



## **BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING AGENDA**

**Tuesday, October 15, 2024 at 7:00 PM**

**City Hall, 415 Broad Street, Montgomery-Watterson Boardroom**

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### **Board of Mayor and Aldermen**

Mayor Paul W. Montgomery, Presiding  
Vice Mayor Darrell Duncan  
Alderman Morris Baker  
Alderman Betsy Cooper

Alderman Colette George  
Alderman Gary Mayes  
Alderman James Phillips

### **Leadership Team**

Chris McCartt, City Manager  
Michael Borders, Assistant City Manager  
Bart Rowlett, City Attorney  
Lisa Winkle, City Recorder/Treasurer  
John Morris, Budget Director  
Scott Boyd, Fire Chief

Ryan McReynolds, Deputy City Manager  
Jessica Harmon, Assistant City Manager  
Tyra Copas, Human Resources Director  
Dale Phipps, Police Chief  
Adrienne Batara, Public Relations Director  
Floyd Bailey, Chief Information Officer

### **I. CALL TO ORDER**

### **II. PLEDGE OF ALLEGIANCE TO THE FLAG**

1. New Vision Youth

### **III. INVOCATION**

### **IV. ROLL CALL**

### **V. RECOGNITIONS AND PRESENTATIONS**

1. Woody's Trail - Alderman George

### **VI. COMMENT**

Citizens may speak on agenda items and issue-oriented items. When you come to the podium, please state your name and address, and sign the register that is provided. You are encouraged to

keep your comments non-personal in nature, and they should be limited to five minutes. A total of thirty minutes is allocated for public comment.

## **VII. APPOINTMENTS**

## **VIII. APPROVAL OF MINUTES**

- [1.](#) September 30, 2024 - Work Session
- [2.](#) October 1, 2024 - Business Meeting

## **IX. BUSINESS MATTERS REQUIRING FIRST READING AND/ OR PUBLIC HEARINGS**

- [1.](#) Consideration of a Budget Ordinance to Appropriate \$13,703.42 from the (USDOJ) Office of Justice Programs FY '24 Bulletproof Vest Partnership Funding (AF-283-2024) (Dale Phipps)
- [2.](#) Consideration of a Resolution to Accept a Private Monetary Donation for the Kingsport Police Department K-9 Program and an Ordinance to Appropriate the Funds (AF-289-2024) (Dale Phipps)

## **X. BUSINESS MATTERS REQUIRING FINAL ADOPTION**

- [1.](#) Consideration of a Budget Ordinance to Appropriate \$54,000.00 from the Tennessee Highway Safety Office (THSO) FY '25 Grant (AF-270-2024) (Dale Phipps)
- [2.](#) Consideration of a Budget Ordinance to Appropriate \$25,000.00 from the Tennessee Highway Safety Office (THSO) FY '25 Coordinator Grant (AF-271-2024) (Dale Phipps)
- [3.](#) Consideration of a Budget Ordinance for Various Funds FY25 (AF-279-2024) (Chris McCartt)

## **XI. OTHER BUSINESS**

- [1.](#) Consideration of a Resolution to Purchase One (1) 2025 Autocar with New Way Arm Refuse Truck Utilizing Sourcewell Cooperative Purchasing Agreement (AF-284-2024) (Ryan McReynolds)
- [2.](#) Consideration of a Resolution to Purchase One (1) Mobile Wireless Lift System Utilizing Sourcewell Cooperative Purchasing Agreement (AF-285-2024) (Ryan McReynolds)
- [3.](#) Consideration of a Resolution to Purchase Three (3) Nissan Frontier King Cab 2wd & Two (2) Nissan Frontier King Cab 4wd from TN State Contract # 80358 (AF-290-2024) (Ryan McReynolds)

- [4.](#) Consideration of a Resolution Authorizing an Agreement with Selectron Technologies, Inc for a Master Services and Hosting Agreement for a 5 year Contracted Upgrade of the Interactive Voice Response (IVR) solution (AF-286-2024) (Floyd Bailey)
- [5.](#) Consideration of a Resolution to Award Piedmont Pharmaceutical Care Network the RFP and Authorizing the Mayor to Sign a Contract to Implement a Pilot Program for Weight Loss Management (AF-288-2024) (Michael Wessely)
- [6.](#) Consideration of a Resolution to Rename the "Moonshiners' Delight" Trail to "Woody's Trail" (AF-252-2024) (Michael T. Borders)
- [7.](#) Consideration of a Resolution to Approve the Mayor's Signature for the Purchase of Clear Risk, a Risk Management Information System, by Participating in the City of Fort Collins Cooperative Procurement Agreement (AF-274-2024) (Bart Rowlett)
- [8.](#) Consideration of a Resolution Ratifying an Application for the Public Entity Partners 2024-2025 James L. Richardson Driver Matching Grant Program (AF-282-2024) (Kristen Hodgson)

## **XII. CONSENT AGENDA**

## **XIII. COMMUNICATIONS**

1. City Manager
2. Mayor and Board Members

## **XIV. ADJOURN**



## BOARD OF MAYOR AND ALDERMEN WORK SESSION MINUTES

Monday, September 30, 2024 at 4:30 PM

City Hall, 415 Broad Street, Montgomery - Watterson Boardroom

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### Board of Mayor and Aldermen

Mayor Paul W. Montgomery, Presiding

Vice Mayor Darrell Duncan

Alderman Morris Baker

Alderman Betsy Cooper

Alderman Colette George

Alderman-designate Gary Mayes

Alderman James Phillips

**I. CALL TO ORDER** 4:30 pm by Mayor Montgomery.

**II. ROLL CALL** by City Recorder/Treasurer Lisa Winkle.

### **III. DISCUSSION ITEMS**

#### **1. Jt. Meeting with Kingsport Board of Education (Operating and Capital)**

School Superintendent Chris Hampton gave a presentation highlighting the opportunities and challenges for the future of Kingsport City Schools as well as the process and purpose of a strategic plan. He introduced School staff who were present as well as the Board of Education members. Dr. Hampton described the guiding tenets for a successful plan both with academic and non-academic measures.

Assistant Superintendent Andy True provided information regarding Capital Planning, focusing on a ten year vision for facilities and maintenance. Dr. True pointed out they will not be able to be as aggressive since ESSR dollars are no longer available. He further noted the list this year isn't as long, but it is more strategic. Dr. Hampton also discussed the vision for a middle school environment in line with DB EXCEL. There was some discussion throughout the presentation.

The City Manager summed up the presentation pointing out how capacity has been addressed in the past as well as moving forward through capital planning. He noted it would be prudent to focus on that aspect now and get an update later in the year for build out options and to understand what schools can fund such as a roof and HVAC. The BMA will be doing the same in the coming months looking at capital needs and priorities. Mr. McCartt said the remaining portion of the presentation may be heard at another joint meeting after the first of the year.

**BOARD OF MAYOR AND ALDERMEN WORK SESSION MINUTES**

**Monday, September 30, 2024 at 4:30 PM**

**Kingsport City Hall, 415 Broad Street, Boardroom**

*(NOTE: From 6:30-6:35 there was a brief recess.)*

City Manager McCartt provided an update on the recent storm damage, noting Kingsport was fortunate compared to the rest of the region. He stated we are continuing to aid in Washington County and potentially Unicoi County. He also noted the Water Department put a line on SR 93 to provide water to Fall Branch and may possibly be able to provide to a portion of Jonesborough. Mr. McCartt confirmed damages to local facilities are confined to roof leaks and trees down, especially at Bays Mountain Park. He stated we are working aggressively to address those issues, but the park will remain closed through next week. The City Manager noted many agencies in Kingsport are providing aid at different levels and also helping the city with communication. He mentioned the showers at the Aquatic Center and the YMCA are open for those who are displaced. Lastly, he stated AEP is working to get power restored and the list of closed road continues to shrink.

**IV. REVIEW OF BUSINESS MEETING AGENDA**

City staff gave a summary for each item on the October 1, 2024 proposed agenda. No items were discussed at greater length or received specific questions of concerns.

The City Manager stated the bulk of what is being approved tomorrow night is tied back to the previous agenda and prior presentations and conversations over the last year and a half. City Treasurer Lisa Winkle provided details on the interest for the capital outlay notes is 4.27 percent.

**V. ITEMS OF INTEREST**

- 1. Sales Tax Report**
- 2. Projects Status Report**

**VI. ADJOURN**

Seeing no other business for consideration, Mayor Montgomery adjourned the meeting at 6:47 p.m.

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ANGELA MARSHALL  
Deputy City Recorder

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PAUL W. MONTGOMERY  
Mayor



## BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES

Tuesday, October 01, 2024 at 7:00 PM

City Hall, 415 Broad Street, Montgomery-Watterson Boardroom

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### Board of Mayor and Aldermen

Mayor Paul W. Montgomery, Presiding  
Vice Mayor Darrell Duncan  
Alderman Morris Baker  
Alderman Betsy Cooper

Alderman Colette George  
Alderman Gary Mayes  
Alderman James Phillips

### City Administration

Chris McCartt, City Manager  
Bart Rowlett, City Attorney

Lisa Winkle, City Recorder/Treasurer  
Angie Marshall, City Clerk/Deputy City Recorder

I. **CALL TO ORDER** by Mayor Montgomery.

II. **SWEARING IN OF APPOINTED BOARD MEMBER**

1. **Gary Mayes as Alderman** - The Honorable S. Curt Rose

III. **PLEDGE OF ALLEGIANCE TO THE FLAG** led by Assistant Fire Chief Terry Arnold.

IV. **INVOCATION** by Reverend Love

V. **ROLL CALL** by City Recorder/Treasurer Lisa Winkle.

VI. **RECOGNITIONS AND PRESENTATIONS** None.

### **VII. COMMENT**

Mayor Montgomery invited citizens in attendance to speak. There being no one coming forward to speak, the mayor closed the public comment section.

VIII. **APPOINTMENTS** None.

**BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES**

**Tuesday, October 1, 2024 at 7:00 PM**

**Kingsport City Hall, 415 Broad Street, Boardroom**

**IX. APPROVAL OF MINUTES** *(These items are considered under one motion.)*

Motion made by Vice-Mayor Duncan, Seconded by Alderman Phillips.

Passed: All present voting "aye."

- 1. September 16, 2024 - Work Session**
- 2. September 17, 2024 - Business Meeting**

**X. BUSINESS MATTERS REQUIRING FIRST READING AND/ OR PUBLIC HEARINGS**

- 1. Consideration of a Budget Ordinance to Appropriate \$54,000.00 from the Tennessee Highway Safety Office (THSO) FY' 25 Grant (AF-270-2024) (Dale Phipps)**

Motion made by Alderman George, Seconded by Alderman Cooper.

AN ORDINANCE TO AMEND THE GENERAL PROJECT/SPECIAL REVENUE FUND BUDGET BY APPROPRIATING GRANT FUNDS RECEIVED FROM THE TENNESSEE HIGHWAY SAFETY OFFICE (THSO) FOR THE YEAR ENDING JUNE 30, 2025; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed: All present voting "aye."

- 2. Consideration of a Budget Ordinance to Appropriate \$25,000.00 from the Tennessee Highway Safety Office's (THSO) FY '25 Coordinator Grant (AF-271-2024) (Dale Phipps)**

Motion made by Vice-Mayor Duncan, Seconded by Alderman George.

AN ORDINANCE TO AMEND THE GENERAL PROJECT/SPECIAL REVENUE FUND BUDGET BY APPROPRIATING GRANT FUNDS RECEIVED FROM THE TENNESSEE HIGHWAY SAFETY OFFICE (THSO) FOR THE YEAR ENDING JUNE 30, 2025; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed: All present voting "aye."

- 3. Consideration of a Budget Ordinance For Various Funds in FY2025 (AF-279-2024) (Chris McCartt)**

Motion made by Alderman George, Seconded by Alderman Phillips.

AN ORDINANCE TO AMEND VARIOUS FUND BUDGETS FOR THE YEAR ENDING JUNE 30, 2025; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed: All present voting "aye."

BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES

Tuesday, October 1, 2024 at 7:00 PM

Kingsport City Hall, 415 Broad Street, Boardroom

**XI. BUSINESS MATTERS REQUIRING FINAL ADOPTION**

1. **Consideration of a Budget Ordinance to Enter into a Contractual Agreement and Sign All Necessary Documents with the Tennessee Department of Transportation for Reimbursement of Annual Operation Expenses for FY 24-25 (AF-231-2024) (Candace Sherer)**

Motion made by Vice-Mayor Duncan, Seconded by Alderman Phillips.

**ORDINANCE NO. 7171** AN ORDINANCE TO AMEND URBAN MASS TRANSIT CAPITAL/GRANT FUND BUDGET FOR THE YEAR ENDING JUNE 30, 2025; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading with a roll call vote: Alderman Baker, Alderman Cooper, Vice Mayor Duncan, Alderman George, Alderman Mayes, Alderman Phillips, Mayor Montgomery

2. **Consideration of a Budget Ordinance for Various Funds FY25 (AF-244-2025) (Chris McCartt)**

Motion made by Alderman Cooper, Seconded by Alderman Baker.

**ORDINANCE NO. 7172** AN ORDINANCE TO AMEND VARIOUS FUND BUDGETS FOR THE YEAR ENDING JUNE 30, 2025; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading with a roll call vote: Alderman Baker, Alderman Cooper, Vice Mayor Duncan, Alderman George, Alderman Mayes, Alderman Phillips, Mayor Montgomery

3. **Consideration of an Ordinance to Amend Kingsport Code of Ordinances Chapter 34, Article IV Relative to Alarm Systems and Section 2-264 Relative to Special Code Enforcement Officer's Authority (AF-253-2024) (Chris McCartt)**

Motion made by Alderman Cooper, Seconded by Vice-Mayor Duncan.

**ORDINANCE NO. 7173** AN ORDINANCE TO AMEND THE CODE OF ORDINANCES, CITY OF KINGSPORT, TENNESSEE, CHAPTER 34, ARTICLE IV AUTOMATIC POLICE OR FIRE ALARM SYSTEMS AND SECTION 2-264(2) RELATIVE TO SPECIAL CODE ENFORCEMENT OFFICERS WITHIN THE FIRE DEPARTMENT; TO PROVIDE A PENALTY FOR THE VIOLATION OF THIS ORDINANCE AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading with a roll call vote: Alderman Baker, Alderman Cooper, Vice Mayor Duncan, Alderman George, Alderman Mayes, Alderman Phillips, Mayor Montgomery



**BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES**

Tuesday, October 1, 2024 at 7:00 PM

Kingsport City Hall, 415 Broad Street, Boardroom

- 4. Consideration of an Ordinance to Amend the FY2025 General Project Fund to Establish Project and Funding for a New Customer Information System (CIS) (AF-264-2024) (Lisa Winkle)**

Motion made by Alderman Baker, Seconded by Vice-Mayor Duncan.

**ORDINANCE NO. 7174** AN ORDINANCE TO AMEND THE FY2025 GENERAL PROJECT FUND BUDGET TO ESTABLISH PROJECT AND FUNDING FOR NEW CUSTOMER SERVICE SYSTEM FOR THE FISCAL YEAR ENDING JUNE 30, 2025; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading with a roll call vote: Alderman Baker, Alderman Cooper, Vice Mayor Duncan, Alderman George, Alderman Mayes, Alderman Phillips, Mayor Montgomery

**XII. OTHER BUSINESS**

- 1. Consideration of a Resolution to Purchase Two (2) Freightliner with Peterson TL-3 Loaders Utilizing Sourcewell Contracts (AF-275-2024) (Ryan McReynolds)**

Motion made by Alderman George, Seconded by Alderman Phillips.

**RESOLUTION NO. 2025-066** A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE ORDER TO CMI EQUIPMENT SALES, INC., FOR THE PURCHASE OF TWO FREIGHTLINER WITH PETERSON TL-3 LOADERS THROUGH SOURCEWELL COOPERATIVE PURCHASE AGREEMENT NO.: 040621-PII

Passed: All present voting "aye."

- 2. Consideration of a Resolution to Purchase One (1) Supershot 125D Asphalt Crack Sealer Utilizing Sourcewell Contracts (AF-277-2024) (Ryan McReynolds)**

Motion made by Vice-Mayor Duncan, Seconded by Alderman Baker.

**RESOLUTION NO. 2025-067** A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE ORDER TO CRAFTCO, INC., FOR THE PURCHASE OF ONE SUPERSHOT 125D ASPHALT CRACK SEALER THROUGH SOURCEWELL COOPERATIVE PURCHASE AGREEMENT NO.: 080521-CFC

Passed: All present voting "aye."

- 3. Consideration of a Resolution to Amend Employee and Training Development Policy #33 and adopt Employee Training Agreement (AF-267-2024) (Tyra Copas)**

**BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES**

**Tuesday, October 1, 2024 at 7:00 PM**

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Motion made by Alderman Baker, Seconded by Alderman Phillips.

**RESOLUTION NO. 2025-068** A RESOLUTION AMENDING RESOLUTION NO. 2009-257 REGARDING THE CITY OF KINGSPORT PERSONNEL POLICY #33-EMPLOYEE TRAINING AND DEVELOPMENT POLICY

Passed: All present voting "aye."

- 4. Consideration of a Resolution to Authorize Issuance of Qualified Tax Exempt Capital Outlay Notes** (AF-278-2024) (Lisa Winkle)

Motion made by Alderman George, Seconded by Alderman Mayes.

**RESOLUTION NO. 2025-069** RESOLUTION OF THE GOVERNING BODY OF KINGSPORT, TENNESSEE, AUTHORIZING THE ISSUANCE, SALE, AND PAYMENT OF GENERAL OBLIGATION CAPITAL OUTLAY NOTES SERIES 2024 NOT TO EXCEED \$2,000,000

Passed: All present voting "aye."

