



Solicitation Number: RFP#052919

CONTRACT

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and VariTech Industries Inc., 501 East Cliff Road, Burnsville, MN 55337 (Vendor).

Sourcewell is a State of Minnesota local government agency and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to its members. Participation is open to all levels of governmental entity, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada.

Vendor desires to contract with Sourcewell to provide equipment, products, or services to Sourcewell and its Members (Members).

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 July 17, 2023, unless it is cancelled sooner pursuant to Article 24. This Contract may be extended up to one additional one-year period upon request of Sourcewell and with written agreement by Vendor.
- C. SURVIVAL OF TERMS. Articles 11 through 16 survive the expiration or cancellation of this Contract.

2. EQUIPMENT, PRODUCTS, OR SERVICES

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

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

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

B. **LAWS AND REGULATIONS.** All Equipment, Products, or Services must comply fully with applicable federal laws and regulations, and with the laws of the state or province in which the Equipment, Products, or Services are sold.

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

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

3. PRICING

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

Regardless of the payment method chosen by the Member, 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 Member at the time of purchase.

When providing pricing quotes to Members, all pricing quoted must reflect a Member'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 Member's requested delivery location.

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

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

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

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

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

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

4. PRODUCT AND PRICING CHANGE REQUESTS

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

- Identify the applicable Sourcwell contract number
- Clearly specify the requested change
- Provide sufficient detail to justify the requested change
- Individually list all Equipment, Products, or Services affected by the requested change, along with the requested change (e.g., addition, deletion, price change)
- 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 Sourcwell Price and Product Request Form will become an amendment to this Contract and be incorporated by reference.

5. MEMBERSHIP, CONTRACT ACCESS, AND MEMBER REQUIREMENTS

A. **MEMBERSHIP.** Membership in Sourcewell is open to public and nonprofit entities across the United States and Canada; such as municipal, state/province, K-12 and higher education, tribal government, and other public entities.

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

Vendor is responsible for familiarizing its sales and service forces with Sourcewell membership requirements and documentation and will encourage potential members to join Sourcewell. Sourcewell reserves the right to add and remove Members to its roster during the term of this Contract.

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

6. MEMBER ORDERING AND PURCHASE ORDERS

A. **PURCHASE ORDERS AND PAYMENT.** To access the contracted Equipment, Products, or Services under this Contract, Member must clearly indicate to Vendor that it intends to access this Contract; however, order flow and procedure will be developed jointly between Sourcewell and Vendor. Typically a Member will issue a purchase order directly to Vendor. Members may use their own forms for purchase orders, but it should clearly note the applicable Sourcewell contract number. Members will be solely responsible for payment and Sourcewell will have no liability for any unpaid invoice of any Member.

B. **ADDITIONAL TERMS AND CONDITIONS.** Additional terms and conditions to a purchase order may be negotiated between a Member and Vendor, such as job or industry-specific requirements, legal requirements (such as affirmative action or immigration status requirements), or specific local policy requirements. Any negotiated additional terms and conditions must never be less favorable to the Member than what is contained in Vendor's Proposal.

C. **PERFORMANCE BOND.** If requested by a Member, Vendor will provide a performance bond that meets the requirements set forth in the Member's purchase order.

D. **SPECIALIZED SERVICE REQUIREMENTS.** In the event that the Member requires service or specialized performance requirements (such as e-commerce specifications, specialized delivery requirements, or other specifications and requirements) not addressed in this Contract, the Member and the Vendor 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.

E. **TERMINATION OF PURCHASE ORDERS.** Members may terminate a purchase order, in whole or in part, immediately upon notice to Vendor in the event of any of the following events:

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

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

7. CUSTOMER SERVICE

A. **PRIMARY ACCOUNT REPRESENTATIVE.** Vendor 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 Member inquiries; and
- Business reviews to Sourcwell and Members, if applicable.

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

8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT

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

The Report must contain the following fields:

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

B. ADMINISTRATIVE FEE. In consideration for the support and services provided by Sourcwell, the Vendor will pay an administrative fee to Sourcwell on all Equipment, Products, and Services provided to Members. The Vendor will submit a check payable 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 Members under this Contract during each calendar quarter. Payments should note the Sourcwell-assigned contract number in the memo and must be mailed to the address above "Attn: Accounts Receivable." Payments must be received no later than forty-five (45) calendar days after the end of each calendar quarter.

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

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

9. AUTHORIZED REPRESENTATIVE

Sourcwell's Authorized Representative is its Chief Procurement Officer.

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

10. ASSIGNMENT, AMENDMENTS, WAIVER, AND CONTRACT COMPLETE

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

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

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

D. **CONTRACT COMPLETE.** This Contract contains all negotiations and agreements between Sourcewell and Vendor. No other understanding regarding this Contract, whether written or oral, may be used to bind either party.

E. **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, master-servant, principal-agent, or any other relationship.

11. LIABILITY

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

12. AUDITS

Sourcewell reserves the right to review the books, records, documents, and accounting procedures and practices of the Vendor relevant to this Contract for a minimum of six (6) years from the end of this Contract. This clause extends to Members as it relates to business conducted by that Member under this Contract.

