radio"/> No	D&M's Maintenance and Repair Management program services on-road vehicles of all types and weight classifications.
93	In addition to the solutions described in Lines 90-92 above, proposers may include a complementary offering of the following ancillary services: i. Short-term rental programs; ii. Upfitting of after-market programs; iii. Fleet management information technologies, such as: telematics, fleet monitoring, fuel management, fuel tank management, and motor pool/fleet sharing software and systems; iv. Roadside assistance including towing, emergency towing, and repairs; v. Installation, operation, and maintenance of dedicated charging and fueling stations; and vi. Vehicle battery longevity monitoring and replacement plans.	<input checked="" type="radio"/> Yes <input type="radio"/> No	As a full-service fleet management provider, D&M offers all of the listed ancillary services plus additional services which aren't mentioned.

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

Line Item 94. NOTICE: To identify any exception, or to request any modification, to the Sourcwell template Contract terms, conditions, or specifications, a Proposer must submit the exception or requested modification on the **Exceptions to Terms, Conditions, or Specifications Form** immediately below. The contract section, the specific text addressed by the exception or requested modification, and the proposed modification must be identified in detail. Proposer's exceptions and proposed modifications are subject to review and approval of Sourcwell and will not automatically be included in the contract.

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

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

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.
2. Documents should NOT have a security password, as Sourcwell 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 Sourcwell.
3. Sourcwell may reject any response where any document(s) cannot be opened and viewed by Sourcwell.
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](#) - Sourcwell RFP 030122 - Fleet Management Services Pricing.pdf - Friday February 25, 2022 14:03:00
 - [Financial Strength and Stability](#) - Financial Strength and Stability.pdf - Friday February 25, 2022 16:32:49
 - [Marketing Plan/Samples](#) - Marketing Plan Samples.zip - Friday February 25, 2022 16:33:21
 - [WMBE/MBE/SBE or Related Certificates](#) - HUB MBE Cert thru 2025.zip - Friday February 25, 2022 14:37:09
 - Warranty Information (optional)
 - [Standard Transaction Document Samples](#) - Standard Transaction Documents.zip - Friday February 25, 2022 16:34:57
 - Upload Additional Document (optional)

Addenda, Terms and Conditions

PROPOSER AFFIDAVIT AND ASSURANCE OF COMPLIANCE

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

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

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

By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Charles Cain, President, Government & Commercial Divisions, Commercial Vehicle Leasing, LLC dba D&M Leasing

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_3_Fleet_Mgmt_Services_RFP_030122 Mon February 21 2022 04:30 PM	<input checked="" type="checkbox"/>	2
Addendum_2_Fleet_Mgmt_Services_RFP_030122 Thu February 17 2022 08:53 AM	<input checked="" type="checkbox"/>	3
Addendum_1_Fleet_Mgmt_Services_RFP_030122 Thu January 13 2022 04:26 PM	<input checked="" type="checkbox"/>	1