- 5. Consideration of a Resolution Authorizing an Agreement with Hansen Banner, LLC for the purchase of a Software Customer Information System (CIS) and Service Agreement** (AF-273-2024) (Floyd Bailey)

Motion made by Vice-Mayor Duncan, Seconded by Alderman Cooper.

**RESOLUTION NO. 2025-070** A RESOLUTION AWARDDING THE PROPOSAL FOR A CUSTOMER INFORMATION SYSTEM TO HANSEN BANNER, LLC; APPROVING THE SERVICE AGREEMENT WITH SAME AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

Passed: All present voting "aye."

- 6. Consideration of a Resolution Authorizing an Agreement with Raftelis for Customer Information Software (CIS) Implementation Management Support Contract** (AF-276-2024) (Floyd Bailey)

Motion made by Alderman Phillips, Seconded by Alderman Baker.

**RESOLUTION NO. 2025-071** A RESOLUTION APPROVING AN AGREEMENT WITH RAFTELIS FOR CUSTOMER INFORMATION SOFTWARE IMPLEMENTATION MANAGEMENT SUPPORT CONTRACT AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

Passed: All present voting "aye."

**BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES**

**Tuesday, October 1, 2024 at 7:00 PM**

**Kingsport City Hall, 415 Broad Street, Boardroom**

**XIII. CONSENT AGENDA** *(These items are considered under one motion.)*

Motion made by Alderman George, Seconded by Vice-Mayor Duncan.

Passed as presented with a roll call vote: Alderman Baker, Alderman Cooper, Vice Mayor Duncan, Alderman George, Alderman Mayes, Alderman Phillips, Mayor Montgomery

- 1. Consideration of a Resolution to Amend Employment Verification Policy #25** (AF-268-2024) (Tyra Copas)

**RESOLUTION NO. 2025-072** A RESOLUTION AMENDING RESOLUTION NO. 2023-069 REGARDING THE CITY OF KINGSFORT PERSONNEL POLICY #25-EMPLOYMENT VERIFICATION

- 2. Consideration of a Resolution Ratifying an Amendment for the Waterline Upgrades for the Sullivan County Water Project** (AF-269-2024) (Ryan McReynolds)

**RESOLUTION NO. 2025-073** A RESOLUTION TO RATIFY THE MAYORS SIGNATURE ON AN AMENDMENT TO THE AGREEMENT WITH TRAXON CONSTRUCTION INC., AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

- 3. Consideration of a Resolution to Accept an Easement from the State of Tennessee for a Waterline Installed in Warrior's Path State Park** (AF-272-2024) (Ryan McReynolds)

**RESOLUTION NO. 2025-074** A RESOLUTION APPROVING A UTILITY AND ACCESS EASEMENT AGREEMENT WITH THE STATE OF TENNESSEE FOR A WATERLINE INSTALLED IN WARRIOR'S PATH STATE PARK AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

- 4. Consideration of a Resolution to Authorize the Mayor to Execute a SCSEP Host Agency Agreement with FTHRA for Bays Mountain Park** (AF-280-2024) (Michael T. Borders)

**RESOLUTION NO. 2025-075** A RESOLUTION APPROVING A SENIOR COMMUNITY EMPLOYMENT PROGRAM AGREEMENT WITH FIRST TENNESSEE HUMAN RESOURCES AGENCY AND AUTHORIZING THE MAYOR TO EXECUTE THE SAME AND ALL DOCUMENTS NECESSARY AND PROPER TO EFFECUATE THE PURPOSE OF THE AGREEMENT

**BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES**

Tuesday, October 1, 2024 at 7:00 PM

Kingsport City Hall, 415 Broad Street, Boardroom

**XIV. COMMUNICATIONS**

**1. City Manager**

Mr. McCartt commented on the recent flooding stating he appreciated the work our team has done from day one when the EOC was activated upon request. He noted Kingsport fared better than the rest of the region. He mentioned the fire department has been traveling outside city limits and also lots of work by utilities to provide equipment and water and will continue to do so.

**2. Mayor and Board Members**

Alderman George remarked she was without power for five days but feels blessed when looking at others in the area and what they're going through. She appreciates the city stepping up and others who are meeting needs in the area, noting although there is a lot now there's still a lot more to come. Alderman Cooper stated watching the news shows people genuinely want to help and mentioned some that are doing so. She pointed out the Thursday shop and hop downtown will benefit hurricane victims with additional places for items to be dropped off at the Chamber and High Voltage. There will also be a concert at the Reserve which will contribute the proceeds. Alderman Mayes thanked the BMA for bestowing the honor of serving the city and citizens and stated he looks forward to working with everyone. He pointed out the disaster is indescribable and is encouraged by the city manager's comments regarding support for our neighboring cities. Alderman Baker commented on the work session yesterday and the school's presentation of their strategic plan. He also discussed those who have been affected by the storm and the city's response. Alderman Phillips echoed the previous comments regarding the work session presentation and mentioning the school's desire for two new schools. He also cited the devastation from the flooding in Erwin all the way to Asheville. Vice Mayor Duncan pointed out it will take months and even years to address the devastation. He commended public works and first responders for their work noting he's proud of our city. He stated it's good to have a full board again and looked forward to working with Alderman Mayes. Mayor Montgomery echoed the professionalism and hard work by city staff for the spirit of compassion and giving in the community.

**XV. ADJOURN**

Seeing no other business for consideration, Mayor Montgomery adjourned the meeting at 7:53 p.m.

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ANGELA MARSHALL  
Deputy City Recorder

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PAUL W. MONTGOMERY  
Mayor



**AGENDA ACTION FORM**

**Consideration of a Budget Ordinance to Appropriate \$13,703.42 from the (USDOJ) Office of Justice Programs FY '24 Bulletproof Vest Partnership Funding**

To: Board of Mayor and Aldermen  
From: Chris McCartt, City Manager *CM*

Action Form No.: AF-283-2024  
Work Session: October 14, 2024  
First Reading: October 15, 2024  
Final Adoption: November 5, 2024  
Staff Work By: Captain Chris Tincher  
Presentation By: Chief Dale Phipps

**Recommendation:**

Approve the Ordinance.

**Executive Summary:**

On May 7, 2024, via AF-108-2024 the Board of Mayor and Aldermen approved the mayor executing any and all documents necessary to apply for and receive a US Department of Justice Grant for funding of bulletproof vests. We have been notified that we were approved \$13,703.42 in reimbursements for vest expenditures. A fifty percent match is required, and the match is provided from the police department operating budget.

**Attachments:**

- 1. Budget Ordinance

	Y	N	O
Baker	—	—	—
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Mayer	—	—	—
Phillips	—	—	—
Montgomery	—	—	—

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE TO AMEND THE GENERAL PROJECT/SPECIAL REVENUE FUND BUDGET BY APPROPRIATING GRANT FUNDS RECEIVED FROM THE US DEPARTMENT OF JUSTICE FOR THE YEAR ENDING JUNE 30, 2025; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

BE IT ORDAINED BY THE CITY OF KINGSPORT, as follows:

SECTION I. That the General Project-Special Revenue Fund budget be amended by appropriating grant funds received from the Department of Justice/Bureau of Justice Assistance Bulletproof Vest Partnership to the Bullet Proof Vest project (NC2507) in the amount of \$6,851 and requires a 50% local match of \$6,852 which is provided for in the Police Department operating budget.

**Account Number/Description:**

**Fund 111: General Project-Special Revenue  
Bullet Proof Vest Project (NC2507)**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
<b><u>Revenues:</u></b>	\$	\$	\$
111-0000-331.38-00 U.S. Dept. of Justice	0	6,851	6,851
111-0000-391.01-00 From General Fund	0	6,852	6,852
<b>Total:</b>	<b>0</b>	<b>13,703</b>	<b>13,703</b>
 <b><u>Expenditures:</u></b>	 \$	 \$	 \$
111-3020-442.30-20 Operating Supplies & Tools	0	13,703	13,703
<b>Total:</b>	<b>0</b>	<b>13,703</b>	<b>13,703</b>

**Fund 110: General Fund**

**Expenditures:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
110-3030-443.30-25 Safety Supplies	10,000	(6,852)	3,148
110-4804-481.70-35 General Proj-Spec Rev	2,523,300	6,852	2,530,152
<b>Total:</b>	<b>2,541,300</b>	<b>0</b>	<b>2,533,300</b>

SECTION II. That this Ordinance shall take effect from and after its date of passage, as the law directs, the welfare of the City of Kingsport, Tennessee requiring it.

\_\_\_\_\_  
PAUL W. MONTGOMERY, Mayor

ATTEST:

\_\_\_\_\_  
ANGELA MARSHALL, Deputy City Recorder

APPROVED AS TO FORM:

\_\_\_\_\_  
RODNEY B. ROWLETT III, City Attorney

PASSED ON 1ST READING:  
PASSED ON 2ND READING:



**AGENDA ACTION FORM**

**Consideration of a Resolution to Accept a Private Monetary Donation for the Kingsport Police Department K-9 Program and an Ordinance to Appropriate the Funds**

To: Board of Mayor and Aldermen  
From: Chris McCartt, City Manager *CM*

Action Form No.: AF-289-2024  
Work Session: October 14, 2024  
First Reading: N/A  
Final Adoption: October, 15, 2024  
Staff Work By: Captain Chris Tincher  
Presentation By: Chief Dale Phipps

**Recommendation:**

Approve the Resolution and Ordinance.

**Executive Summary:**

Kingsport citizen, Frederick Stewart Baggett, wishes to make a monetary contribution to the police department in the amount of \$4,000.00 (Four thousand dollars). The intended purpose of this contribution is to assist with the cost of maintaining the Kingsport Police Department's K-9 Unit. It is with this action that the police department respectfully requests the board to accept the contributions and place the funds into a project line to be utilized for the furtherance of the K-9 program. A project line has previously been established for this purpose, as Baggett has donated monies for the K-9 program in the past. The previously established project line is NC 1808 Account # 111-0000-364.10-00.

**Attachments:**

- 1. Resolution
- 2. Ordinance

	Y	N	O
Baker	—	—	—
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Mayes	—	—	—
Phillips	—	—	—
Montgomery	—	—	—



RESOLUTION NO. \_\_\_\_\_

A RESOLUTION ACCEPTING A MONETARY DONATION OF \$4,000.00 TO THE KINGSPORT POLICE DEPARTMENT TO BE UTILIZED TO ASSIST IN THE COST OF MAINTAINING DEPARTMENT K-9 UNITS

WHEREAS, Frederick Steward Baggett desires to make a monetary donation to the Kingsport Police Department; and

WHEREAS, this donation will be used to assist in maintaining the department's K-9 program; and

WHEREAS, the amount of the donation is \$4,000.00.

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That the donation to the city from Frederick Steward Baggett of \$4,000.00 is accepted.

SECTION II. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 15th day of October, 2024.

\_\_\_\_\_  
PAUL W. MONTGOMERY, MAYOR

ATTEST:

\_\_\_\_\_  
ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

\_\_\_\_\_  
RODNEY B. ROWLETT, III, CITY ATTORNEY

ORDINANCE NO.

AN ORDINANCE TO AMEND THE GENERAL PROJECTS-SPECIAL REVENUE FUND BUDGET BY APPROPRIATING DONATED FUNDS FOR THE YEAR ENDING JUNE 30, 2025; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

BE IT ORDAINED BY THE CITY OF KINGSPORT, as follows:

SECTION I. That the General Project-Special Revenue Fund budget be amended by appropriating funds received from Stewart Baggett in the amount of \$4,000 to the K-9 Donation project (NC1808).

**General Projects-Special Revenue Fund: 111**

**K-9 Donation (NC1808)**

**Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
111-0000-364.10-00 From Individuals	28,000	4,000	32,000
<b>Total:</b>	<b>28,000</b>	<b>4,000</b>	<b>32,000</b>

**Expenditures:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
111-0000-601.30-12 Food	2,000	00	2,000
111-0000-601.30-20 Operating Supplies & Tools	26,000	4,000	30,000
<b>Total:</b>	<b>28,000</b>	<b>4,000</b>	<b>32,000</b>

SECTION II. That this Ordinance shall take effect from and after its date of passage, as the law directs, the welfare of the City of Kingsport, Tennessee requiring it.

\_\_\_\_\_  
PAUL W. MONTGOMERY, Mayor

ATTEST:

\_\_\_\_\_  
ANGELA MARSHALL, Deputy City Recorder

APPROVED AS TO FORM:

\_\_\_\_\_  
RODNEY B. ROWLETT III, City Attorney

PASSED ON 1ST READING:  
PASSED ON 2ND READING:



**AGENDA ACTION FORM**

**Consideration of a Budget Ordinance to Appropriate \$54,000.00 from the Tennessee Highway Safety Office (THSO) FY' 25 Grant**

To: Board of Mayor and Aldermen  
From: Chris McCartt, City Manager *CM*

Action Form No.: AF-270-2024  
Work Session: September 30, 2024  
First Reading: October 1, 2024

**Final Adoption: October 15, 2024**  
Staff Work By: Captain Chris Tincher  
Presentation By: Chief Dale Phipps

**Recommendation:**

Approve the Ordinance.

**Executive Summary:**

The Tennessee Highway Safety Office (THSO) provides grant funding for programs designed to reduce the number of fatalities, injuries, and related economic losses that result from traffic crashes on Tennessee’s roadways. Local governments can apply for National Highway Safety Transportation Administration pass-through funding for projects related to various areas of highway safety.

The Kingsport Police Department has been notified that it has been awarded funding to assist with the enforcement of Tennessee driving under the influence laws and other traffic-related offenses. This grant will provide funding for overtime details and the purchase of traffic safety equipment.

This grant funding is \$54,000, and no match is required. Funding is for one year.

**Attachments:**

- 1. Ordinance

	Y	N	O
Baker	—	—	—
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Mayes	—	—	—
Phillips	—	—	—
Montgomery	—	—	—

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE TO AMEND THE GENERAL PROJECT/SPECIAL REVENUE FUND BUDGET BY APPROPRIATING GRANT FUNDS RECEIVED FROM THE TENNESSEE HIGHWAY SAFETY OFFICE (THSO) FOR THE YEAR ENDING JUNE 30, 2025; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

BE IT ORDAINED BY THE CITY OF KINGSPORT, as follows:

SECTION I. That the General Project/Special Revenue Fund budget be amended by appropriating funds received from the Tennessee Highway Safety Office in the amount of \$54,000 to the TN Highway Safety Office Grant project (NC2506) to enforce traffic safety. No matching funds are required.

**Account Number/Description:**

**Fund 111: General Project/Special Rev**

**Fund**

**TN Highway Safety Office Grant (NC2506)**

<b><u>Revenues:</u></b>	<b><u>Budget</u></b>	<b><u>Incr/(Decr)</u></b>	<b><u>New Budget</u></b>
	\$	\$	\$
111-0000-337.60-10 Safety/Homeland Security	0	54,000	54,000
<b><i>Totals:</i></b>	<b>0</b>	<b>54,000</b>	<b>54,000</b>

**Expenditures:**

	\$	\$	\$
111-0000-601.10-11 Overtime	0	40,000	40,000
111-0000-601.10-20 Social Security	0	3,520	3,520
111-0000-601.10-30 Health Insurance	0	535	535
111-0000-601.10-41 TCRS Retirement	0	7,200	7,200
111-0000-601.10-43 ICMA/Retirement	0	2,135	2,135
111-0000-601.10-50 Life Insurance	0	130	130
111-0000-601.10-52 Long Term Disability	0	80	80
111-0000-601.10-60 Workmen's Comp	0	270	270
111-0000-601.10-61 Unemployment Ins.	0	130	130
<b><i>Totals:</i></b>	<b>0</b>	<b>54,000</b>	<b>54,000</b>

SECTION II. That this Ordinance shall take effect from and after its date of passage, as the law directs, the welfare of the City of Kingsport, Tennessee requiring it.

\_\_\_\_\_  
PAUL W. MONTGOMERY, Mayor

ATTEST:

\_\_\_\_\_  
ANGELA MARSHALL, Deputy City Recorder

APPROVED AS TO FORM:

\_\_\_\_\_  
RODNEY B. ROWLETT III, City Attorney

PASSED ON 1ST READING:

PASSED ON 2ND READING:



**AGENDA ACTION FORM**

**Consideration of a Budget Ordinance to Appropriate \$25,000.00 from the Tennessee Highway Safety Office's (THSO) FY '25 Coordinator Grant**

To: Board of Mayor and Aldermen  
From: Chris McCartt, City Manager *CM*

Action Form No.: AF-271-2024  
Work Session: September 30, 2024  
First Reading: October 1, 2024

**Final Adoption: October 15, 2024**  
Staff Work By: Captain Chris Tincher  
Presentation By: Chief Dale Phipps

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**Recommendation:**

Approve the Ordinance.

**Executive Summary:**

The Kingsport Police Department has been notified that we were approved for \$25,000.00 in grant funds for the upcoming '25 fiscal year. The grant will be utilized to pay for Corporal Matt McGuire's travel/training to various traffic-related workshops and conferences. Additional funds will be used for traffic enforcement/education items and overtime for officers engaged in traffic enforcement activities.

There are no matching fund requirements.