13. GOVERNMENT DATA PRACTICES

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

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

14. INTELLECTUAL PROPERTY

As applicable, Vendor agrees to indemnify and hold harmless Sourcewell and its Members against any and all suits, claims, judgments, and costs instituted or recovered against Sourcewell or Members by any person on account of the use of any Equipment or Products by Sourcewell or its Members supplied by Vendor in violation of applicable patent or copyright laws.

15. PUBLICITY, MARKETING, AND ENDORSEMENT

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

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

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

16. GOVERNING LAW, JURISDICTION, AND VENUE

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

17. 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.

18. SEVERABILITY

If any provision of this Contract is found to be illegal, unenforceable, or void then both Sourcewell and Vendor will be relieved of all obligations arising under such provisions. If the

remainder of this Contract is capable of performance, it will not be affected by such declaration or finding and must be fully performed.

19. PERFORMANCE, DEFAULT, AND REMEDIES

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

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

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

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

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

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

20. INSURANCE

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

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

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

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

Minimum limits:

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

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

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

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

Minimum Limits:

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

\$1,000,000 Personal and Advertising Injury

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

\$2,000,000 general aggregate

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

Minimum Limits:

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

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

Minimum Limits:

\$2,000,000

5. *Professional/Technical, Errors and Omissions, and/or Miscellaneous Liability.*

During the term of this Contract, Vendor will maintain coverage for all claims the Vendor may become legally obligated to pay resulting from any actual or alleged negligent act, error, or omission related to Vendor's professional services required under this Contract.

Minimum Limits:

\$2,000,000 per claim or event

\$2,000,000 – annual aggregate

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

Minimum limits:

\$2,000,000 per occurrence

\$2,000,000 annual aggregate

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

B. **CERTIFICATES OF INSURANCE.** Prior to commencing under this Contract, Vendor must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Contract. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or sent to the Sourcewell Contract Administrator assigned to this Contract. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf. All policies must include there will be no cancellation, suspension, non-renewal, or reduction of coverage without thirty (30) days' prior written notice to the Vendor.

Upon request, Vendor must provide to Sourcewell copies of applicable policies and endorsements, within ten (10) days of a request. Failure to request certificates of insurance by Sourcewell, or failure of Vendor to provide certificates of insurance, in no way limits or relieves Vendor of its duties and responsibilities in this Contract.

C. **ADDITIONAL INSURED ENDORSEMENT AND PRIMARY AND NON-CONTRIBUTORY INSURANCE CLAUSE.** Vendor agrees to name Sourcewell and its Members, including their officers, agents, and employees, as an additional insured under the Vendor's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Vendor, and products and completed operations of Vendor. The policy provision(s) or endorsement(s) must further provide that coverage is primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.

D. **WAIVER OF SUBROGATION.** Vendor waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Contract or other insurance applicable to the Vendor or its subcontractors. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance

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

E. UMBRELLA/EXCESS LIABILITY. The limits required by this Contract can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies).

F. SELF-INSURED RETENTIONS. Any self-insured retention in excess of \$10,000 is subject to Sourcewell's approval.

21. COMPLIANCE

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

B. LICENSES. Vendor must maintain a valid status on all required federal, state, and local licenses, bonds, and permits required for the operation of the business that the Vendor conducts with Sourcewell and Members.

22. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION

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

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

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

Members 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. Members may also require additional requirements based on specific funding specifications. Within this Article, all references to "federal" should be interpreted to mean the United States federal government. The following list only applies when

a Member accesses Vendor's Equipment, Products, or Services with United States federal funds.

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

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

C. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708). Where applicable, all contracts awarded by the non-federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. § 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction

work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. This provision is hereby incorporated by reference into this Contract. Vendor certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Vendor must comply with applicable requirements as referenced above.

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

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

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

G. BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352). Vendors must file any required certifications. Vendors must not have used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award

covered by 31 U.S.C. § 1352. Vendors must disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Vendors must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

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

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

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

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

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

24. CANCELLATION

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

Sourcewell

DocuSigned by:
Jeremy Schwartz
By: _____
C0FD2A139D06489...
Jeremy Schwartz
Title: Director of Operations &
Procurement/CPO
Date: 7/16/2019 | 1:43 PM CDT

VariTech Industries Inc.