**Attachments:**

1. Budget Ordinance

	<u>Y</u>	<u>N</u>	<u>O</u>
Baker	—	—	—
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Mayer	—	—	—
Phillips	—	—	—
Montgomery	—	—	—

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE TO AMEND THE GENERAL PROJECT/SPECIAL REVENUE FUND BUDGET BY APPROPRIATING GRANT FUNDS RECEIVED FROM THE TENNESSEE HIGHWAY SAFETY OFFICE (THSO) FOR THE YEAR ENDING JUNE 30, 2025; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

BE IT ORDAINED BY THE CITY OF KINGSPORT, as follows:

SECTION I. That the General Project/Special Revenue Fund budget be amended by appropriating funds received from the Tennessee Highway Safety Office in the amount of \$25,000 to the THSO Coordinator Grant project (NC2505) to enforce traffic safety. No matching funds are required.

**Account Number/Description:**  
**Fund 111: General Project/Special Rev Fund**  
**THSO Coordinator Grant (NC2505)**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
<b><u>Revenues:</u></b>	\$	\$	\$
111-0000-337.60-10 Safety/Homeland Security	0	25,000	25,000
<b><i>Totals:</i></b>	<b>0</b>	<b>25,000</b>	<b>25,000</b>

	\$	\$	\$
<b><u>Expenditures:</u></b>			
111-0000-601.10-11 Overtime	0	450	450
111-0000-601.10-20 Social Security	0	40	40
111-0000-601.10-30 Health Insurance	0	50	50
111-0000-601.10-41 TCRS Retirement	0	120	120
111-0000-601.10-50 Life Insurance	0	30	30
111-0000-601.10-52 Long Term Disability	0	20	20
111-0000-601.10-60 Workmen’s Comp	0	50	50
111-0000-601.10-61 Unemployment Ins.	0	40	40
111-0000-601.20-40 Travel Expense	0	4,000	4,000
111-0000-601.20-41 Registration Fees/Tuition	0	4,000	4,000
111-0000-601.30-20 Operating Supplies & Tool	0	16,200	16,200
<b><i>Totals:</i></b>	<b>0</b>	<b>25,000</b>	<b>25,000</b>

SECTION II. That this Ordinance shall take effect from and after its date of passage, as the law directs, the welfare of the City of Kingsport, Tennessee requiring it.

\_\_\_\_\_  
PAUL W. MONTGOMERY, Mayor

ATTEST:

\_\_\_\_\_  
ANGELA MARSHALL, Deputy City Recorder

APPROVED AS TO FORM:

\_\_\_\_\_  
RODNEY B. ROWLETT III, City Attorney

PASSED ON 1ST READING: \_\_\_\_\_

PASSED ON 2ND READING: \_\_\_\_\_





**AGENDA ACTION FORM**

**Consideration of a Budget Ordinance for Various Funds FY25**

To: Board of Mayor and Aldermen  
From: Chris McCartt, City Manager *CM*

Action Form No.: AF-279-2024  
Work Session: September 30, 2024  
First Reading: October 1, 2024  
Final Adoption: **October 15, 2024**  
Staff Work By: Morris  
Presentation By: McCartt

**Recommendation:**

Approve the Budget Ordinance

**Executive Summary:**

The General Project-Special Revenue Fund is being amended by reducing the Leisure Services Project (NC2331) by \$401,700 for use in the Fox Den Playground project (GP2214).

The General Project Fund is being amended by transferring \$75,000 from the Justice Center Expansion project (GP2402) to the Fox Den Playground project (GP2214), by allocating \$326,700 less \$6,435 to be allocated to the Public Art Commission Fund to cover Percentage for Art requirements for a total of \$320,265 from the General Fund to the Fox Den Playground project (GP2214), by allocating \$100,000 from the Visitors Enhancement Fund to the Fox Den Playground project (GP2214), by allocating \$411,091 from the Bays Mtn Park Commission Fund to the Fox Den Playground project (GP2214), and by allocating \$100,000 from the Visitors Enhancement project to the Bays Mtn Water Tower project (GP2503).

The Regional Sales Tax Fund is being increased by allocating \$50,000 to the Aquatic Center Fund to be allocated to the KAC Miscellaneous project (AQ2403).

The Visitors Enhancement Fund is being amended by allocating \$100,000 to the Fox Den Playground project (GP2214), and by allocating \$100,000 to the Bays Mtn Water Tower project (GP2503).

The Aquatic Center Fund is being increased by allocating \$50,000 from the Regional Sales Tax Fund to be allocated to the KAC Miscellaneous project (AQ2403).

The Aquatic Center project Fund is being amended by allocating \$50,000 from the Aquatic Center Fund to the KAC Miscellaneous project (AQ2403).

The Bays Mountain Park Commission Fund is being amended by allocating \$411,091 from donations received to be transferred to the Fox Den Playground project (GP2214).

The Public Art Commission Fund is being increased by \$81,435 by accepting \$75,000 from the General Fund for the Justice Center Expansion and \$6,435 from the Fox Den Playground to fulfil the percentage to the arts requirements for both projects.

**Attachments:**

- 1. Budget Ordinance

	Y	N	O
Baker	—	—	—
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Mayes	—	—	—
Phillips	—	—	—
Montgomery	—	—	—

Item X3.

ORDINANCE NO.

AN ORDINANCE TO AMEND VARIOUS FUND BUDGETS FOR  
THE YEAR ENDING JUNE 30, 2025; AND, TO FIX THE  
EFFECTIVE DATE OF THIS ORDINANCE

BE IT ORDAINED BY THE CITY OF KINGSPORT, as follows:

SECTION I. That the General Project-Special Revenue Fund be amended by reducing the Leisure Services Project (NC2331) budget by \$401,700 for use in the Fox Den Playground project (GP2214).

SECTION II. That the General Project Fund be amended by transferring \$75,000 from the Justice Center Expansion project (GP2402) to the Fox Den Playground project (GP2214), by allocating \$326,700 less \$6,435 to be allocated to the Public Art Commission Fund to cover Percentage for Art requirements for a total of \$320,265 from the General Fund to the Fox Den Playground project (GP2214), by allocating \$100,000 from the Visitors Enhancement Fund to the Fox Den Playground project (GP2214), by allocating \$411,091 from the Bays Mtn Park Commission Fund to the Fox Den Playground project (GP2214), and by allocating \$100,000 from the Visitors Enhancement project to the Bays Mtn Water Tower project (GP2503).

SECTION III. That the Regional Sales Tax Fund be increased by allocating \$50,000 to the Aquatic Center Fund to be allocated to the KAC Miscellaneous project (AQ2403).

SECTION IV. That the Visitors Enhancement Fund be amended by allocating \$100,000 to the Fox Den Playground project (GP2214), and by allocating \$100,000 to the Bays Mtn Water Tower project (GP2503).

SECTION V. That the Aquatic Center Fund be increased by allocating \$50,000 from the Regional Sales Tax Fund to be allocated to the KAC Miscellaneous project (AQ2403).

SECTION VI. That the Aquatic Center project Fund is being amended by allocating \$50,000 from the Aquatic Center Fund to the KAC Miscellaneous project (AQ2403).

SECTION VII. That the Bays Mountain Park Commission Fund be amended by allocating \$411,091 from donations received to be transferred to the Fox Den Playground project (GP2214).

SECTION VIII. That the Public Art Commission Fund be increased by \$81,435 by accepting \$75,000 from the General Fund for the Justice Center Expansion and \$6,435 from the Fox Den Playground to fulfil the percentage to the arts requirements for both projects.

**Fund 111: Gen Project-Special Revenue Fund**  
**Leisure Services Projects (NC2331)**

**Account Number/Description:**

**Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
111-0000-391.01-00 From General Fund	780,037	(401,700)	378,337
<b>Total:</b>	<b>780,037</b>	<b>(401,700)</b>	<b>378,337</b>

**Expenditures:**

	\$	\$	\$
111-0000-601.90-03 Improvements	780,037	(401,700)	378,337
<b>Total:</b>	<b>780,037</b>	<b>(401,700)</b>	<b>378,337</b>

**Fund 110: General Fund**

**Account Number/Description:**

**Expenditures:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
110-4804-481.70-35 To Gen Proj-Spec Rev	2,925,000	(401,700)	2,523,300
110-4804-481.70-36 General Project Fund	0	320,265	320,265
110-4804-481.70-88 To Public Art Comm Fund	0	81,435	81,435
<b>Total:</b>	<b>2,925,000</b>	<b>0</b>	<b>2,925,000</b>

**General Project Fund: 311**

**Justice Center Expansion (GP2402)**

**Account Number/Description:**

**Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
311-0000-333.40-00 Justice Center	5,600,000	0	5,600,000
311-0000-368.10-72 GO Bonds Series 2023	13,127,491	(73,110)	13,054,381
311-0000-368.21-01 Premium From Bond Sale	341,153	(1,890)	339,263
<b>Total:</b>	<b>19,068,644</b>	<b>(75,000)</b>	<b>18,993,644</b>

**Expenditures:**

	\$	\$	\$
311-0000-601.20-22 Construction Contracts	18,930,000	(75,000)	18,855,000
311-0000-601.40-41 Bond Sale Expense	138,644	0	138,644
<b>Total:</b>	<b>19,068,644</b>	<b>(75,000)</b>	<b>18,993,644</b>

**Fox Den Playground (GP2214)**

**Account Number/Description:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
<b><u>Revenues:</u></b>	\$	\$	\$
311-0000-368.10-72 Series 2023 GO Bonds	0	73,110	73,110
311-0000-368.21-01 Premium From Bond Sale	0	1,890	1,890
311-0000-391.01-00 From General Fund	0	320,265	320,265
311-0000-391.62-00 Bays Mtn Park Comm Fund	57,550	411,091	468,641
311-0000-391.69-00 Visitors Enhancement Fund	0	100,000	100,000
<b>Total:</b>	<b>57,550</b>	<b>906,356</b>	<b>963,906</b>

**Expenditures:**

311-0000-601.90-03 Improvements	\$ 57,550	\$ 906,356	\$ 963,906
<b>Total:</b>	<b>57,550</b>	<b>906,356</b>	<b>963,906</b>

**Bay Mtn Water Tower (GP2503)**

**Account Number/Description:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
<b><u>Revenues:</u></b>	\$	\$	\$
311-0000-391.69-00 Visitors Enhancement Fund	0	100,000	100,000
<b>Total:</b>	<b>0</b>	<b>100,000</b>	<b>100,000</b>

**Expenditures:**

311-0000-601.90-03 Improvements	\$ 0	\$ 100,000	\$ 100,000
<b>Total:</b>	<b>0</b>	<b>100,000</b>	<b>100,000</b>

**Regional Sales Tax Fund: 130**

**Account Number/Description:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
<b><u>Revenues:</u></b>	\$	\$	\$
130-0000-392.01-00 Fund Bal Appropriations	0	50,000	50,000
<b>Total:</b>	<b>0</b>	<b>50,000</b>	<b>50,000</b>

**Expenditures:**

130-4804-481.70-39 To Aquatic Center Fund	\$ 2,500,000	\$ 50,000	\$ 2,550,000
<b>Total:</b>	<b>2,500,000</b>	<b>50,000</b>	<b>2,550,000</b>

**Visitors Enhancement Fund: 135**

**Account Number/Description:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
<b><u>Expenditures:</u></b>	\$	\$	\$
135-1015-405.90-03 Improvements	255,000	(200,000)	55,000
135-4804-481.70-36 General Project Fund	0	200,000	200,000
<b>Total:</b>	<b>255,000</b>	<b>0</b>	<b>255,000</b>

**Aquatic Center Fund: 419**

**Account Number/Description:**

**Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
419-0000-391.25-00 From Regional Sales Tax	\$ 2,500,000	\$ 50,000	\$ 2,550,000
<b>Total:</b>	<b>2,500,000</b>	<b>50,000</b>	<b>2,550,000</b>

**Expenditures:**

	\$	\$	\$
419-6996-696.76-09 Aquatics Center Project Fund	0	50,000	50,000
<b>Total:</b>	<b>0</b>	<b>50,000</b>	<b>50,000</b>

**Aquatics Project Fund: 459**

**KAC Miscellaneous (AQ2403)**

**Account Number/Description:**

**Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
459-0000-391.37-00 From Aquatic Center	\$ 272,000	\$ 50,000	\$ 322,000
<b>Total:</b>	<b>272,000</b>	<b>50,000</b>	<b>322,000</b>

**Expenditures:**

	\$	\$	\$
459-0000-629.90-03 Improvements	272,000	50,000	322,000
<b>Total:</b>	<b>272,000</b>	<b>50,000</b>	<b>322,000</b>

**Bays Mt Park Comm Fund: 612**

**Account Number/Description:**

**Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
612-0000-364-30-00 From Non-Profit Groups	\$ 0	\$ 411,091	\$ 411,091
<b>Total:</b>	<b>0</b>	<b>411,091</b>	<b>411,091</b>

**Expenditures:**

	\$	\$	\$
612-4804-481.70-36 General Project Fund	0	411,091	411,091
<b>Total:</b>	<b>0</b>	<b>411,091</b>	<b>411,091</b>

**Public Art Commission Fund: 619**

**Account Number/Description:**

**Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
619-0000-391.01-00 From General Fund	\$ 0	\$ 81,435	\$ 81,435
<b>Total:</b>	<b>0</b>	<b>81,435</b>	<b>81,435</b>

**Expenditures:**

	\$	\$	\$
619-4512-471.90-03 Improvements	0	81,435	81,435
<b>Total:</b>	<b>0</b>	<b>81,435</b>	<b>81,435</b>

SECTION IX. That this Ordinance shall take effect from and after its date of passage, as the law directs, the welfare of the City of Kingsport, Tennessee requiring it.

\_\_\_\_\_  
PAUL W. MONTGOMERY, Mayor

ATTEST:

\_\_\_\_\_  
ANGELA MARSHALL, Deputy City Recorder

APPROVED AS TO FORM:

\_\_\_\_\_  
RODNEY B. ROWLETT III, City Attorney

PASSED ON 1ST READING:

PASSED ON 2ND READING:



**AGENDA ACTION FORM**

**Consideration of a Resolution to Purchase One (1) 2025 Autocar with New Way Arm Refuse Truck Utilizing Sourcewell Cooperative Purchasing Agreement**

To: Board of Mayor and Aldermen  
From: Chris McCartt, City Manager *CM*

Action Form No.: AF-284-2024  
Work Session: October 14, 2024  
First Reading: N/A  
Final Adoption: October 15, 2024  
Staff Work By: Committee  
Presentation By: R. McReynold, S. Leonard

**Recommendation:**

Approve the resolution

**Executive Summary:**

It is the recommendation of the committee to purchase One (1) 2025 Autocar with New Way Arm Refuse Truck from Municipal Equipment utilizing Sourcewell Cooperative Purchasing Agreement #110223-NWY for use by the Solid Waste Department. The delivery from the dealership to the agency is included in the total price of \$381,875.69. The estimated delivery date is 9-12 months after the PO has been received.

With Sourcewell, agencies can utilize competitively solicited contracts to help save time and resources while still meeting purchasing requirements. All cooperative purchasing contracts from Sourcewell have been competitively solicited by a lead public agency and meet rigorous cooperative standards and supplier commitments. Each supplier commits to delivering their best overall government pricing so that the City of Kingsport can buy with confidence.

Please see the attached recommendation memo for additional information & Sourcewell Cooperative Contracts.

This unit is a fleet replacement.

Funding is identified in Project/Account # 51150085019010

**Attachments:**

1. Resolution
2. Recommendation Memo
3. Quote
4. Sourcewell Contract

Item X11.

	Y	N	O
Baker	—	—	—
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Mayes	—	—	—
Phillips	—	—	—
Montgomery	—	—	—

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A PURCHASE ORDER TO MUNICIPAL EQUIPMENT, FOR THE PURCHASE OF ONE 2025 AUTOCAR WITH NEW WAY ARM REFUSE TRUCK THROUGH SOURCEWELL COOPERATIVE PURCHASE AGREEMENT NO.: 110223-NWY

WHEREAS, staff recommends the purchase of one (1) 2025 Autocare with New Way Arm Refuse Truck from Municipal Equipment utilizing Sourcewell Cooperative Purchasing Agreement #110223-NWY for use by the solid waste department; and

WHEREAS, the one (1) 2025 Autocar with New Way Arm Refuse Truck is available pursuant to Sourcewell Agreement No.: 110223-NWY; and

WHEREAS, in order to purchase the equipment, a purchase order needs to be issued to Municipal Equipment, in an amount not to exceed \$381,875.69; and

WHEREAS, funding for this equipment is available in project account #51150085019010.

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That the Mayor is authorized to execute a purchase order to Municipal Equipment for the purchase of one (1) 2025 Autocar with New Way Arm Refuse Truck, utilizing Sourcewell Agreement No.: 110223-NWY, for use by the solid waste department, in an amount not to exceed \$381,875.69.

SECTION II. That the board finds that the actions authorized by this resolution are for a public purpose and will promote the health, comfort, and prosperity of the citizens of the city.

SECTION III. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 15th day of October, 2024.

\_\_\_\_\_  
PAUL W. MONTGOMERY, MAYOR

ATTEST:

\_\_\_\_\_  
ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

\_\_\_\_\_  
RODNEY B. ROWLETT, III, CITY ATTORNEY





**FLEET MAINTENANCE DEPARTMENT**

**City of Kingsport**

**To:** Nikisha Eichmann, Assistant Procurement Manager  
**From:** Steve Leonard, Fleet Manager  
**Date:** October 2, 2024  
**Re:** Fleet Replacement of 2237 Purchase Recommendation

It is the recommendation of this office to purchase the Fleet Replacement of unit # 2237 in the amount of \$381,875.69. The unit bid meets the expectations of the Solid Waste Department and will fulfill the requirements of their operational needs. This unit will be purchased utilizing Sourcewell Contract # 110223-NWY. A copy of the Sourcewell Contract is attached. The estimated delivery is 9-12 months. Attached is a memo from the vendor explaining the price decrease for the FY24-25 model versus the FY23-24 model. The purchase price for FY23-24 was \$404,972.23 which 6% higher than the FY24-25 purchase price.

Item	Quantity	Description	Award to Vendor	Fuel Economy
1	1	2025 AUTOCAR WITH NEW WAY ARM REFUSE TRUCK	MUNICIPAL EQUIPMENT	NA City/NA Hwy

**The unit will be a Fleet Replacement**

The unit listed below will be replaced and disposed of utilizing the current approved City process. The Sourcewell offering was reviewed by Rodney Deel and he is in agreement with this recommendation.

**Fuel Economy Improvement**

N/A

Fuel economy will be compatible with the current unit we have.

**Sourcewell Contract 110223-NWY**

**Replacements**

<b>2237</b>	2015 MACK WITH NEW WAY ARM REFUSE TRUCK	Mileage	124,852
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Should you have any questions on this recommendation, please do not hesitate to contact me.

Thank you.



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625 West Industry Drive

Kingsport Item X11. 7660

(423) 229-9446

***Kingsport – the best Place to Be***



MUNICIPAL EQUIPMENT, INC.

To: City of Kingsport, TN

Subject: Autocar Chassis for ASL Price Differences

From: Michael Salomone-Municipal Equipment East TN Territory Manager

Date: October 1, 2024

To Whom it May Concern:

This letter is to explain the Autocar chassis price difference for the New Way Automated Side Loader. The past several years have been challenging as we see price increases for equipment as well as very long lead times. Municipal Equipment (MEI) purchases these chassis from different Autocar dealers. These dealers set the price, and MEI does not add profit to the cost.

These chassis have various lead times and are subject to price increases during these lead times. Depending on when they were order, some were subject to one price increase and others multiple price increases.

Please let me know if you have questions. Thanks for your business.

Michael G. Salomone

*Michael G. Salomone*

# QUOTATION



Parts Center



Service Center



**MUNICIPAL EQUIPMENT, INC.**  
KENTUCKY • TENNESSEE • INDIANA • OHIO



Mobile Service



Equipment

Sales Person | Michael Salomone  
Street / Number | 1506 West College St  
City, ST, Zip. | Murfreesboro, TN, 37129  
Phone | 865-310-6017  
E-mail | msalomone@meieq.com

Date | October 4, 2024  
Valid Until | October 11, 2024  
Quote # | MS-10-01-24-1  
Sales Person ID | MS

**Bill to:** City of Kingsport, TN  
Attn: Steve Leonard  
Street Address | 609 West Industry Drive  
City, ST, Zip. | Kingsport, TN 37660  
Phone | 423-276-5515

**Ship to:**  
Attn: **City of Kingsport Sourcewell ID: 29779**  
Street Address  
City, ST, Zip.  
Phone

Delivery	FOB	Terms	Shipping Method	Customer Type	Tax
SECOND HALF OF 2025				Municipality	

Item #	Description	Qty.	Unit Price	Unit	Tax	Line Total
	2025 Autocar-ACX64-New Way-31 Yard Sidewinder ASL (Front Mount Pump) VIN: 249570					-
	2025 Autocar-ACX64 (Sourced Good) chassis price:	1	194034.00			194,034.00
	New Way 31 Yard Sidewinder Body:	1	183531.69			183,531.69
	Fall Protection Harness with Installation by Kingsport Iron (Sourced Good):	1	810.00			810.00
	Freight/PDI/Training:	1	3500.00			3,500.00
	<b>**AUTOCAR VIN: 249570 ETA AT NEW WAY NOVEMBER OF 2024**</b>					
	<b>**NEW WAY SOURCEWELL ID: 110223-NWY**</b>					

**Special Notes and Instructions**

If tariffs or other unforeseen supply chain costs are imposed, including price increases through steel surcharges, MEI reserves the right to pass the increase cost to our customer.

In Stock Units are subject to prior sale; Used Units are sold as is where is

Please confirm your acceptance of this quote by signing this document; Signing this document is binding contract for purchase

Subtotal	\$	381,875.69
Taxable	\$	-
Tax Rate		
Sales Tax	\$	-
Freight	\$	-
Discount	\$	-
<b>Total</b>	<b>\$</b>	<b>381,875.69</b>

*Michael Salomone*  
Sales Person Signature

Customer Signature

Date

We value your business and appreciate your support.

Item X11.



www.municipalequipmentinc.com

**Solicitation Number: RFP #110223****CONTRACT**

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and Scranton Manufacturing Company/New Way Trucks, 101 State Street, Scranton, IA 51462 (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 Refuse Collection Vehicles with Related Equipment, Accessories and 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.

**EXPIRATION DATE AND EXTENSION.** This Contract expires December 28, 2027, unless it is cancelled sooner pursuant to Article 22. This Contract allows up to three additional one-year extensions upon the request of Sourcewell and written agreement by Supplier. Sourcewell retains the right to consider additional extensions beyond seven years as required under exceptional circumstances.

B. **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 Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

**B. ADDITIONAL TERMS AND CONDITIONS/PARTICIPATING ADDENDUM.** Additional terms and conditions to a purchase order, or other required transaction documentation, may be negotiated between a Participating Entity and 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 or its authorized dealers, distributors, or resellers, as applicable. 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. Sourcewell, including its agents and employees, will not be made a party to a claim for breach of such agreement.

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

1. The Participating Entity fails to receive funding or appropriation from its governing body at levels sufficient to pay for the 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, performance issues, 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 Sourcewell 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 Contract 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, 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. *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 liability-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 cannot 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 a Participating Entity and is not subject to any obligations or liabilities to the Participating Entity, Supplier, or any other party pertaining to any matter resulting from the 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

Scranton Manufacturing Company/New Way Trucks

DocuSigned by:  
*Jeremy Schwartz*  
C0FD2A139D06489...  
By: \_\_\_\_\_  
Jeremy Schwartz  
Title: Chief Procurement Officer  
Date: 1/19/2024 | 7:07 PM CST

DocuSigned by:  
*Don Ross*  
FDDEA3B770F6476...  
By: \_\_\_\_\_  
Don Ross  
Title: Chief Sales Officer  
Date: 1/19/2024 | 3:52 PM PST

Approved:

DocuSigned by:  
*Chad Coquette*  
48BAF71B0894454...  
By: \_\_\_\_\_  
Chad Coquette  
Title: Executive Director/CEO  
Date: 1/19/2024 | 7:49 PM CST

# RFP 110223 - Refuse Collection Vehicles with Related Equipment, Accessories, and Services

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## Vendor Details

Company Name: Scranton Manufacturing Co.< Inc.  
Does your company conduct business under any other name? If yes, please state: New Way Trucks  
Address: 101 State Street  
Scranton , IA 51462  
Contact: Jesse Geeslin  
Email: jgeeslin@newwayfleetforce.com  
Phone: 715-321-6048  
HST#: 42-0993825

## Submission Details

Created On: Thursday September 14, 2023 12:13:18  
Submitted On: Tuesday October 31, 2023 16:09:36  
Submitted By: Sam Norland  
Email: snorland@mcfamco.com  
Transaction #: 581454c8-715f-4d1a-8a90-cec08b6d690f  
Submitter's IP Address: 198.153.109.161

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## 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")	Scranton Manufacturing Company/New Way Trucks
2	Identify all subsidiary entities of the Proposer whose equipment, products, or services are included in the Proposal.	New Way FleetForce Rentals
3	Identify all applicable assumed names or DBA names of the Proposer or Proposer's subsidiaries in Line 1 or Line 2 above.	New Way FleetForce LLC
4	Provide your CAGE code or Unique Entity Identifier (SAM):	46996
5	Proposer Physical Address:	101 State Street Scranton, Iowa 51462
6	Proposer website address (or addresses):	newwaytrucks.com refusetrucks.scrantomfg.com
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):	Jesse Geeslin New Way FleetForce Director of Sales 809 Locust Street Scranton, Iowa 51462 jgeeslin@newwayfleetforce.com 715.321.6048
8	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Sam Norland Marketing Supervisor 809 Locust Street Scranton, Iowa 51462 snorland@mcfamco.com 712.634.6383
9	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Nick Daniel Sales Operations Manager 809 Locust Street Scranton, Iowa 51462 ndaniel@newwaytrucks.com 712.634.6010

**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>In 1971, John McLaughlin, his brother, and a friend began repairing farm equipment in small-town Scranton, Iowa. The trio soon began manufacturing innovative products that farmers in the surrounding area needed, including the world's first mechanical hybrid seed corn detasseler. It was only a matter of time before Scranton Manufacturing's reputation for high quality, innovative products spread to farms across the country. Scranton Manufacturing became one of the nation's premier livestock handling and feeding equipment manufacturers as a result.</p> <p>A farming depression in the 1980's necessitated change as Scranton Manufacturing purchased the New Way product line of garbage trucks after John saw an ad in the Wall Street Journal for a small garbage truck manufacturer based in nearby Des Moines, Iowa. John saw to his vision to improve and expand the New Way product line and build a network of distributors that reached every region in North America. Today, Scranton Manufacturing and its New Way Trucks brand is the crown jewel of the McLaughlin Family Companies. It is the largest privately-held refuse collection vehicle manufacturer in the nation.</p> <p>New Way Trucks is one of the fastest-growing companies in the \$100 billion North American solid waste industry and remains family-owned for more than 50 years. Throughout our existence, we have been committed to innovation, safety, quality, customer satisfaction, and growth. Midwest values drive everything we do, and our people are our most valuable asset. Scranton Manufacturing founder and 2009 National Waste &amp; Recycling Association (NWRA) Hall of Fame inductee, John McLaughlin, has long attributed the company's continued success to the 4 P's: People, Principles, Products, and Persistence.</p> <p>New Way manufactures the widest product lineup of front-, rear-, and side-load refuse collection equipment in the refuse industry and proudly goes to market through the industry's most well-respected Distributor Network. More than 40 individual distributors operate over 60 separate locations that provide necessary support during and after the sale as well as unmatched post-sale service to the entire United States and Canada. New Way's Distributor Network also includes more than a dozen additional locations across the globe.</p> <p>Our Distributor Network lays the bedrock of our organization, and we would not have been able to add new manufacturing facilities in Booneville, Mississippi in 2020 and 2021 without the continued sales and service efforts of our valued distributors that necessitate production capacity increases. New Way also opened a new manufacturing facility in Carroll, Iowa in 2020 a short drive from our New Way Parts Department. A mere 18 miles separates our Carroll facilities from our headquarters in Scranton.</p> <p>Giving back has been core to Scranton Manufacturing since John McLaughlin founded the company in 1971. Employee-organized blood drives, care packages for soldiers serving domestically and overseas, school supply and winter coat donation events are common. Toy drives around the holidays and clean-up efforts in the aftermath of local natural disasters are also regular occurrences. Though selfless acts have been common since the company's founding, we gave these efforts a name in 2021: Driving Goodness. Driving Goodness was established to help individuals going through hardship in our local communities due to unforeseen circumstances. Employees nominate potential fund recipients.</p> <p>New Way Trucks also donates equipment to and participates in local parades and festivals. Welding staff visit local high school welding programs every other week to help develop students' skills. School groups frequently tour our manufacturing facilities to learn about the benefits of careers in the skilled trades, and we partner with local community colleges to ensure these opportunities are readily available. Our employee family is proud to be stewards of the communities in which we operate in both Iowa and Mississippi.</p>
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11	What are your company's expectations in the event of an award?	<p>Should New Way be awarded a new Contract, we will develop a Sourcewell-specific sales order sheet to further simplify the refuse collection vehicle procurement process for Sourcewell Participating Agencies.</p> <p>Members of the New Way team will travel to Minnesota within 45 days of an award to initiate further training on the new agreement and formally launch the contract. New Way will train the remainder of our Sales Operations Staff on any new procedures related to the Sourcewell Contract, and New Way Regional Sales Managers (RSMs) will inform our Distributor Network accordingly. New, discounted refuse collection vehicle - and parts - pricing will become valid immediately to Participating Agencies and New Way will subsequently implement our turnkey solution.</p> <p>A Sourcewell-awarded contract will allow New Way Trucks to continue to provide Participating Agencies with great products at a discounted price to our many existing municipal customers, grow our municipal base, and open the door to new opportunities in the educational space.</p>	*
12	<p>Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response.</p>	<p>New Way Trucks is the cornerstone of McLaughlin Family Companies, an ever expanding central-Iowa and northeast-Mississippi based group of companies focused on refuse, recycling, veterinary, and animal control equipment manufacturing and retail product distribution for new and used automobiles and automotive products.</p> <p>New Way's business plan has been based on growth and expansion since John McLaughlin bought the company in the mid-1980's. In 2015 we added a 56,000 square foot manufacturing addition at our main manufacturing facility in Scranton, Iowa. In 2018 a \$3 million investment in computerized fabrication equipment and robotics at our facilities in Iowa continued that expansion.</p> <p>In 2020, New Way Trucks expanded to Booneville, Mississippi by opening a 152,000 square foot manufacturing facility and in Carroll, Iowa when we bought a 42,000 square foot facility. In 2021, we began operations in another facility in Booneville, a 66,000 square foot operation. Today our space exceeds 600,000 square feet under roof in central Iowa and northeast Mississippi with joint venture manufacturing projects in Canada, Mexico, and most recently in Australia.</p> <p>New Way has consistently experienced annual double-digit growth, and now operates three manufacturing facilities and a parts department in Iowa. In addition, New Way operates two manufacturing facilities and a parts depot in Mississippi. New Way has opened one new manufacturing facility in both Iowa and Mississippi – and Mississippi's parts depot – since being awarded Sourcewell Contract #091219-NWY. New Way is committed to expanding our manufacturing capacity by investing in human capital and cutting-edge equipment to meet the ever-growing demand for our refuse collection vehicles.</p>	*
13	What is your US market share for the solutions that you are proposing?	According to National Waste and Recycling Association (NWRA) data, New Way Trucks represents slightly more than twenty-four (24) percent market share in the US for front-, rear-, and side-load refuse collection equipment sold in 2022. New Way's industry-leading Sidewinder XTR automated residential side loader represents nearly thirty (30) percent of all automated side loaders sold in the United States.	*
14	What is your Canadian market share for the solutions that you are proposing?	According to best estimates, New Way currently has nine (9) percent market share in Canada. New Way is excited at the prospect of working with Canoe through a new Sourcewell Contract in Canada thanks not only to our existing distributor infrastructure that includes four distributors serving the country across nine locations, but also because of how well-connected our newest distributor covering Canada's most populous province – Ontario – is in the municipal market.	*
15	Has your business ever petitioned for bankruptcy protection? If so, explain in detail.	No. New Way Trucks is a financially stable organization with continued growth year after year. We are the largest privately held refuse equipment manufacturer in North America and rank in the top three of all refuse collection vehicle manufacturers in total units produced.	*

16	<p>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.</p> <p>a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned?</p> <p>b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?</p>	<p>New Way Trucks is an original equipment manufacturer (OEM). Both New Way's sales force and Distributor Network cover all of the U.S. and Canada. Our sales force is comprised of all New Way employees, whereas our trusted distributors and their representatives are employees of their respective organizations.</p> <p>The New Way Distributor network is made up of 40 privately owned organizations with over 60 locations across the United States and Canada. This North American network includes over 150 distributor employees dedicated to and experienced in showcasing the New Way brand. To support its customers and extensive Distributor Network, New Way Trucks has a 40+-person sales, marketing, parts, warranty and service organization made up of all full-time New Way employees. Ten Regional Sales Managers (RSMs) are responsible for our North American sales territories and provide direct distributor and end-user product support. These RSMs are responsible for training, educating, and demonstrating our products to end-users and distributors. They also assist with price quoting, order development, and support both during and after the product sale. Our Service, Warranty, and Parts teams provide after-sales support to both distributors and end-users. New Way's Field Service teams provide on-site technical support and training to our end- users and Distributor Network.</p> <p>New Way certified field service technicians are available to Participating Agencies. These field service technicians provide service and support at Distributor and Participating Agency locations to assist with any maintenance needs that arise.</p> <p>The New Way Distributor Network is the first line of defense for any parts or service issue. Each distributor maintains an inventory of stock parts and a team of service technicians are available to support Participating Agencies when necessary.</p>
17	<p>If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.</p>	<p>The American National Standards Institute (ANSI) is the governing body for refuse equipment specifications and requirements in North America. The National Waste &amp; Recycling Association (NWRA) administers ANSI. New Way is actively involved with NWRA as we hold the current Chairman of the NWRA Board of Trustees and Chairman of the NWRA Suppliers Board of Governors positions.</p> <p>New Way is also represented on all ANSI committees and is actively involved in establishing new equipment safety protocols and equipment specifications for our industry.</p> <p>In addition, each of our manufacturing facilities in Iowa and Mississippi meet and exceed the standards set by the Occupational, Safety, and Health Administration (OSHA).</p>
18	<p>Provide all "Suspension or Debarment" information that has applied to your organization during the past ten years.</p>	<p>New Way Trucks has not been suspended or disbarred from participating in any government contracts since the company's inception.</p>

**Table 3A: Depth and Breadth of Offered Equipment Products and Services**

Line Item	Question	Response *
19	<p>Provide a detailed description of the equipment, products, and services that you are offering in your proposal.</p>	<p>New Way believes that all solid waste is local. This is visible in the refuse collection vehicle variations our customers request. To meet that need, we manufacture the widest product lineup of any refuse collection vehicle body manufacturer. With over 40 body sizes of twelve different product lines of refuse collection vehicle bodies, there is no refuse collection need that New Way Trucks cannot meet. Our product lineup features two front-load, six rear-load, three automated side-load, and a satellite side-load refuse collection vehicle. New Way refuse collection vehicle bodies range in size from six cubic yards to 43 cubic yards.</p> <p>New Way is pleased to include our entire parts catalog to keep Participating Agencies' equipment running smoothly. We have created first round preventive maintenance parts packages that include replacement filters and wear items to assure Participating Agencies use New Way parts during the standard warranty period.</p> <p>Each of our refuse collection vehicles are available for rent through our New Way FleetForce program. FleetForce is the only direct-from-manufacturer rental operation in the industry offering various rental contract options ranging from a month to multiple years-long time frames. The latest, most productive New Way refuse collection vehicles are regularly being added to FleetForce's rental fleet to meet to meet a Participating Agency's immediate need. If a vehicle is available, FleetForce will immediately deliver to a Participating Agency's location. Since New Way FleetForce units are built and distributed just like any of our refuse collection</p>

vehicles, Sourcewell Participating Agencies are guaranteed factory-trained support through our Distributor Network.