DocuSigned by:
Matthew Loettler
By: _____
D7684263D7044AD...
Matthew Loettler
Title: Vice President of Products and
Engineering
Date: 7/16/2019 | 2:58 PM CDT

Approved:

DocuSigned by:
Chad Coauette
By: _____
7E42B8F817A64CC...
Chad Coauette
Title: Executive Director/CEO
Date: 7/16/2019 | 1:44 PM CDT

RFP#052919 - Salt, Brine, Anti-icing, or De-icing Agents, and Brine Production and Storage Systems

Vendor Details

Company Name: VariTech Industries, Inc.
Address: 4115 Minnesota Street
Alexandria, MN 56308
Contact: Benjie Schoenrock
Email: bschoenrock@varitech-industries.com
Phone: 320-763-5074
Fax: 320-763-5612
HST#: 41-1559096

Submission Details

Created On: Thursday April 11, 2019 10:23:29
Submitted On: Wednesday May 29, 2019 14:17:49
Submitted By: Benjie Schoenrock
Email: bschoenrock@varitech-industries.com
Transaction #: 159dcca3-0cf3-430f-ae38-ab3141d450ad
Submitter's IP Address: 216.168.94.154

Specifications

Proposer Identity & Authorized Representatives

Line Item	Question	Response *
1	Proposer Legal Name (and applicable d/b/a, if any):	VariTech Industries, Inc.
2	Proposer Address:	501 East Cliff Road Burnsville, MN 55337
3	Proposer website address:	www.varitech-industries.com
4	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer):	Matthew Loeffler Vice President of Products and Engineering 501 East Cliff Road Burnsville, MN 55337 952-707-1342 mloeffler@forceamerica.com
5	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Benjamin Schoenrock Product Manager 4115 Minnesota Street Alexandria, MN 56308 320-759-7388 bschoenrock@varitech-industries.com
6	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	None

Company Information and Financial Strength

Line Item	Question	Response *
7	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested equipment, products or services.	<p>VariTech Industries, Inc. is a wholly owned Subsidiary of FORCE America. VariTech Industries is an entity based in Alexnadria, MN. FORCE America, including its Subsidiaries, acts as a private organization. VariTech Industries has been a company for 25 years. FORCE America as a company has nearly 400 employees and has been in business for over 65 years and is 100% Employee Owned. FORCE America and its companies, including its entities, are incorporated and chiefly located out of Burnsville, MN. VariTech's core competencies are delivering first class snow and ice control equipment to its customers that want to increase snow fighting efficiencies while providing the best level of service possible to the motoring public. These are the things we have been delivering and are actively delivering today.</p> <p>VariTech holds the same core values as our parent company, FORCE America INC. Our core values are all about the customer. We put the customer on top of the pyramid and adhere to the "customer, customer, customer" motto that our previous CEO ingrained into the company 20+ years ago. Our mission statement: "To create a business model that perpetually grows to serve the customer and ensures FORCE America stands the test of time". We provide top rate products and our customer service is 2nd to none.</p> <p>The VariTech story goes back to 1994 when our founder, Ed Kephart, was approached by the Minnesota DOT to develop a salt brine production system that would convert conventional rock salt into a salt brine solution that could be used for liquid deicing. After many attempts at perfecting this production process we were able to introduce the first commercial salt brine production system for use in generating salt brine for highway deicing. Since being acquired by FORCE America in April of 2000, we have become a recognized leader in the snow/ice industry providing a wide range salt brine production systems, chemical blending systems, liquid storage and application equipment.</p>
8	Provide a detailed description of the products and services that you are offering in your proposal.	<p>Our proposal will include our full line of Salt Brine Production Systems, liquid deicer chemical blending systems, transfer pump stations, and single wall and double wall storage tanks. With everything noted above, Sourcewell members will be able to adopt a "rock to roadway" program. In other words, we offer every piece of equipment needed to turn a grain of rock salt into salt brine and have it ready for roadway application. Users will be able to make the salt brine, store the salt brine, and transfer the salt brine into their truck mounted application tanks. Our systems are offered in simple manual configurations up to and including powerful automated systems that include precision operation, data logging, and system security to name a few. This balance of manually operated systems to automatically operated systems is something that no other vendor can supply to Sourcewell members.</p>

9	What are your company's expectations in the event of an award?	Our expectations in the event of an award are fairly simple. We want to forge a relationship with Sourcewell in an effort to mutually grow our business. With the growing popularity of the Sourcewell platform and the national demand for liquid deicing equipment we are confident that we can grow our business in areas that are core to our product offering.	*
10	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.	VariTech Industries, Inc.. is a wholly owned subsidiary of FORCE America, Inc. Please see the attached copy of our Dun&Bradstreet report for verification of our financial strength.	*
11	What is your US market share for the solutions that you are proposing?	Since 1994, VariTech has installed over 2,000 salt brine production systems and related equipment in 46 states, throughout Canada, and in South America. These installations have been to local, State, and Federal government agencies as well as school districts and universities at the core. It is safe to say that our market share is well over 50% of the systems that have been installed the last 25 years. In fact, many of our competitors have only recently joined this category.	*
12	What is your Canadian market share, if any?	Our Canadian market share is roughly 5%.	*
13	Has your business ever petitioned for bankruptcy protection? If so, explain in detail.	No we have not.	*
14	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?	b) A majority of the equipment offered in this proposal is equipment that we have manufactured ourselves. The only exception to this is the storage tank product where we are master distributors in the snow and ice market. As mentioned in other questions we are unique in that we have a direct sales team out in the field through FORCE America, our parent company. We have 30 outside sales people who can sell the VariTech line of products. We have a direct relationship with them as we speak/email them on a daily if not hourly basis. We also utilize the inside sales team at the 13 different FORCE America locations across the Country. These are not VariTech employees but they are FORCE America employees, but we all (FORCE America, PreCise MRM, VariTech Industries and Atlanta Power Train) fall under the FORCE America Inc umbrella. In addition to our own employees, we have a distribution network that can assist us with sales, installation, and training in all of the lower 48 states and throughout Canada.	*
15	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.	Not applicable	*
16	Provide all "Suspension or Disbarment" information that has applied to your organization during the past ten years.	We have never been suspended or disbarred	*
17	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	Liquid prewet systems Liquid anti-ice systems Liquid deicing systems Chemical blending systems Liquid transfer systems	*