#### Front-Loaders

New Way offers two front load refuse collection vehicle body styles for commercial collection: the New Way Mammoth and a lightweight Mammoth Western Series for areas in the western United States where United States Department of Transportation (DOT) regulations are a concern. Both models have a twelve (12) cubic yard hopper capacity and body capacities of 22, 28, and 31 cubic yards.

The New Way Mammoth is known for its one-piece, curved shell design that boasts the strongest steel specs in the industry. The Mammoth gets its name from the heavy-duty single-piece constructed arms that resemble tusks when extended. Torque tube assembly and pack-on-the go features maximize route and labor efficiency. The refuse collection vehicle body features the largest clean-out doors and sump in the industry. This front-loader's ease of use and maintenance, superior strength, durability, and after sales product support and service are unmatched.

The New Way Mammoth Western is a ten percent lighter front-loader that does not compromise on strength. New Way's engineering team accomplished this with lighter weight, high-tensile steels. Its fast cycle times and high compaction rates make it an ideal fit for customers in the western United States that need a rugged front-load refuse collection vehicle that is fully compliant with local regulations. The Mammoth Western offers the pachyderm-esque strength and stamina of its sibling while remaining weight-log compliant for more stringent coastal states' DOT regulations.

#### Rear-Loaders

The New Way King Cobra offers industry-leading rear-load waste compaction and comes available in body sizes from 20- to 32-cubic-yards. The King Cobra is the unequivocal industry leader with an approximate 1,000 to 1,300 pounds per cubic yard compaction rate and superior rear-loading capabilities.

Built to take on a lot of work without requiring much maintenance, the King Cobra rear loader offers many of the standard features of other New Way rear-loaders. Curbside hydraulic access, side-body automatic tailgate locks, a rear-view camera and two-year hydraulic cylinder warranty are just a few of the many standard options. The King Cobra can also be customized to meet the needs of a Participating Agency's individual operation.

Combine all of this with the fact that the King Cobra has the lowest cost of operation of any comparable body size and one of the lowest warranty claims of any mobile refuse collection vehicle body in the industry, and you've got a mobile refuse collection vehicle that charms the most demanding of routes.

The King Cobra comes available in the following body capacities: 20-, 25-, 27-, and 32-cubic yards.

The New Way Cobra Magnum is a large rear-loader that is still fully DOT compliant. Like the King Cobra, it is also available in body sizes of 20-, 25-, 27-, and 32-cubic-yards. The Cobra Magnum offers the ultra-high compaction of the King Cobra with a body weight lighter than what the competition can achieve.

The Cobra Magnum is designed to comply with Department of Transportation weight regulations and offers the easiest operational features in today's mobile refuse collection vehicle market. Operators have convenient access to curbside hydraulic controls on this impressive rear loader that will easily compact up to 1,100 pounds per cubic yard depending on the waste stream.

Add in a huge 3.55 cubic yard hopper and a striking 21-23 second cycle time, and the Cobra Magnum delivers the perfect size mobile refuse collection vehicle with the bite to crush anything you throw its way.

The newest addition to New Way's rear-load lineup is the Cobra High Compaction rear-end-loader. The Cobra High Compaction (HC) boasts the compaction and speed of its bigger brothers, the Cobra Magnum and King Cobra, but features a lightweight body with an overall lower profile for height-restricted refuse collection routes.

Preventive maintenance is simple thanks to the vehicle's mounted front valve, easy access wiring system, and removable slide show access cover. The new Way Cobra HC hit the industry in 2020 with its 1,100 to 1,300 pounds per cubic yard compaction rate, 15,000-pound weight (for the standard 25-yard model), and a 21-23 second cycle time. 20- and 27-yard models are also available.

Additional features include a large 3.5 cubic yard hopper with wide 80-inch tailgate and inboard hydraulic cylinders, an inside-body hydraulic tank, optional auto-lock turnbuckles, and optional bolt-on winch systems.

The New Way Cobra is a lightweight rear loader that boasts full-sized compaction capabilities. Our Cobra rear-end-loader is the contractor's choice, striking the perfect balance between outstanding compaction and a lightweight 16- to 20-cubic-yard body. With a compaction rate of up to 850 pounds per cubic yard, the Cobra is a powerful rear load mobile refuse collection vehicle that will do everything mid-size mobile refuse collection vehicles are expected to.

Add in the Cobra's large 3.2-cubic-yard hopper on a single-axle chassis, internally-mounted hydraulic cylinders, operating valve on the outside of the hopper, automatic tailgate locks with outside lever controls, high-compaction body and a variety of container-handling options for both steel and plastic carts, and you'll understand why the Cobra dominates the mid-sized refuse collection vehicle market.

The Cobra is available in 16-, 18-, and 20-cubic yard body sizes.

The New Way Viper is an innovative rear-end-loader built for safety and maintenance and comes available in body sizes of 9-, 11-, and 13-cubic-yards. It is one of the most popular mid-compaction rear loader bodies on the market today. It is a lighter, faster version of the industry-leading Cobra.

The ever-popular 11-yard Viper does not require a CDL to operate as it is commonly sold on chassis under 26,000 lbs. Gross Vehicle Weight Rating (GVWR). It's the perfect mobile collection vehicle for small-volume residential routes and a reliable, durable favorite of fleet managers from coast to coast.

The Viper also comes standard with automatic tailgate locks with the control handle located on the side of the chassis, thus eliminating the time and effort needed to go back and forth to operate the traditional turnbuckle locks.

With accessories and adapters to accommodate all varieties of residential cart tipplers and commercial containers, a rear-view camera and a two-year hydraulic cylinder warranty, this rear-loader is a great beginning refuse collection vehicle for operators to train on before getting their CDL and graduating to a larger, yet still familiar, vehicle.

The under-CDL New Way Diamondback packs powerful features into a compact profile. Our smallest rear-load refuse collection vehicle exhibits quality in workmanship and raw materials that differentiates it from the competition. This compact, low-profile mobile refuse collection vehicle with a low load-still threshold has a compaction rate of up to 800 pounds per cubic yard in the standard unit and up to 1,000 pounds per cubic yard on the high-compaction model.

When searching for quality, affordability, and maneuverability to service high-density areas, resorts, campuses, and park collection routes, the Diamondback refuse collection vehicle is the answer. It is available in 6- or 8-cubic-yard body capacities, and is adaptable to all residential cart tipplers.

The Diamondback comes fully-equipped with a range of standard features that are merely options on most other units, including a rear-vision camera and standard two-year hydraulic cylinder warranty.

#### Automated Side-Loaders

For the last 20 years, the solid waste industry focused on improving productivity. That effort translated to bigger and fewer collection routes, larger trucks, and fleet-rightsizing. Given the current CDL driver shortage, however, one shoe does not fit all markets. Hauling operators are now seeing those trends begin to reverse. There is a willingness to expand fleets with smaller collection vehicles with hopes of expanding the labor pool and drawing candidates from groups not traditionally targeted by the nation's waste haulers. New Way Trucks is poised and ready to meet that need.

The industry's continued shift to automation has further proven to extend an aging workforce while at the same time becoming gender neutral. Historically solid waste has been male-dominated due to the heavy lifting requirements. However, technology has solved that problem. Automation does the heavy lifting, and equipment manufacturers are designing for smaller stature, creating access to more commercial drivers in a time when driver shortages are widespread.

The New Way Sidewinder XTR™ is the best-selling Class 8 automated side-loader in the industry according to the National Waste & Recycling Association's equipment statistics program. It's just a matter of time before the New Way Wolverine

becomes the most sought-after Class 6.

The New Way Sidewinder XTR is an automated side-loader with one-operator efficiency. With a deceptively fast compaction rate and the industry's strongest frame-mounted collection arm that reaches up to an impressive 12 feet, efficiency is always at the operator's side. The Sidewinder XTR combines the convenience of automated loading with the ability to maneuver in tight spaces to create an ultra-tough, overbuilt side-loading machine.

At the end of the day, the convenient features of the Sidewinder XTR are even more evident. Mobile refuse collection vehicle operators appreciate the convenience of being able to easily clean out behind the pack panel with the widest opening access and largest clean-out sump in the industry. Add to that the standard rear-view camera and a two-year hydraulic cylinder warranty, and you can see why the Sidewinder XTR has a solid grip on the industry.

The New Way Sidewinder XTR comes available in the following standard body sizes: 22-, 24-, 29-, and 31-cubic yards. 18-, 20-, and 33-yard Sidewinder XTRs are not standard, but are available by request.

The New Way® Wolverine is the latest innovation from New Way Trucks and joins the largest and most diverse family of refuse equipment in the industry. The Wolverine has the attributes of its larger siblings, just in a smaller package. With pack cycle times equivalent to a Sidewinder, arm cycle times equivalent to a Rotopac, a nine-foot arm reach, and full eject capability, the Wolverine provides a package that promotes efficient collection. Both manual and automated Wolverines are available to meet the need of any user. To aid in replacement costs and space, the Wolverine and Sidewinder share common parts in the hydraulic and control systems to eliminate the need for multiple SKU's on the shelf.

Although the Wolverine is a full-fledged collection vehicle, it is available in an under-CDL package, making finding and training new drivers considerably easier. Your new drivers can focus on safety, customer service, and a manageable route footprint in a smaller vehicle, and eventually graduate to a full-sized unit bringing those skills forward to a larger – yet still familiar – refuse collection vehicle.

The Wolverine comes available in 10-, 12-, and 14-cubic-yard body capacities.

The New Way ROTO PAC is the first auger-driven organics and municipal solid waste collection vehicle in the world. The ultimate goal of waste management is zero waste being deposited into landfills. With an eye towards the future, New Way is leading the pack with our ROTO PAC.

Organics on Monday, municipal solid waste (MSW) on Tuesday. Gone are the days of maintaining separate trucks to meet a community's waste management needs. As the first refuse collection vehicle that works equally well with municipal solid waste as it does with recycling and organics, the multi-purpose ROTO PAC is designed for operational flexibility.

The ROTO PAC'S self-cleaning auger not only more efficiently compacts organic materials - such as grass clippings and food waste - but will automatically reverse in the rare event of a jam. The 23,000 pounds of auger torque makes quick work of compaction and self-cleaning, which eliminates downtime to clean out behind a pack panel. The automated arm has a 12-foot reach and can easily manage up to 500 pounds at maximum extension.

Add to that bodies sizes of 14-, 16-, 20-, 22-, 25-, and 27-cubic-yards, the highest legal payload in the industry at 25,000 pounds, reduced hydraulic cylinder maintenance due to the auger, and a liquid-tight hopper up to 40 inches high, and you have the most adaptable refuse collection vehicle available on the market today.

#### Satellite Side-Loader

The New Way Mamba under-CDL satellite side-loader is a fiercely-fast and agile side loader. This truck slithers its way into residential collection routes that other refuse collection vehicles cannot and provides the freedom to load from both sides. With its slender body construction, the Mamba plays a vital role and allows operators transfer compacted materials to larger rear loaders.

Available in fixed-body mount, the Mamba also features cart tipper and barrel dumper options, giving Participating Agencies the ability to customize a side-loader machine that is sure to handle anything thrown its way. The Mamba is available in 6-, 8-, and 10-cubic yard body sizes.

20	<p>Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.</p>	<p>1) New Way Trucks Parts</p> <p>2) After-Sale Distributor Support Services: Parts, Service, Warranty through the New Way Distributor Network</p> <p>3) New Way FleetForce Refuse Collection Vehicle Rental Program: FleetForce provides turnkey rental solution for complete, ready-to-work New Way refuse collection vehicles. A rental unit is an immediate solution for Participating Agencies that seek alternative finance options in adding the same productive New Way refuse collection vehicle to their fleet.</p> <p>4) Off-rent truck sales availability: New Way aggressively discounts refuse collection vehicles in the FleetForce rental fleet after contracts complete. These units are available through the New Way Distributor Network.</p> <p>5) Work Ready Truck Program: The New Way Trucks Work Ready Truck Program is designed to meet Participating Agencies' most pressing needs for purchasing refuse collection vehicles. New Way regularly builds large quantities of standard, well-equipped vehicles that provide immediate solutions for Participating agencies that desire quicker lead times.</p>
21	<p>If your proposal does not include the chassis as a turnkey solution, describe in detail, the process to assist the member to acquire the chassis.</p>	<p>To meet more pressing Participating Agency needs, our proposal does include the chassis as a turnkey solution. This simple six (6) step process is laid out below.</p> <p>1) A Participating Agency searches the New Way website or contacts a New Way Distributor for a work-ready mobile refuse collection vehicle that meets their unique specifications.</p> <p>2) The New Way Distributor verifies specifications and contacts our Sourcewell ready vehicle program manager for vehicle availability.</p> <p>3) Once a vehicle is located, the New Way Distributor reviews specifications with the Participating Agency and quotes price based on most current, not-to-exceed contract pricing.</p> <p>4) The Participating Agency approves the quotation and issues a purchase order to the New Way Distributor, who subsequently submits a distributor order to New Way.</p> <p>5) The work-ready mobile refuse collection vehicle is shipped to the New Way Distributor for pre-delivery inspection (PDI), and a delivery appointment is coordinated with the Participating Agency.</p> <p>6) The ready vehicle is then delivered to the Participating Agency's location. When it arrives, the New Way Distributor conducts operator training and the Participating Agency takes delivery of its New Way work-ready mobile refuse collection vehicle. New Way Distributors assure that all units are ready to begin service immediately upon delivery, pending licensing and permitting by the Participating Agency.</p> <p>New Way is proud to offer work-ready mobile refuse collection vehicle solutions for immediate sale. Participating Agencies are welcome to choose between these work-ready solutions or a more customizable option, whichever choice better meets a Participating Agency's desires. New Way's current work-ready vehicles are always in production and are regularly available. New Way regularly communicates available work-ready inventory to the New Way Distributor Network. This helps a Participating Agency more easily find what inventory is immediately available and ready for purchase. Both New Way and our Distributor Network also have refuse collection vehicles currently working in our Demonstration Truck line that are aggressively priced and ready for immediate sale. We even have off-rent vehicles available for purchase.</p>
22	<p>If a hybrid/electric chassis option is not a part of your product offering, provide information on when a hybrid/electric option may be part of your offering.</p>	<p>New Way Trucks has more units on route each day on electric chassis than any of our competitors. We have ongoing projects with every chassis manufacturer that offers a hybrid/electric refuse collection option.</p>

**Table 3B: 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
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23	Front-load, side-load, rear-load, and multi-compartment refuse vehicles, including electric powered refuse vehicle bodies	<input checked="" type="radio"/> Yes <input type="radio"/> No	New Way manufactures multiple front-load, side-load, and rear-load refuse collection vehicle bodies to meet the needs of a wide-ranging customer base. Given emission standards coming down the pike for model year 2024 chassis, we are also developing electric powered refuse vehicle bodies to give end-users the option of owning a one-hundred percent electric powered refuse collection vehicle.
24	Wide range of chassis, including internal combustion, natural gas or propane Autogas, hybrid or alternative fuel, and electric powered	<input checked="" type="radio"/> Yes <input type="radio"/> No	New Way continues to work with all leading chassis manufacturers on alternative fuel systems to proactively integrate given the myriad changes and advancements in the refuse space. We are on the short list with chassis manufacturers when it comes to integration of any new alternative fuel chassis products. New Way has long been on the forefront of refuse truck electrification and is well-versed in clean diesel, compressed natural gas, and battery-powered fuel systems. We have also committed to a hydrogen-powered refuse collection vehicle solution.
25	Technological, logistical or mechanical accessories designed to increase operator and vehicle safety	<input checked="" type="radio"/> Yes <input type="radio"/> No	<p>Each New Way refuse collection vehicle is customizable to a Participating Agency's needs. A multitude of safety and vehicle options exist to prevent accidents, promote safe driving, and protect the operator. Radar detection, warning indicators, and multi-camera systems are available to detect any obstructions during the operator's daily routine. Automatic braking systems are also available to prevent collisions while extensive light packages offer a reliable way to protect the operator by increasing the visibility of the vehicle. The integrated use of proximity sensors with the hydraulic system also allows for a cushion effect to give the operator less fatigue and promote ergonomic operation. All New Way bodies also feature easy troubleshooting through lights, service diagnostic software, or a user interface that is mounted in the cab. Each method of troubleshooting can help to pinpoint the problematic area efficiently and reduce downtime.</p> <p>Safety is of the utmost importance to New Way and each refuse collection vehicle is continuously improved and designed with the safety and ergonomics of the operator and vehicle in mind.</p> <p>We also use Geotab to ensure safe refuse collection vehicle deliveries to Participating Agencies, and other safety-added platform features to assure end-users fleets are performing optimally.</p>



26	Maintenance services	<input checked="" type="radio"/> Yes <input type="radio"/> No	New Way's distributor network is unmatched when it comes to after-sales service. Upon request, we can also task one of our field service representatives or inside service staff to assist specific issues an end-user may be encountering.	*
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**Table 4: Pricing Offered**

Line Item	The Pricing Offered in this Proposal is: *	Comments
27	c. better than the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.	New Way is offering another generous percentage off MSRP discount to Sourcewell Participating Agencies. Additionally, New Way distributors have agreed to offer a discount range on top of that. Distributors often provided similar discounts throughout Contract #091219-NWY, so we are defining that range to provide Participating Agencies with the best New Way refuse collection vehicle pricing currently available. This improved pricing structure will better help Participating Agencies budget for refuse collection vehicle purchases throughout the life of the Sourcewell contract.

**Table 5: 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 *
28	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.	New Way Trucks maintains individual MSRP/retail price lists for each of our equipment product offerings. New Way will offer a four (4) percent discount off MSRP/retail price to Sourcewell Participating Agencies under this contract. Please see our pricing attachment for all catalog pricing of our MSRP/retail equipment. The model-specific price sheets include purchased material surcharges. Unlike other manufacturers that utilize fixed percentage or dollar amount surcharges, New Way determines purchased material surcharges on a model-by-model basis depending on the quantity of purchased material that each refuse collection vehicle body contains.
29	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.	New Way Trucks is offering all Participating Agencies a four (4) percent discount off its retail or list price on all our mobile refuse collection vehicle models and parts. Additionally, the New Way Distributor Network will offer discounts to Sourcewell Participating Agencies anywhere from one (1) to five (5) percent on all Sourcewell orders. As a result, participating Agencies stand to procure New Way's full line of refuse collection vehicle bodies for a five (5) to nine (9) percent discount off MSRP.
30	Describe any quantity or volume discounts or rebate programs that you offer.	New Way Trucks and our distributors are happy to offer negotiable volume discounts on large orders. New Way does not currently offer a rebate program.

31	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.	<p>New Way Trucks provides the following solutions:</p> <p>A) Participating Agencies have the option to purchase a chassis as a sourced good OR using the Sourcewell contract through a specific chassis vendor.</p> <p>B) On the rare occasion that one of our work-ready chassis is not what a Participating Agency wants, we have the resources to locate the correct chassis for a Participating Agency. Due to our strategic partnerships with every major chassis manufacturer, we can purchase as many chassis as a Participating Agency desires at a competitive market price that is advantageous to the Participating Agency. Due to the level of customization that we provide, it may become necessary to source a “good” (chassis) from another provider. In that rare instance, the sourced good is considered cost-plus.</p>	*
32	Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.	<p>Freight is not included in pricing submitted. New Way Trucks will always offer competitively procured freight costs to Participating Agencies.</p> <p>Items such as pre-delivery inspection, installation, set up, mandatory training, and initial inspection are all included in the initial purchase price and completed prior to the Participating Agency taking delivery, per New Way warranty requirements.</p>	*
33	If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program.	<p>New Way Trucks provides numerous delivery options to Participating Agencies. The Participating Agency can choose between picking a completed mobile refuse collection vehicle up at one of our manufacturing facilities in Iowa or Mississippi, having the completed vehicle delivered to their local authorized New Way Distributor, or having the completed vehicle delivered directly to the Participating Agency’s location. We will work with the Participating Agency during the order process to identify the right choice. Freight is an additional sourced charge. New Way Trucks will always offer competitively procured freight costs to Participating Agencies.</p>	*
34	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	<p>Our authorized New Way Distributor in Hawaii has years of experience coordinating the delivery of refuse collection equipment. New Way has delivered many mobile collection vehicles to Alaska throughout the years, employing tugboats when the situation necessitates it. To make it as easy as possible for Participating Agencies in both states, our distributors and transportation specialists will leverage existing freight networks to coordinate timely and competitively priced deliveries.</p> <p>Similarly, for Participating Agencies in Canada, our respected Canadian Distributor Network that covers all of Canada will help broker freight and shipping. All freight costs are competitively procured.</p> <p>All freight charges will be passed through to Participating Agencies at a competitively-sourced cost without mark-up.</p>	*
35	Describe any unique distribution and/or delivery methods or options offered in your proposal.	<p>Our distribution network is unique in that New Way Trucks has the most robust Distributor Network in North America. To best serve our extensive Distributor Network, New Way Trucks currently has a dozen trained drivers delivering our New Way collection vehicles across North America. New Way also employs the best drive-away delivery companies as needed.</p>	*

**Table 6: Payment Terms and Financing Options**

Line Item	Question	Response *
36	Describe your payment terms and accepted payment methods.	Net 30 Days. New Way accepts payment by check, ACH, credit card, and even cash. There is a three (3) percent fee on credit card transactions over \$2,500.
37	Describe any leasing or financing options available for use by educational or governmental entities.	New Way's Distributor Network offers various leasing and financing options to educational or governmental entities. These include key third party financing organizations such as Wells Fargo, Key Equipment Finance, and National Cooperative Leasing (NCL) Government Capital.
38	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.	<p>New Way's standard transaction documents for all refuse collection vehicle sales are order forms and order acknowledgements. A Sourcewell Participating Agency will work with an authorized New Way Distributor to submit an order form detailing the exact specifications and custom options they would like their New Way refuse collection vehicle to include.</p> <p>The New Way distributor will submit the completed order form to the New Way Sales Operations department, who will enter the order into our enterprise resource planning software. The department will review the completed order form to assure its accuracy and subsequently create a line-by-line order acknowledgement form that lists out the refuse collection vehicle body and all custom options the Participating Agency selected when filling out the sales order form with their local New Way Distributor. The Participating Agency's refuse collection vehicle(s) are not cleared to begin production until New Way receives a signed order acknowledgement.</p> <p>This simple checks and balances process assures that Sourcewell Participating Agencies receive the exact refuse collection vehicle tailor made to their unique refuse collection needs.</p>
39	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?	New Way does accept the P-card procurement and payment process. There is a three (3) percent processing fee associated with all P-card purchases.

**Table 7: Audit and Administrative Fee**

Line Item	Question	Response *
40	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>New Way will continue to independently track Sourcewell orders as part of our overall order process. Our sales staff will verify Participating Agency account numbers and compare them to the most updated Participating Agency list.</p> <p>New Way will then verify order pricing to ensure quoted prices do not exceed the current Sourcewell discount. We will review large orders to identify potential volume discounts and additional Participating Agency savings.</p> <p>New Way Trucks will continue to provide Sourcewell with quarterly contract sales reports along with the proper administrative fees for all reported refuse collection vehicle, parts, and FleetForce rental business.</p>
41	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.	New Way will continue to track the total number of units quoted, units sold, overall sales figures, and lead times. If awarded a Sourcewell Contract, we will begin to track parts sales and FleetForce rental activity.
42	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>New Way Trucks will provide Sourcewell with a Direct Sales Administrative Fee of two (2) percent.</p> <p>The fee will apply to all currently priced contract goods. Please note that the fee will not apply to non-contract priced goods such as freight, sourced goods, training, et cetera.</p>

**Table 8: Industry Recognition & Marketplace Success**

Line Item	Question	Response *
43	Describe any relevant industry awards or recognition that your company has received in the past five years	<p>New Way is incredibly active in the North American solid waste industry and has received awards by industry-specific organizations and local organizations alike. In the past five years we have been recognized by the National Waste &amp; Recycling Association (Nwra), Solid Waste Association of North America (Swana), and Environmental Research &amp; Education Foundation (EREF) as well as a local development association and newspaper in northeast Mississippi.</p> <p>a. 2018: Waste360 40 under 40 recipient Johnathon McLaughlin, New Way Chief Manufacturing Officer</p> <p>b. 2019: Nwra Member of the Year Don Ross, New Way Chief Sales Officer for, "demonstrating extraordinary service to the mission and goals of the organization."</p> <p>c. 2020: Prentiss County (Mississippi) Development Association's Industry of the Year for, "contributions made to the economy of Prentiss County in the areas of employment, investment, and community support."</p> <p>d. 2020: Prentiss County's Best New Business, as voted on by Booneville Banner Independent readers</p> <p>e. 2020: Don Ross received the Swana Collection &amp; Transfer Technical Division Distinguished Individual Achievement Award for, "service to the technical division, support of Swana's mission to advance the practice of solid waste collection and transfer, and overall long-term service to the industry."</p> <p>f. 2020: Don Ross elected to serve on the Nwra Board of Trustees</p> <p>g. 2021: New Way Chief Executive Officer Mike McLaughlin elected to serve on the EREF Board of Directors</p> <p>h. 2021-2022: Recognized as one of the Prentiss County Community's 2021 Business Newsmakers in consecutive years</p> <p>i. 2022: Voted Prentiss County's Best Place to Work by Booneville Banner Independent readers</p> <p>j. 2022: Mike McLaughlin awarded the Nwra Suppliers Distinguished Service Award for his, "consistent support of the association."</p> <p>k. 2022: Don Ross elected Chairman of Nwra Board of Trustees</p> <p>l. 2023: Surpassed \$750,000 in donations to EREF to advance scientific research and create educational pathways that enable innovation in sustainable waste management practices.</p>
44	What percentage of your sales are to the governmental sector in the past three years	<p>Though New Way Trucks serves both the private and public sectors of the solid waste industry, the majority of our customers are government entities. Over 63% of New Way Trucks sales were to the public sector in the past three years.</p>
45	What percentage of your sales are to the education sector in the past three years	<p>New Way sells fewer than three (3) percent of our refuse collection vehicles to the education sector, but New Way is proud to list an array of major educational institutions and school districts as customers. In the past three years we have sold our equipment to a list of universities that includes, but is not limited to: the University of Mississippi, The George Washington University, Iowa State University, the University of Georgia, the University of Illinois, the University of Missouri, the University of Washington, the University of Oregon, the University of South Carolina, the University of Texas, the University of Minnesota, the University of Illinois-Chicago, and the University of Wisconsin-Madison.</p> <p>New Way is proud to list the following school districts as customers the past three years: Atascadero (CA) Unified School District, Baltimore City Public Schools, Long Beach (CA) Unified School District, Plymouth (WI) School District, San Ramon Valley (CA) Unified School District, and West Seneca (NY) Central School District.</p>
46	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?	<p>New Way Trucks currently holds a contract with the Houston-Galveston Area Cooperative. Sales via this cooperative account for fewer than one percent of annual total units sold.</p>
47	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	<p>New Way is listed as a manufacturer on GSA contract #47QMCA18D000E, held by one of our distributors, Maryland Industrial Trucks. Through this contract New Way equips National Parks and United States military bases around the globe with refuse collection equipment. Sales via this contract have accounted for fewer than one percent of annual total units sold.</p>

**Table 9: Top Five Government or Education Customers**

**Line Item 48.** Provide a list of your top five government, education, or non-profit customers (entity name is optional), including entity type, the state or province the entity is located in, scope of the project(s), size of transaction(s), and dollar volumes from the past three years.

Entity Name	Entity Type *	State / Province *	Scope of Work *	Size of Transactions *	Dollar Volume Past Three Years *
City of Philadelphia	Government	Pennsylvania - PA	106 rear-load mobile refuse collection vehicle bodies for residential and commercial collection: 20 cubic yard New Way King Cobras, 8 cubic yard New Way Diamondbacks, 18 cubic yard New Way Cobras	Anywhere from three to eleven mobile refuse collection bodies per order, multiple times per year.	\$6,707,874.07
City of Sacramento, Fleet Management	Government	California - CA	43 New Way Sidewinder automated-side-load West Coast lightweight mobile refuse collection vehicle bodies for residential collection, fueled by compressed natural gas: 29 cubic yard units. Four 25 cubic yard New Way King Cobra rear-load mobile refuse collection vehicle units for commercial collection. One 13 cubic yard New Way Cobra rear-load mobile refuse collection vehicle body for residential collection.	New Way built the City of Sacramento's Fleet Management department fourteen mobile refuse collection vehicle bodies in 2020, twenty-two bodies in 2021, and a dozen in 2022.	\$5,328,418.67
Miami-Dade County	Government	Florida - FL	31 New Way Sidewinder automated-side-load mobile refuse collection vehicle bodies for residential collection: 31 cubic yard units. Nine (9) Cobra Magnum rear-load mobile refuse collection vehicle bodies for residential and commercial collection: 25 cubic yard units. Four New Way Cobra rear-load mobile refuse collection vehicle bodies for residential collection: 16 cubic yard units.	New Way built Miami-Dade County thirty-two mobile refuse collection vehicle bodies in 2021 and a dozen in 2022.	\$4,483,038.69
City of Tampa	Government	Florida - FL	30 New Way Sidewinder automated-side-load mobile refuse collection bodies for residential collection: 31 cubic yard units.	New Way built the city of Tampa seven mobile refuse collection vehicle bodies in 2020, eleven bodies in 2021, and a dozen in 2022.	\$4,356,101.35
Sacramento County	Government	California - CA	26 New Way Sidewinder automated-side-load mobile refuse collection vehicle bodies, fueled by compressed natural gas, for residential collection: 31 cubic yard West Coast lightweight units.	New Way built Sacramento County thirteen mobile refuse collection vehicle bodies in both 2021 and 2022.	\$3,414,034.12

**Table 10: References/Testimonials**

**Line Item 49.** Supply reference information from three customers who are eligible to be Sourcewell participating entities.

Entity Name *	Contact Name *	Phone Number *
City of Statesboro, Georgia	Ronnie Lane	912.764.0681
City of Lakeland, Florida	Gene Ginn	863.834.8773
City of Los Angeles Sanitation Department	Ron Cole	818.752.5703
City of Baltimore, Maryland	Nicholas C. Hirsch	410.396.5790
City of Dallas, Texas	Vincent Olsen	214.671.9064

**Table 11: 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 *
50	Sales force.	<p>New Way employs ten (10) Regional Sales Managers (RSMs) that cover the entire North American continent. New Way RSMs are strategically located within their territories to provide immediate responses to customer inquiries. New Way is proud to state that we have one of the most robust refuse collection vehicle sales &amp; sales support teams of any original equipment manufacturer in North America.</p> <p>Our RSMs are supported by a Chief Sales Officer, three sales technicians, a sales operations supervisor, a sales engineer, and two marketing specialists at our primary manufacturing facility in Scranton, Iowa.</p>
51	Dealer network or other distribution methods.	<p>New Way's Distributor Network is the cornerstone of our organization. Our expansive Distributor Network covers every state in the United States and all of Canada.</p> <p>Authorized New Way Distributors employ more than 150 knowledgeable sales and sales support staff in the United States &amp; Canada that are dedicated to the New Way brand. These representatives are well trained in selling refuse collection vehicles through Sourcewell.</p>
52	Service force.	<p>Our Distributor Network is the first line of defense for any parts and service inquiries. Each of our distributors currently stock parts and have several service technicians immediately available to aid where needed.</p> <p>New Way boasts a wide-ranging distributor network that covers all the U.S. and Canada. Although they cover each region in the U.S. and Canada, these distributors are consistently adding new locations across their respective regions to decrease response time. The distributor network is regularly trained by New Way service technicians and the Service Manager on New Way's continuously improving refuse collection vehicles. Also, most distributors provide additional service programs with distributor-based service technicians available to help customers further reduce downtime. These distributors communicate extensively with New Way service, parts, engineers, and factory technicians. Beyond the distributor network, the New Way service manager as well as four field service technicians covering all the U.S. and Canada are always available to solve any issue by instantaneous phone or on-site support. Together, these service teams work together to provide a safe and efficient method of reducing downtime and providing support in a timely manner.</p> <p>The New Way Parts Department - centrally located in Carroll, Iowa, has sixteen (16) members split amongst a knowledgeable call center support staff, parts operations supervisor, outside sales &amp; business development representative, and shipping and receiving personnel to handle any replacement parts needs for Participating Agencies in an efficient, professional, and timely manner. Two more parts staff are located at our main manufacturing facility in Scranton, Iowa. We can ship parts anywhere in the world thanks to our logistics partnerships. Lead times for uncommon parts are short given the Parts Department's proximity to New Way's main production plant in Scranton. New Way will open a parts depot at an existing New Way location in Booneville, Mississippi in the second half of 2023 to better serve distributors and customers in the eastern United States and Canada.</p>