Industry Recognition & Marketplace Success

Line Item	Question	Response *
18	Describe any relevant industry awards or recognition that your company has received in the past five years	In September of 2017, VariTech was chosen to participate in a training video for Clear Roads. Clear Roads is a national research consortium focused on rigorous testing of winter maintenance materials, equipment and methods for use by highway maintenance crews. This video was made in an effort to bring national exposure to liquid only plowing routes to various government agencies that have not experimented with liquid deicers. Of the salt brine production equipment manufacturer's in the United States, VariTech was the only one chosen based on industry history and expertise. Our Product Manager, Benjamin Schoenrock, was chosen by this group as the industry equipment expert in the areas of salt brine production and it's related application.
19	What percentage of your sales are to the governmental sector in the past three years	Roughly 95% of our business over the past 3 years has been municipal based either directly or sold through a truck equipment reseller.
20	What percentage of your sales are to the education sector in the past three years	Less than 1% of our business has been in the education sector in the past 3 years.
21	List any state or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	Arizona DOT - \$35,000 Minnesota DOT - \$1,400,000 Tennessee DOT - \$1,200,000 Texas DOT - \$1,200,000 North Carolina DOT - \$4,800,000 Kentucky DOT - \$30,000 Pennsylvania DOT - \$82,000 Virginia DOT - \$107,000 Vermont DOT - \$93,000 North Carolina Sheriff's Association - \$0
22	List any GSA contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	We do not hold any GSA contracts.

References/Testimonials

Line Item 23.

Entity Name *	Contact Name *	Phone Number *
City of Eden Prairie, MN	Mike Schmidt	952-949-8534
City of West Fargo, ND	Eric Hanson	701-433-5449
Alaska DOT	Bruce McNeil	907-539-7073

Top Five Government, Education or Non-profit Customers

Line Item 24. 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 *
North Carolina DOT	Government	North Carolina - NC	Provide salt brine production, storage, and application systems.	Approximately 50 sprayers and 10 salt brine production systems per year.	\$4,800,000
Wisconsin DOT	Government	Wisconsin - WI	Provide salt brine production, brine blending, and storage systems.	Approximately 6 complete salt brine production, blending, and liquid storage systems.	\$1,400,000
Minnesota DOT	Government	Minnesota - MN	Provide salt brine production, storage, and application systems.	Approximately 20 storage tanks, 5 brine makers, and 20 sprayers per year.	\$1,400,000
Texas DOT	Government	Texas - TX	Provide salt brine production and application systems.	Approximately 30 sprayers and 5 salt brine production systems per year.	\$1,200,000
Tennessee DOT	Government	Tennessee - TN	Provide salt brine production and application systems.	Approximately 10 salt brine production systems and 100 application systems of various sizes.	\$1,200,000