53	Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others.	<p>New Way's Sourcewell order procedure includes six simple steps.</p> <ol style="list-style-type: none"> <li>1) A Participating Agency searches the New Way website or contacts a local New Way distributor for a refuse collection vehicle that meets their unique specifications.</li> <li>2) The New Way Distributor develops a New Way Trucks Distributor quotation to the Participating Agency's specifications utilizing the Sourcewell Contract's discounted pricing and sends to the Participating Agency for approval.</li> <li>3) The Participating Agency approves the quotation and issues a purchase order to the New Way Distributor, who subsequently submits an order to New Way.</li> <li>4) The New Way Sales Operations department will enter the order into our enterprise resource planning software. The department will review the completed order form to assure its accuracy and subsequently create a line-by-line order acknowledgement form that lists out the refuse collection vehicle body and all custom options the Participating Agency selected when filling out the sales order form with their local New Way Distributor. Only then will the refuse collection vehicle(s) cleared to begin production.</li> <li>5) Once complete, the refuse collection vehicle is shipped to the New Way Distributor for pre-delivery inspection (PDI), and a delivery appointment is coordinated with the Participating Agency.</li> <li>6) The refuse collection vehicle is moved to the Participating Agency's location, where the New Way Distributor conducts operator training and the Participating Agency takes delivery of its New Way refuse collection vehicle.</li> </ol>	*
54	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>New Way wields a first-class service department that is always available by call or text and instantaneously starts working toward a solution or troubleshooting steps to fix the problem at hand. Featuring a call center, this cross disciplinary team is led by a Service Manager, Inside Service Technician, administrative support team, and four Field Service Technicians all yielding years of experience in the refuse industry. With direct lines to mechanical engineers, hydraulics technicians, controls technicians, designers, and factory install technicians, most solutions are immediate. For more in-depth service needs, the field service technicians are available for on-site troubleshooting at the Participating Agency's location or through New Way's robust distributor network.</p> <p>In addition to the service team, New Way has a large parts department that is fully stocked with replacement and wear parts for all models. The parts division communicates regularly with all New Way manufacturing facilities to ensure that parts are shipped from the closest available New Way location to decrease shipping costs, time, and number of hours a refuse collection vehicle may be down.</p>	*
55	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in the United States.	<p>New Way Trucks is proud to go to market across the entire United States through our well-respected distributor network. New Way's 34 domestic distributors are happy to serve Sourcewell Participating Entities in every state from 53 locations across the country.</p> <p>Our parts and service departments work with distributors to keep end-users' vehicles maintained and productive. With extended shipping hours and over \$2 million in on-hand refuse collection vehicle parts inventory – including items with typically long lead times – the New Way Parts Department and will work to assure that Participating Entities have what they need to keep their refuse collection vehicles on route. Distributors from coast to coast also stock parts at their locations to best serve end-users and assure maximum uptime. Our parts depot at one of our facilities in Booneville, Mississippi will cut down on lead times for distributors and Participating Agencies east of the Mississippi River.</p> <p>As we outlined in item 12, New Way Trucks has added three manufacturing facilities during the current Sourcewell contract period. Our Diamondback and Mamba production facility began operating in Carroll, Iowa in 2020. Our Wolverine facility and The Arsenal opened in Booneville, Mississippi in 2020 and 2022, respectively. New Way remains committed to expanding our manufacturing capacity to cut down on lead times and meet the growing demand for our industry-leading line of refuse collection equipment.</p>	*
56	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	New Way is well equipped to offer our entire product and parts lineup to Sourcewell Participating Entities across Canada thanks to our four (4) distributor partners at nine (9) locations throughout the country.	*
57	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	New Way has refuse collection vehicles operating in all 50 states and across Canada and is well-equipped to provide refuse equipment solutions to every state, province, and territory. In areas not covered by an authorized New Way Distributor, we partner with local service facilities to carry out warranty and repair work. There is nowhere that we will not service in the United States or Canada.	*

58	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?	New Way Trucks and our distributor network are willing and able to serve all Participating Entity sectors thanks to our strong North American presence and robust distributor network. New Way is not restricted in promoting the Sourcewell contract.	*
59	Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	<p>There are no restrictions in Alaska, Hawaii, or any U.S. Territories. New Way refuse collection vehicles are currently service in Alaska, Hawaii, and many U.S. Territories. We have distributors located in Hawaii and Puerto Rico. There is even a New Way refuse collection vehicle operating on Kwajalein Atoll, Marshall Islands – one of the most remote island chains on earth!</p> <p>Though we do not currently have a distributor that covers Alaska, a New Way Regional Sales Manager sells directly into the state, and we partner with local service facilities to carry out warranty and repair work.</p>	*

Table 12: Marketing Plan

Line Item	Question	Response *	
60	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>Sourcewell has long been and will continue to be a key feature in New Way Trucks sales and marketing efforts. New Way dedicates a homepage slider that links to a page on our website dedicated to our partnership with Sourcewell (<a href="http://newwaytrucks.com/sourcewell">newwaytrucks.com/sourcewell</a>). For the past nine years, we have included the NJPA /Sourcewell contract information in all product literature and print ads, various distributor communications and newsletters, and at all events and conferences.</p> <p>New Way has also partnered with Sourcewell to present the benefits of being a Sourcewell Participating Agency at 2018's New Way Distributor Summit event, and would have done so again at our first summit in five years in late September had it not fallen during this proposal's no-contact period.</p> <p>Additionally, New Way will continue to participate in nationwide Sourcewell training events. New Way Trucks is also prepared to co-sponsor local, regional, and nationwide trade shows with our Distributor Network – which all focus on our products and partnership with Sourcewell.</p> <p>Please review samples of our numerous co-branding efforts with Sourcewell in the document upload section.</p>	*
61	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	<p>New Way Trucks communicates regularly with our Distributor Network via e-newsletter, where we can track opens, clicks, and confirm which of our distributors has acknowledged the important sales, product, manufacturing, and parts information we share. A password-protected distributor portal is the go-to resource for product specifications, company news, marketing collateral, technical publications, department-by-department contact information, and Sourcewell discounted pricing and contract information. The distributor portal alone receives over 2,000 page views per month, while the public facing New Way site averages over 17,500 monthly pageviews.</p> <p>New Way Trucks is also an industry leader in social media strategy &amp; digital media execution. Our official accounts have organically amassed over 5,300 followers on Facebook, 1,695 Instagram followers, 675 twitter followers, 490 YouTube subscribers, and 2,125 LinkedIn followers.</p> <p>Our on-premise Research &amp; Development Departments are constantly striving to make data-driven decisions to improve the refuse collection bodies we manufacture. In turn, we market these product updates through both traditional and digital means to distributors and the public alike.</p> <p>New Way gets much more actionable refuse collection vehicle body and parts sales data since implementing a new enterprise resource planning (ERP) system in November 2019. Accordingly, we can more accurately forecast and communicate shifting production priorities, product improvements, and new product launches. The New Way Parts Department uses historical parts sales data to develop blanket ordering plans for distributors' parts stocking programs on a location-by-location basis. This insight is invaluable for distributors when refuse collection equipment and parts solutions with Participating Agencies.</p>	*



62	In your view, what is Sourcwell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcwell-awarded contract into your sales process?	<p>A Sourcwell-awarded contract represents a long-term partnership between well-respected organizations. This partnership is made stronger by the participation of its Participating Agencies and engagement of its Awarded Suppliers and Sourcwell represents the conduit between these entities. For the contract to be successful, both parties should help promote its value. An Awarded Supplier such as New Way needs Sourcwell to connect us to its Participating Agencies while simultaneously promoting the competitive nature of the procurement tool, the high-quality, industry leading Awarded Suppliers it selects, and the ease of use of its program. At the same time, an Awarded Supplier such as New Way, with its large North American footprint, vast distributor network, and industry-leading municipal customer base, should showcase its Sourcwell-awarded contract as the cornerstone of its municipal sales program. No other competitively procured agreement has the reach, ease of use, and cost savings of a Sourcwell-awarded contract, and New Way's team will promote and demonstrate that value through all our sales and marketing channels, as we do today.</p> <p>New Way Trucks highly values Sourcwell's continued participation in our regular Distributor Summits and training programs that bring together and support Participating Agencies and Awarded Suppliers.</p> <p>Sourcwell is already a large part of the sales process at New Way Trucks. New Way trains distributors quarterly on how to sell refuse collection vehicles most effectively via Sourcwell. New Way distributors regularly attend Sourcwell-provided regional trainings. In this past year alone 75 New Way and New Way distributor employees attended virtual or in-person Sourcwell trainings.</p> <p>We prominently place the Sourcwell logo and awarded contract number on product literature, marketing collateral, eNewsletters, and our website. Our New Way Distributors are well-versed in doing business within the confines of the Sourcwell Contract. New Way will continue to exhibit our partnership with Sourcwell at local, regional, and national training events and tradeshows. Sourcwell will remain a key fixture in New Way's sales process.</p>	*
63	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>Since 90 percent of our refuse collection vehicles are specially customized for our customers, we do not currently offer an e-procurement ordering process. The New Way Parts Department is currently developing an e-commerce parts platform.</p>	*

Table 13: Value-Added Attributes

Line Item	Question	Response *	
64	Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcwell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.	<p>New Way offers multiple opportunities for service and product training throughout the year involving members of the service, sales, product management, or engineering teams. Service personnel host events at each New Way factory located in Iowa and Mississippi as well as at customer and distributor locations. These events also offer specialized tooling that is available to boost efficiency in repair and provide hands-on training to aid in preventive maintenance. Distributor Summits provide key information based around new product development, service support, warranty support, and upcoming engineering changes. A demonstrator fleet of new products is always available for demonstrator operation to assist in giving the customer a full understanding of the capability of each product and helping as a live training aid to gain hands-on experience. After delivery, New Way Trucks and our distributors visit and provide support at the Participating Agency's location, train operators on the product, and support the product throughout its life cycle.</p> <p>Select in-classroom sessions are available to distributors and Participating Agencies on demand in the weeks after training sessions.</p>	*

65	Explain key designs or processes your company takes to provide and promote safe operation of your equipment.	<p>New Way's robust engineering departments continuously improve operator safety and efficiency. New Way refuse collection vehicles feature a comprehensive amount of safety features such as interlocks, shutdowns, guarding, signage, detailed manuals, and recommended personal protective equipment when necessary. Current refuse collection vehicle offerings are the result of a Sustaining Engineering Department comprised of years of manufacturing and refuse collection equipment knowledge that ensures steady changes based on operator feedback.</p> <p>An extensive team of technicians also operate 100% of New Way refuse collection vehicles before factory completion to verify safe, ergonomic, and efficient operating conditions. For upcoming refuse collection vehicle offerings and improvements, a New Product Development Team repeatedly looks for cutting edge equipment that improves the safety, reliability, and efficiency of the unit by regularly interfacing with distributors, refuse collection equipment operators (garbage women and men), and suppliers.</p> <p>New Way's Research and Development Team also proves any new equipment by carrying out in-house testing procedures that expand upon testing based on industry standards - such as ANSI (American National Standards Institute). New Way carries out the latest testing methods and technology from ANSI by having representation on their committees and assisting in the establishment of new safety protocols for our industry.</p>
66	Describe how the equipment you propose simplifies the operation for end-users.	<p>Durability and longevity are consistent throughout all New Way refuse collection vehicle lines, and the key to maintaining these qualities is New Way's ability to produce a product that meets the needs of each individual end-user. Customization is the foundation that New Way was built upon, and each refuse collection vehicle is designed with the operator or end-user's specific needs in mind.</p> <p>New Way's comprehensive engineering and sales staff are experienced in meeting the unique requirements of any end-user and provide a route-ready vehicle that fits the operator's needs. Participating Agencies can choose from the industry's widest refuse collection vehicle lineup to get just what their operation requires.</p> <p>According to research from the American Trucking Associations, half of all commercial driver's license (CDL) operators will likely retire in the next decade. New Way continues to proactively innovate to meet the industry's shifting needs. Our rear- and side-load under-CDL refuse collection vehicles make finding and training new drivers easier. For the last 20 years, the solid waste industry focused on improving productivity. That effort translated to larger and fewer collection routes, larger trucks, and fleet-rightsizing. Given the current CDL driver shortage, however, one shoe does not fit all markets. Hauling operators are now seeing those trends begin to reverse. There is a willingness to expand fleets with smaller collection vehicles with hopes of expanding the labor pool and drawing candidates from groups not traditionally targeted by the nation's waste haulers. New drivers can focus on safety, customer service, and a manageable route footprint in a smaller vehicle before eventually graduating to a full-size refuse collection vehicle – bringing those skills to a larger (yet still familiar) vehicle.</p> <p>New Way's under-CDL capable Viper and Diamondback rear-end loaders (RELs) have been available for many years. More maneuverable than their larger counterparts, they also meet height restrictions in older municipalities. Not only are these perfect vehicles for training non-CDL operators, but they are also ideal for small-volume residential routes, valet-type collection, high-density areas, resorts, and park routes. These small REL models are adaptable to residential cart-tippers, have a low load-sill threshold, operate quietly, and the Diamondback even comes available in high-compaction models.</p> <p>The New Way Mamba under-CDL satellite side-loader has also been available for years. With its slender body construction, the Mamba squeezes into places its larger, wider counterparts cannot and provides the freedom to load from either side. The Mamba can also transfer compacted waste into larger rear-end-loaders (RELs). The Mamba features cart tipper and barrel dumper options, providing haulers the ability to customize their truck to meet their collection needs.</p> <p>New Way introduced the Wolverine in 2022 as an under-CDL automated side loader with all the safety features and many characteristics of the Sidewinder XTR and ROTO PAC automated side loaders. Multiple body sizes, customization options, and manual configurations are available while the refuse collection vehicle maintains a competitive compaction rate to fit the needs of any Participating Agency's hauling operation.</p> <p>New Way also proudly provides more customizable options than any other mobile refuse collection vehicle manufacturer in the United States and Canada. Ninety percent of the refuse collection vehicles that we manufacture are customized in one way or another. No additional modifications are necessary once a Sourcewell Participating Agency receives their New Way refuse collection vehicle.</p>

<p>67</p>	<p>Describe any safety innovations on your equipment that are either exclusive or that you have introduced into the marketplace.</p>	<p>New Way is represented on all ANSI committees and assists in establishing new safety protocols for the refuse industry. The American National Standards Institute (ANSI) is the governing body for refuse equipment specifications and requirements in North America and is administered by the National Waste and Recycling Association (NWRA). New Way bodies are easily identified as ANSI compliant by our literature or serial tags.</p> <p>As industry leaders, we help shape the safety innovations of the future. Carrying over from over twenty years ago where New Way was one of the first manufacturers to make rear-vision cameras standard on our refuse collection vehicles, we are continuing to innovate by offering collision avoidance systems, scale systems, customizable camera locations, and rear-view radar systems. All these systems integrate into the chassis and body to provide a route ready truck that gives a high safety value to the Participating Agency.</p> <p>Although New Way is a body manufacturer, chassis integration is a critical part of each product and the ability of the refuse collection vehicle to operate safely and efficiently. We continuously work with chassis manufacturers to add safety features and efficiency to each product through feedback from operators and distributors. Even simple changes such as camera placement, monitor placement, harness routing, and controls adaptation can help to provide a safer refuse collection vehicle by keeping the operator and service technicians safe.</p> <p>As stated, a route ready truck that is utilized as a single refuse collection system is what New Way strives to offer to each Participating Agency. As a family-owned company, we see value in the relationships that are built from the chassis integration all the way to the Participating Agency to promote a safe product. Chassis manufacturers are commonly offering New Way specifications that allows a pre-engineered chassis to be used that requires little to no integration and minimal body mounting effort to make the complete refuse collection vehicle as seamless as possible. This process reduces the complexity of wiring and routing, reduces weight, mitigates electronic mishaps, and makes routine maintenance easier, faster, and cheaper for the Participating Agency.</p> <p>With seamless integration, operating the refuse collection vehicle is more ergonomic, thus increasing operator productivity and decreasing operator fatigue. All these features combine to make an operator's job more efficient and comfortable, which results in high driver retention rates. High retention coupled with the exhaustive safety features New Way and chassis manufacturers proudly offer makes it easier for refuse collection operations to build an experienced operator base that is fully committed to safely operating its refuse collection vehicle fleet.</p>
<p>68</p>	<p>Describe any technological advances that your proposed products or services offer.</p>	<p>New Way has long spurred innovation in the refuse industry and continues this throughout all products. From the toughest sideloading arm in the industry, the first auger-driven refuse collection vehicle, and multiple under-CDL offerings that apply to both side-loading and rear-load customers, New Way is leading the way in technologically advanced product offerings. To continue these advances, the New Way product team, comprised of over 35 engineers and technicians, has undergone a complete restructure to include New Product Development Engineering, Sustaining Engineering, and Product Management teams that come together to both increase the productivity of the current product offerings and provide innovative new product offerings.</p> <p>A few notable examples of innovative craftsmanship in New Way include the following:  The New Way Wolverine is an under-CDL automated-side-loader that provides full eject capabilities as well as compaction rates that match many trucks twice its size. This new product is available in 3 body sizes, is capable of 8ft arm reach, and has cycle times that rival large, automated collection vehicles. This refuse collection vehicle simplifies operations by allowing an under-CDL operator to safely gain experience in automated collection while providing enough maneuverability to comfortably navigate subdivisions, cul-de-sacs, and busy city streets.</p> <p>The New Way ROTO PAC was introduced as the first auger-driven organics collection vehicle in North America. The ROTO PAC excels in compacting organic waste as well as mixed solid waste and provides a compaction rate unmatched by any type of mobile refuse vehicle in the industry. The ROTO PAC provides 23,000 pounds of torque in a screw-type auger that extends into the compactor body to consistently contribute toward the industry leading compaction rates.</p> <p>New Way is also regularly examining the trends in refuse collection and clean environmental impact. Accordingly, New Way works with chassis manufacturers to provide alternatively fueled refuse collection vehicles and ensures that collection ability is not negatively impacted while promoting a clean environment. New Way has delivered hundreds of alternatively fueled vehicles including more battery-electric vehicles than any other refuse collection body manufacturer across multiple product lines.</p>