Ability to Sell and Deliver Service to Sourcewell Members

Describe your company's capability to meet the needs of Sourcewell Members across the US, and Canada if 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 *
25	Sales force.	VariTech utilizes FORCE America Inc's outside sales team and inside sales personnel. FORCE America has 30 outside sales reps across the Country that sell the VariTech line of products. All outside reps are trained on VariTech and every quarter VariTech provides webinars to the team(s) to go over new products/enhancements/services/etc. The majority of our outside sales force sells into the Municipal market so getting into Municipal customers to discuss the contract and the program shouldn't be too difficult for our team. We also utilize the FORCE America inside sales team(s) that are located within all 14 services centers across the Nation. VariTech is based in Alexandria, MN and we have 15 full time employees at this location. Product Manager, inside sales/technical support, field service staff, production and order fulfillment staff are located at this location. Being part of FORCE America we utilize their (FORCE America paid employees) accounting teams, marketing teams, information technology, and engineering teams to facilitate all the day to day operations that encompass VariTech. FORCE America INC, based out of Burnsville, MN has nearly 400 full time employees.
26	Dealer network or other distribution methods.	The VariTech distribution method is largely scaled to sell direct to the end user (customer). Typically we sell direct and we bill direct which encompasses roughly 70% of our current business model. VariTech does also distribute to Truck Equipment Dealers. What we mean by that is when a Municipality orders a new truck they purchase through a TED (Truck Equipment Dealer) they may call out a VariTech system to be installed in that truck so we sell to the TED which in turn sells back to the end user. This would make up roughly the remaining 30% of our business. We have a distribution network that can assist us with sales, installation, and training in all of the lower 48 states and throughout Canada.
27	Service force.	From a service standpoint, all of our outside FORCE America sales team members and our FORCE America Field Service technicians know how to troubleshoot, install and service our products. Below you will find locations of all of our service centers: Atlanta, GA Bismark, ND Charlotte, NC Chicago, IL Columbus, OH Dallas, TX Denver, CO Fort Dodge, IA Kansas City, MO Milwaukee, WI Minneapolis (Burnsville), MN Olive Branch, MS Philadelphia, PA Salt Lake City, UT Sales/service is one in the same for VariTech. We not only sell the products but we provide the service to ensure our customers are taken care of which is why all of us involved at VariTech know how to sell, install and troubleshoot our products.
28	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.	All of our customer service calls are initially directed to the VariTech facility in Alexandria, MN. Often times we are able to fulfill any calibration, troubleshooting, or technical needs over the phone and through an email exchange of documentation. In the event we need to dispatch a field service technician, we will work with our nearest service center for that support which likely occurs within 24 hours. Additionally our 14 sales and service centers across the US serve as local support in the event a customer needs help or inventory.
29	Identify any geographic areas that you will NOT be fully serving through the proposed contract.	We will service any location in North America.
30	Identify any Sourcewell Member 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?	We will service any Sourcewell member in North America.
31	Define any specific contract requirements or restrictions that would apply to our Members in Hawaii and Alaska and in US Territories.	No restrictions would apply to members in Hawaii, Alaska, or US Territories.

Marketing Plan

Line Item	Question	Response *
32	Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	<p>FORCE America has a broad marketing strategy the ties directly into promoting the Sourcewell contract. Following are the basic elements of FORCE America's marketing plan including our subsidiaries of PreCise MRM, VariTech Industries and Atlanta Powertrain.</p> <p>a) Trade Shows – FORCE America exhibits at over 60 trade shows annually promoting products and services to various market segments, with a specific emphasis on government entities. Many of these shows are national in presence and include the Public Works Expo (PWX), National Truck Equipment Association show, American Public Works Association show for snow and the International Fluid Power Expo (IFPE). We also participate in local and regional shows participating in local branches of APWA, NFPA and IFPS. Specific to Sourcewell, FORCE America and VariTech will promote the products availability in Sourcewell and as allowed to promote the benefits of buying through the association.</p> <p>b) Printed Literature – FORCE America and VariTech manages hundreds of different pieces of printed literature that range from product brochures, case studies and technical papers. Specific to Sourcewell, our team will make printed literature available in both print and electronic format for the products and services under contract. Sample Marketing literature will be included.</p> <p>c) Web Presence – FORCE America, PreCise MRM and VariTech Industries have an up to date, modern web presence to help our customers and partners navigate product decisions and get technical background on our portfolio. Our web sites have all been made to be mobile friendly and easily navigable. Where allowed and appropriate, our team would promote the availability of Sourcewell products under contract.</p> <p>d) Social Media – VariTech and FORCE America maintains a presence on social media including FACEBOOK, LinkedIn, YouTube, Wikipedia and Twitter. These interactions are important to appeal to all generations and stay plugged into the media our customers, partners and employee owners want to stay connected with. We utilize these resources to promote FORCE America presence at trade shows and career fairs, introduce new products and services and promote success stories and best practices in the markets we serve. FORCE America would promote Sourcewell within our social media outlets as appropriate.</p> <p>e) Advertising – VariTech Industries has invested quite heavily in advertising for new products, events and other purpose driven content. If appropriate, we would include Sourcewell products and services in targeted, deliberate efforts.</p> <p>f) Direct Marketing – FORCE America does some direct marketing in the form of printed materials and some electronic email. Our direct marketing generally centers around specific location events, products and promotions. Where appropriate, we would promote Sourcewell here as well.</p> <p>g) Sales – FORCE America, PreCise MRM and VariTech all have dedicated inside and outside sales teams who provide unmatched service and support to our customers trying to solve complex issues and opportunities. Our people and the relationships they have with our customers and partners is the backbone of our business and marketing. Our entire sales team consists of experience liquid specialists that are well versed in our applications. This presence associated with Sourcewell contract provides significant buying power and solving complex technical issues.</p> <p>h) National Sales Meeting - we have invited Sourcewell to present at our National Sales Meeting in June 2019 in Burnsville, MN. The goal is to continually educate everyone within our business on how to sell the benefits of a Sourcewell contract. The discussion in June will center around our sister companies (PreCise MRM) Sourcewell contract and we would keep this tradition with the VariTech contract if we are given an award.</p>
33	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	<p>FORCE America has invested quite heavily in a new ERP system based on Microsoft Dynamic AX. This system is intended to help interconnect our 18 distribution and manufacturing locations to each other and our customers. A major component of the ERP system is business intelligence reporting which incorporates internal corporate data with external data sources to include customer relationship management data (CRM), market data and prospect lists originating from our large presence at trade shows and involvement with industry alliances such as the National Fluid Power Association and the America Public Works Association. As previously described, FORCE America is active within Social Media primarily to promote our company brand and appeal to the next generation of customers and partners.</p>

34	In your view, what is Sourcewell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcewell-awarded contract into your sales process?	<p>In our view, if VariTech is awarded this contract via Sourcewell, it is not up to Sourcewell to promote the contract but it is the role of VariTech to promote the contract. This would be an opportunity to reach out to every Sourcewell member and let them know about our line of products and services that could be purchased via this contract. If Sourcewell promotes the contract to its members by sending email blasts letting them know of new approved vendors that would go a long way for VariTech as it would be "free" marketing so to speak. We know that Sourcewell prints off a booklet that is distributed Nationally of Sourcewell awarded contracts, we know Sourcewell promotes digitally and electronically to its members. VariTech would not expect anything additional in regard to promotion other than what Sourcewell currently does for its list of vendors who have been awarded contracts.</p> <p>If Sourcewell awards VariTech a contract we will actively "train/teach" our sales team on what this means and how to get in touch with Sourcewell members in their respective territories. A majority of our outside FORCE America sales team specializes in the Municipal market. Being able to get in touch with the appropriate contacts within the member locations will not be a hard task for our team as we do this daily. We will train our team on what being a member of Sourcewell means (award contract member) and the prices associated with purchasing off of this agreement. Ultimately the customer will determine what they want to purchase...including the quantity. It is our job to show the customer the avenues in which they can purchase...we still have to sell our services/products as we understand there will be multiple vendors awarded.</p> <p>Given the Sourcewell award for our PreCise MRM division, Sourcewell has already actively trained much of our sales team and this team is well versed in managing a Sourcewell contract. We fly the Sourcewell flags at trade shows and include Sourcewell in pertinent marketing pieces so the expansion of the VariTech product line will be seamless.</p>
35	Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	<p>Yes, our products are available through EDI and other methods. Additionally, our e-commerce platform will be going live in 2020.</p>

Value-Added Attributes

Line Item	Question	Response *
36	Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell Members. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.	Any and all Sourcewell members who acquire VariTech products are eligible for installation and training services. This are standard services that VariTech provides to all customers. VariTech employees provide installation and training assistance directly over the phone and there is not any cost associated with this. Should onsite installation and training be required we would coordinate this with the FORCE America field service team. Depending on the size and scope of the installation project and the number of attendees for training, these services are quoted on a time and material basis and generally never exceed \$5,000.
37	Describe any technological advances that your proposed products or services offer.	Our automated products use industry leading technology through various sensors, meters, and valving. Our salt brine production equipment includes toroidal conductivity sensing technology which provides precision brine salinity measurement. All of the metering valves included in our automated salt brine production and blending systems are controlled using a PID control loop. PID control technology allows for the finest in valve positioning which offers accurate, repeatable outputs time after time. All of our flowmeters are of a magnetic style design. What this means is no internal components which relates to years of dependable use. All of our wiring connections are made using IP rated connectors which are mandatory for this highly rugged environment.
38	Describe any "green" initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each.	Our products are sold specifically for the end user to do more with less. This means using less salt and introducing alternative chemicals to help prevent the over application of salt into our environment. The use of salt brine will typically generate a 30% salt savings at a minimum. Our business is involved heavily in recycling our plastic tanks with a local company that melts the plastic down and forms sheet material to be used in many other industries. Some of this recycled plastic is actually introduced back into our systems. All of our storage tanks have the option of being a double walled tank. These tanks offer the EPA required 110% secondary containment in areas that require this equipment.
39	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	All of our control panels are designed using UL 508A criteria.
40	Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response.	Excenture Business Solutions who is our partner in the State of Ohio is certified as a minority business enterprise through the South Central Ohio Minority Supplier Development Council, which serves as a chapter of the National Minority Supplier Development Council.
41	What unique attributes does your company, your products, or your services offer to Sourcewell Members? What makes your proposed solutions unique in your industry as it applies to Sourcewell members?	VariTech is a wholly owned subsidiary of FORCE America INC. The companies that make up FORCE America INC are FORCE America, PreCise MRM, VariTech Industries and Atlanta Powertrain. The unique attribute that we have that nobody else has is that we have the can leverage all of our companies when working with any Municipal customer. We have a single source vendor mentality meaning that you can get everything you need from one location and it will be supported by that location. We support our customers end to end. One of the other unique values that we can provide to the Sourcewell members is to open the doors to other products and services that FORCE America provides such as: electronic spreader controls, hydraulic valves, liquid tanks, PTO's, pumps, hose kits, etc. Most importantly, we are 100% employee owned so each and every one of us has a vested interest in our success and the success of our customers.
42	Identify your ability and willingness to provide your products and services to Sourcewell member agencies in Canada.	We are willing and able to service any customer throughout Canada. All of our Canadian customers would work through our exclusive Canadian distributor who has locations in Vancouver, Edmonton, Calgary, Toronto, Montreal, and Halifax.

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 *
43	Do your warranties cover all products, parts, and labor?	All of our products are covered for a period of 12 months against defects in materials and workmanship. Any warranty claims for labor need to be approved by VariTech prior to completion.
44	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	No they do not. The only disclaimer here would be that the equipment must be maintained per VariTech's recommendations to apply for warranty consideration. I.e.: End of year maintenance must be performed.
45	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	If onsite repair is deemed necessary these expenses would be included.
46	Are there any geographic regions of the United States (and Canada, if applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell Members in these regions be provided service for warranty repair?	There are no geographic restrictions. All warranty repairs would be handled by the field service team at VariTech Industries or one of the 14 FORCE America service centers.
47	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?	VariTech will cover the warranty for any other manufacturers' component on our systems.
48	What are your proposed exchange and return programs and policies?	If a product is deemed to be defective, the customer will be given an RMA number to return the defective product. Once the defective product is received by VariTech, a new unused component will be sent out immediately for replacement.
49	Describe any service contract options for the items included in your proposal.	Fall start up and spring shut down is available on any of our products. This would include any necessary calibration, tune-ups, and training.

Payment Terms and Financing Options

Line Item	Question	Response *
50	What are your payment terms (e.g., net 10, net 30)?	Net 30 days
51	Do you provide leasing or financing options, especially those options that schools and governmental entities may need to use in order to make certain acquisitions?	Yes, we may offer extended terms or early payment discounts that can be negotiated on a case by case basis.
52	Briefly describe your proposed order process. Include enough detail to support your ability to report quarterly sales to Sourcewell as described in the Contract template. For example, indicate whether your dealer network is included in your response and whether each dealer (or some other entity) will process the Sourcewell Members' purchase orders.	Sourcewell will be loaded into the VariTech Microsoft Dynamics AX ERP under its own label. This will allow VariTech to load all pricing, products, and VariTech/Sourcewell customers to be quoted, tracked, processed, and billed/invoiced all from the same software interface. All customer processes will flow through VariTech eliminating the need for other entities to process Sourcewell/Member PO's. Having all this data will ensure the quarterly calls with the Sourcewell will go smooth and the transparency of the business as it relates to the Sourcewell and the Member contracts is all tracked and managed accordingly.
53	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell Members for using this process?	Yes we do and there are no additional charges.

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 *
54	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.	For all items in this submission we are using a list price with discount model. On the attached pricing spreadsheet you will see a list price along with a discounted net price to Sourcewell members only..
55	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.	All items in this submission will have a 50% discount off of list pricing for Sourcewell members only.
56	Describe any quantity or volume discounts or rebate programs that you offer.	Quantity discounts are available and will be handled on a case by case basis depending on the size and options of the brine equipment chosen.
57	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.	For sourced items we would work on a cost plus percentage method which will be quoted on a case by case basis.
58	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.	The only ownership costs NOT included in our pricing (less freight) are the optional services that are offered for fall start-up or spring shutdown. These are non-mandatory services that are optional.
59	If freight, delivery, or shipping is an additional cost to the Sourcewell Member, describe in detail the complete freight, shipping, and delivery program.	FORCE America/ VariTech is able to ship PP&A or on the customers account, whichever way the Customer feels is the best tariff/service combination for them. FORCE America works directly with a 3rd party logistics provider – eShipping, and have very advantageous rates with most major LTL providers. In addition we do have FedEx Ship Manager and UPS World Ship at each of our locations. Should VariTech ship FOB Warehouse to the customer and shipping is invoiced, we are happy to provide shipping details to prove the most cost effective decision was made per the customers timeline and shipment arrival request.
60	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	For Alaska and Hawaii we have the above mentioned programs. For Canada, Mexico or any other offshore moves we work through a world renowned brokerage service – Savino Del Benne. We can also offer DHL services
61	Describe any unique distribution and/or delivery methods or options offered in your proposal.	VariTech as a FORCE America company has access to the best shipping programs with multiple shippers throughout the country. We will do all we can to ensure shipping cost are managed at the highest level for the members of the Sourcewell. FORCE America along with eShipping negotiates some very good LTL tariffs which is 99% of our trucking costs. We are currently working with UPS parcel to negotiate a new program with them.

Pricing Offered

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

Audit and Administrative Fee

Line Item	Question	Response *
63	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 Members 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.	VariTech will implement the following process to ensure Member pricing, as well as complete and full administrative fee payment is received by the Sourcewell <ul style="list-style-type: none"> • All customers who enter into the contract with VariTech through the Sourcewell will be entered into the Microsoft Dynamics AX portion of our ERP under the newly assigned Sourcewell category. <ul style="list-style-type: none"> o This will ensure correct pricing, billing, and tracking of the member as well as quarterly reviews and payments due the Sourcewell per the administrative fee. o Having Sourcewell loaded into the Microsoft Dynamics AX system will allow us to easily see, manage, send reports to Sourcewell for quarterly business review calls.
64	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.)	VariTech will pay the Sourcewell a Two (2%) percent administrative fee on all sales completed and signed through the Sourcewell-VariTech contract. <ul style="list-style-type: none"> • Fee paid quarterly • Payment sent within five (5) business days post quarterly revenue review with Sourcewell

Industry Specific Questions

Line Item	Question	Response *
65	What environmental impacts or benefits do your products provide?	<p>Salt usage - by implementing salt brine and blended liquids there is a minimum reduction of 30% of granular salt usage. This is paramount in our stewardship duties of protecting our vegetation and the lakes, rivers, and streams that surround us.</p> <p>Sand usage - by using salt brine and blended chemicals, the use of sand or "grit" is virtually eliminated. This means no more clogged catch basins with now contaminated material that have been exposed to roadway contaminants. In addition, vehicle emission are reduced by eliminating the need for a fleet of street sweepers to collect last years material application. Lastly, dust and airborne particles are greatly reduced benefiting the overall health of animals and humans alike.</p> <p>Safer roadways - it has been proven that the use of liquid deicers leads to fewer roadway fatalities and minimizes the impact of roadway shutdowns in extreme weather events.</p>
66	Describe the results of any reliability or durability testing on the equipment or products included in your proposal.	All of our tanks are molded using ASTM D-1998 standards. This equates to a typical life cycle of 10 years.
67	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>Sales - all Sourcewell sales will be tracked in our system to gauge the success of the contract.</p> <p>DPPM - our quality team will monitor all Sourcewell supplied products to insure the supplied systems are meeting the quality standards of Sourcewell customers.</p> <p>Customer surveys - we will offer customer surveys to compile real data to confirm that our overall customer experience meets the expectations of Sourcewell members.</p>

Exceptions to Terms, Conditions, or Specifications Form

Line Item 67. **NOTICE:** To identify any exception, or to request any modification, to the Sourcewell template Contract terms, conditions, or specifications, a Proposer must submit the exception or requested modification on the **Exceptions to Terms, Conditions, or Specifications Form** immediately below. The contract section, the specific text addressed by the exception or requested modification, and the proposed modification must be identified in detail. Proposer's exceptions and proposed modifications are subject to review and approval of Sourcewell and will not automatically be included in the contract.

Contract Section	Term, Condition, or Specification	Exception or Proposed Modification
		No exceptions taken

Documents

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

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.
2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.
3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.
4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as "Marketing Plan."

- [Financial Strength and Stability](#) - 09-788-9422 FORCE America.pdf - Tuesday May 28, 2019 14:55:28
- [Marketing Plan/Samples](#) - APWA Reporter May 2019 Full Page VariTech Industries_.pdf - Wednesday May 29, 2019 09:08:32
- WMBE/MBE/SBE or Related Certificates (optional)
- Warranty Information (optional)
- [Pricing](#) - VariTech Industries, Inc - Sourcewell RFP#052919 - Contract Pricing Spreadsheet.pdf - Wednesday May 29, 2019 14:17:04
- Additional Document (optional)

Proposers Assurance of Comp

PROPOSER ASSURANCE OF COMPLIANCE

PROPOSER'S AFFIDAVIT

The undersigned, authorized representative of the entity submitting the foregoing proposal (the "Proposer"), swears that the following statements are true to the best of his or her knowledge.

1. The Proposer is submitting its proposal under its true and correct name, the Proposer has been properly originated and legally exists in good standing in its state of residence, the Proposer possesses, or will possess before delivering any products and related services, all applicable licenses necessary for such delivery to Sourcewell member agencies. The undersigned affirms that he or she is authorized to act on behalf of, and to legally bind the Proposer to the terms in this Contract.
2. The Proposer, or any person representing the Proposer, has not directly or indirectly entered into any agreement or arrangement with any other vendor or supplier, any official or employee of Sourcewell, or any person, firm, or corporation under contract with Sourcewell, in an effort to influence the pricing, terms, or conditions relating to this RFP in any way that adversely affects the free and open competition for a Contract award under this RFP.
3. The contents of the Proposer's proposal have not been communicated by the Proposer or its employees or agents to any person not an employee or agent of the Proposer and will not be communicated to any such persons prior to the official opening of the proposals.
4. The Proposer has examined and understands the terms, conditions, scope, contract opportunity, specifications request, and other documents in this solicitation and affirms that any and all exceptions have been noted and included with the Proposer's Proposal.
5. The Proposer will, if awarded a Contract, provide to Sourcewell Members the /products and services in accordance with the terms, conditions, and scope of this RFP, with the Proposer-offered specifications, and with the other documents in this solicitation.
6. The Proposer agrees to deliver 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.
7. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.
8. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statute §13.591, Subd. 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals generally become public data. Minnesota Statute §13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.

The Proposer understands that it is the Proposer's duty to protect information that it considers nonpublic, and it agrees to defend and indemnify Sourcewell for reasonable measures that Sourcewell takes to uphold such a data designation.

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.
 - Matthew Loeffler, Vice President of Products and Engineering

The Applicant declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Applicant 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_1_Salt_Brine_RFP#052919 Fri May 10 2019 09:19 AM	<input checked="" type="checkbox"/>	--