69	Describe any "green" initiatives or Environmental, Social, and Governance (ESG) that relate to your company or to your products or services, and include a list of the certifying agency for each.	New Way participates in the following environmentally friendly initiatives at our manufacturing facilities. Every employee is provided a reusable water bottle to cut down on plastic use at each of our locations. We monitor stormwater on an annual basis. We also participate in a filter program with local landfills to ensure that we carry permits for proper disposal. In addition, we contract with Safety Kleen to dispose of paint waste in an environmentally responsible manner. Finally, we test the air quality in our manufacturing facilities and offices twice per year, once in the summer and once in the winter. During this process, we analyze all areas of production to collect several readings to assure that our employees are breathing clean air.	*
70	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	<p>The industry's shift to alternative fuels continues, and New Way is proud to drive the industry towards environmentally sustainable refuse collection vehicles for more end-users. New Way is further along in battery-electric vehicle (BEV) refuse applications than any other body manufacturer. New Way BEV refuse collection vehicles are working and on route every day. New Way is also developing a fully electric refuse collection body and has partnered on a hydrogen-powered refuse collection vehicle project.</p> <p>New Way has alternative fuel chassis integration projects underway with every major chassis manufacturer that operates in North America. These partnerships focus on developing software enhancements, operator assists, and pack system efficiencies to help maximize battery life and make collection operations more intuitive for BEV applications. Several New Way BEV refuse collection vehicles are on order for end-users across the nation.</p> <p>Additionally, a significant portion of all New Way refuse trucks are built to run on compressed natural gas (CNG). Operations of all sizes have made long-term commitments to convert their entire fleets to either BEV or CNG trucks. New Way is well-equipped to help meet the sustainability goals which these refuse collection operations have implemented.</p> <p>New Way is a certified installer for all leading providers of CNG fuel systems including Hexagon Agility and Momentum Fuel Technologies. There are numerous options for mounting CNG fuel systems. These include back-of-cab mounts, tailgate mounts, frame rail/side mounts, roof mounts, and custom hybrid designs to accommodate unique customer challenges. New Way engineers carefully analyze each chassis and situation to determine the ideal placement for each CNG fuel system.</p> <p>Ordering a BEV or CNG refuse truck from New Way assures you'll be driving the greatest value in BEV and CNG refuse collection. CNG systems are currently available on most New Way models, and we continue to work with leading fuel system providers to optimize design integrations.</p> <p>As a leader and steward of innovation in refuse truck body manufacturing, it is up to us to forge a new way forward that includes an emphasis on sustainability. We have played a major role in affecting positive, sustainable change for our customers and the public they serve on their routes.</p>	*
71	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.	New Way is a family-owned company and, as a result, is not eligible for these certifications. That said, two of our co-owners are women and New Way can be considered a Women Owned Business. New Way also supports the National Waste & Recycling Association Women's Council through active engagement and generous contributions to the association. We are proud to have representation on the NWRA Women's Council, and we are honored to employ several active-duty U.S. military members and veterans.	*

72	<p>What unique attributes does your company, your products, or your services offer to Sourcewell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcewell participating entities?</p>	<p>New Way provides an endless amount of customization for all product lines and offers the widest lineup of front-, rear-, and side-load refuse collection vehicles available. The customer comes first at New Way, and each truck is hand crafted to provide a safe and enjoyable experience for the operator and a fleet's service technicians. Ninety percent of our refuse vehicles are customized by the end-user, and we are proudly still able to accommodate these customizations while being the largest private refuse collection vehicle body manufacturer in North America. The attention to detail provided by New Way, the preventive maintenance ability within each product, and the customization provide a complete immersive experience for Sourcewell Participating Agencies. All trucks that are built by New Way are thoroughly checked for efficiency, ergonomics, and safety before delivery so that the vehicle is route ready.</p> <p>Being privately held means we can implement changes more efficiently than our public company competitors, but we are also large enough to scale production and human capital to meet the ever-growing demand for our industry-leading product line of refuse collection vehicles. The successful launch of three new manufacturing facilities since submitting the previous Sourcewell proposal illustrates this.</p> <p>Other key differentiators include: New Way's after-sales support and distributor network who provides an unmatched service standard, New Way's frame mounted sideloading arm differentiates us from our competitors and allows us to have easy access for service, safer serviceability, and a smooth operation. The reduced cab shake and smooth operation results in less driver fatigue and a more ergonomic operation. New Way's commonization of SSAB Hardox abrasion resistant steel has made us the largest buyer of Hardox in North America, which speaks to our unmatched product quality. New Way also provides the only direct-from manufacturer refuse collection vehicle rental program in the industry: FleetForce.</p>
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**Table 14: 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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73	Do your warranties cover all products, parts, and labor?	<p>New Way manufactured replacement parts, components, and assemblies are sold under a Limited Warranty to be free from defects in workmanship or material for a period of twelve (12) months. This is a part replacement only warranty and the item must be returned to the New Way Distributor for exchange. The labor and shipping cost to replace the parts shall be the responsibility of the customer. There is no warranty on expendable items, wear components, or used parts.</p> <p>Extended warranties are available on all of our current bodies and turnkey chassis. More information about extended warranties can be found on our price sheets and via the chassis' Original Equipment Manufacturer (OEM).</p> <p>Sourcewell Participating Agencies will register their New Way warranty cards. This process is handled via an easy online form that a Participating Agency's local New Way Distributor can fill out.</p> <p>Parts only warranty (see section III.d of attached warranty statement) will apply for distributor or customer installed accessories that have been purchased through Scranton Manufacturing Company, provided part failure was not due to improper installation, use, or neglect. Damage caused by incorrectly installed field accessories may void portions or all of the unit's warranty.</p> <p>When a warranty service is requested, the distributor shall:</p> <ul style="list-style-type: none"> <li>Verify warranty eligibility of the machine to be serviced per previous sections</li> <li>Diagnose the problem to determine that the service is warrantable</li> <li>Ensure that the parts necessary to perform the repair are available</li> <li>Provide the necessary repair services</li> <li>Complete and submit the Warranty Request Form</li> </ul> <p>For more on the Warranty Request Form, see sections V.b and V.c of the attached warranty statement.</p>	
74	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	<p>New Way's warranty shall not apply to equipment that has been subject to misuse, negligence, or accident, or which has been repaired or altered without New Way's prior knowledge or consent. New Way will not be responsible for warranty repairs made in the field by personnel other than from New Way or an authorized New Way agent unless previously authorized by New Way.</p> <p>New Way Trucks are designed to operate only with the OEM products used by New Way. This limited warranty will be void if the New Way products are modified other than as done at New Way's factory or at a New Way authorized distributor unless authorized by New Way. Use of parts and assemblies from another manufacturer as substitutes for OEM products will also void the limited warranty. There will be no warranty on used parts.</p>	
75	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	Travel time and mileage are not subject to warranty labor reimbursement.	
76	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?	We have warranty service coverage in all areas covered under the Sourcewell contract. Service requests will be covered by the local authorized distributor or their designated service center(s).	

77	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?	<p>In the case where a chassis is provided, New Way's warranty covers the vehicle's body only. The original equipment manufacturer (OEM) is responsible for covering the warranty for a chassis.</p> <p>New Way's warranty statement does not cover other manufacturers' goods. New Way warrants the packer body assembly for a standard base period of one (1) year from date of delivery (see section III.a of attached warranty statement). This limited warranty applies to body components as defined below to be free from proven defects in material and workmanship. Wear parts (pins, bushings, chain assemblies, door and gate seals, wear pads, etc.), and normal wear and tear are excluded. Labor repair costs may also be covered, (see section IV.g of attached warranty statement). The body assembly is defined as the following:</p> <p>Arms (front loaders and side loaders)                  Packer or Eject Panel                  Tailgate                  Electrical components                  Factory installed aftermarket parts (see section IV.a of attached warranty statement)                  Hydraulic components not including cylinders (see section IV.d of attached warranty statement)                  Paint</p> <p>Base Hydraulic Cylinder Warranty                  New Way warrants all hydraulic cylinders for a standard base period of two (2) years. This limited warranty applies to cylinder defects in material and/or workmanship only. See section IV.c of attached warranty statement for details. During the first year, replacement labor (see section IV.g of attached warranty statement) and shipping cost to the authorized distributor are covered. At the start of the second year, replacement labor and shipping costs are not covered by New Way. Optional three (3) or five (5) year extended warranties for hydraulic cylinders are available.</p>	*
78	What are your proposed exchange and return programs and policies?	<p>In the case of catastrophic failure of one of our bodies that is deemed to be the fault of our manufacturing process, New Way would offer a replacement at our expense.</p> <p>Parts may be returned by following the procedure outlined in section VI.a of the attached warranty statement.</p>	*
79	Describe any service contract options for the items included in your proposal.	Service contracts are not available at this time, however optional extended warranties are available at the time of order.	*

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

**Line Item 80. NOTICE:** To identify any exception, or to request any modification, to Sourcewell standard Contract terms, conditions, or specifications, a Proposer must submit the proposed exception(s) or requested modification(s) via redline in the Contract Template provided in the "Bid Documents" section. Proposer must upload the redline in the "Requested Exceptions" upload field. All exceptions and/or proposed modifications are subject to review and approval by Sourcewell and will not automatically be included in the Contract.

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

**Documents**

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

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

to. For example, if responding to the Marketing Plan category save the document as “Marketing Plan.”

- [Pricing](#) - NWT Sourcewell RFP 110223 Pricing Documents.zip - Monday October 30, 2023 10:50:13
- [Financial Strength and Stability](#) - NWT Financial Strength & Stability SW 110223.zip - Friday October 27, 2023 11:54:23
- [Marketing Plan/Samples](#) - NWT Sourcewell 110223 Marketing Plan & Samples.pdf - Friday October 27, 2023 11:58:26
- WMBE/MBE/SBE or Related Certificates (optional)
- [Warranty Information](#) - 128126 NWT Standard Warranty Policy.pdf - Friday October 27, 2023 12:01:27
- [Standard Transaction Document Samples](#) - NWT Standard Transaction Document Samples SW 110223.zip - Friday October 27, 2023 11:59:32
- Requested Exceptions (optional)
- [Upload Additional Document](#) - NWT SW RFP 110223 Letter of Transmittal & Additional Document Upload.zip - Tuesday October 31, 2023 14:23:43



## 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. - Sam Norland, Marketing Supervisor, New Way Trucks

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
There have not been any addenda issued for this bid.		



**AGENDA ACTION FORM**

**Consideration of a Resolution to Purchase One (1) Mobile Wireless Lift System Utilizing Sourcewell Cooperative Purchasing Agreement**

To: Board of Mayor and Aldermen  
From: Chris McCartt, City Manager *CM*

Action Form No.: AF-285-2024  
Work Session: October 14, 2024  
First Reading: N/A  
Final Adoption: October 15, 2024  
Staff Work By: Committee  
Presentation By: R. McReynold, S. Leonard

**Recommendation:**

Approve the resolution

**Executive Summary:**

It is the recommendation of the committee to purchase one (1) Mobile Wireless Lift System with ARI-Hetra model #BPW-9-6-AJ from Ari Phoenix, Inc. utilizing Sourcewell Cooperative Purchasing Agreement #013020-ARP for use by the Fleet Maintenance Department. The delivery is included in the total price of \$79,687.35. The estimated delivery date is 21 days after the PO has been received.

This purchase is for an additional mobile wireless lift system to be used at the Fleet Maintenance Shop. This wireless lift system will pair with the current on-site Snap-On Lifts.

With Sourcewell, agencies can utilize competitively solicited contracts to help save time and resources while still meeting purchasing requirements. All cooperative purchasing contracts from Sourcewell have been competitively solicited by a lead public agency and meet rigorous cooperative standards and supplier commitments. Each supplier commits to delivering their best overall government pricing so that the City of Kingsport can buy with confidence.

Please see the attached quote & Sourcewell Cooperative Contracts.

Funding is identified in Project/Account # 51150085019006

**Attachments:**

- 1. Resolution
- 2. Supplemental Information

	Y	N	O
Baker	—	—	—
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Mayes	—	—	—
Phillips	—	—	—
Montgomery	—	—	—

Item XI2.

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE ORDER TO ARI PHOENIX, INC., FOR THE PURCHASE OF ONE MOBILE WIRELESS LIFT SYSTEM THROUGH SOURCEWELL COOPERATIVE PURCHASE AGREEMENT NO.: 013020-ARP

WHEREAS, staff recommends the purchase of one (1) Mobile Wireless Lift System utilizing Sourcewell Cooperative Purchasing Agreement #013020-ARP for use by the fleet maintenance department; and

WHEREAS, the one (1) mobile wireless lift system is available pursuant to Sourcewell Agreement No.: 013020-ARP; and

WHEREAS, in order to purchase the equipment, a purchase order needs to be issued to Ari Phoenix, Inc., in an amount not to exceed \$79,687.35; and

WHEREAS, funding for this equipment is available in project account #51150085019006.

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That the City Manager is authorized to execute a purchase order to Ari Phoenix, Inc. for the purchase of one (1) mobile wireless lift system, utilizing Sourcewell Agreement No.: 013020-ARP, for use by the fleet maintenance department, in an amount not to exceed \$79,687.35.

SECTION II. That the board finds that the actions authorized by this resolution are for a public purpose and will promote the health, comfort, and prosperity of the citizens of the city.

SECTION III. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 15th day of October, 2024.

\_\_\_\_\_  
PAUL W. MONTGOMERY, MAYOR

ATTEST:

\_\_\_\_\_  
ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

\_\_\_\_\_  
RODNEY B. ROWLETT, III, CITY ATTORNEY



**ARI Phoenix, Inc.**  
 11163 Woodward Lane  
 Sharonville, OH 45241  
[www.ari-hetra.com](http://www.ari-hetra.com)  
[info@ari-hetra.com](mailto:info@ari-hetra.com)  
 800-562-3250 | 703-359-6265

**Sourcewell QUOTE**

Oct 2, 2024 11:48 AM  
**Valid for:** 30 Days  
**Quote #:** ARI30118

Steve Leonard  
 Fleet Manager  
 City of Kingsport  
 415 Broad Street  
 Kingsport, TN 37660

**Email:** steveleonard@kingsporttn.gov  
**Phone:** 423-224-2434  
**Fax:**

Dear Steve Leonard,

Thank you for the opportunity to quote you prices on our **ARI-HETRA** equipment. Our products are designed specifically for Heavy Duty applications using technologies that provide ruggedness, quality and long term benefits to your operation. The pricing shown below is pursuant to our **Sourcewell Contract Number 013020-ARP**.

Product Details	Price	Qty	Discount	Total
<b>BPW-9-6-AJ</b> Wireless, Battery Mobile Column Lift System, 6 Columns, 15 in. Forks, min 10.9" rim, Adjustable 520mm to 900mm Width Carriage. 16000 lbs. per Column, 96000 lbs. Total System.	\$ 91,571.00	1	\$ 13,735.65	\$ 77,835.35
<b>FREIGHT</b> Due to volatility in shipping markets, any PO listing this freight amount must be received by ARI within 30 days of the date this quote was issued, otherwise freight must be requoted.	\$ 1,852.00	1	\$ 0.00	\$ 1,852.00
<b>Sub Total</b>				<b>\$ 79,687.35</b>
<b>Grand Total</b> <i>before applicable shipping and taxes</i>				<b>\$ 79,687.35</b>

**Notes:** SourceWell member ID# 29779

Note Bill to ship to updated. Send invoice copy to Attn: Steve Leonard steveleonard@kingsporttn.gov

Please note your Maha lifts with your sn#810745-00-5/2018-05-29 will work with our BPW lifts (All wireless lifts have the same program) CC David Calhoun Field Serevice Director, Deon Fender Customer Service & Operations Manager

Lead Time approx 4-6 weeks

**Terms:** 1% 10; Net 30 w/ qualified credit terms; PO, VISA, or MasterCard.

Issuance of Purchase Orders & Payments to: **ARI-Phoenix, Inc.**

**Taxes:** State and local sale tax is collected where applicable. Tax exempt certificates should be sent to [forms@ari-hetra.com](mailto:forms@ari-hetra.com).

**Shipping & Handling:** FOB Destination, Prepaid & Added (Freight Added to Invoice)

*Lease/Purchase and other financing options are available.*



Item X12.

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City of Kingsport

Randy Tucker

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ARI-PHOENIX

To view our product catalog, please visit: [www.ari-hetra.com/catalog](http://www.ari-hetra.com/catalog)

**Please send your purchase order referencing this quote number to: [Orders@ari-hetra.com](mailto:Orders@ari-hetra.com)**

*Be sure that your PO includes our correct name and address shown at the top of this quote.*

*Our Tax ID is 47-4503033 and we will provide a W-9 upon request.*

*A credit card convenience fee will be charged on equipment orders over \$2000, if you wish to pay by that method.*



Item X12.



**ARI Phoenix, Inc.**

11163 Woodward Lane  
Sharonville, OH 45241  
www.ari-hetra.com  
800-562-3250



September 18, 2024

Steve Leonard  
Fleet Manager  
City of Kingsport  
415 Broad Street  
Kingsport, TN 37660

**RE: Quote ARI30118**

Mr. Leonard,

ARI Phoenix Inc (d/b/a ARI-Hetra) is quoting a Mobile Wireless Lift System with **ARI-Hetra model # BPW-9-6-AJ** (6 columns, 16,000 lbs per post, 96,000 lbs total capacity) under our Sourcewell cooperative contract #013020-ARP. Current lead time is 21 days after receipt of order. Please note that these Mobile Lifts will pair with your current on-site Snap-On Lifts. ARI-Hetra Weblink: [:https://www.ari-hetra.com/product/wireless-mobile-column-lifts/](https://www.ari-hetra.com/product/wireless-mobile-column-lifts/).

ARI-Hetra Lifts are ALI safety certified by the only accredited program in North America to independently test and validate car lift models to meet all ANSI/ALI ALCTV safety and performance requirements. These Mobile Column lifts have been rigorously tested and certified in accordance with these standards which identify the safety requirements for construction, testing, and validation of all lifts. They have a brake system that is always engaged unless you send power to them. As soon as you remove your finger from the button, the Lift system can be walked under safely. We also have a secondary safety wedge that is always engaged with no input needed from the user.

These Mobile Lifts use a recirculating ball-bearing screw to lift a heavy vehicle and are low-friction, surface hardened with low power draw on motors. When properly cared for, these Mobile Lifts will last 20 years or more. Unlike hydraulic columns, the ball screw is not affected by temperature changes. ARI-Hetra lifts will always operate, no matter what the temperature is outside or inside. There is also no need to worry about fluid leaks and synchronization problems that are typically associated with hydraulic lifts.

Please let me know if you have any questions.

Thank you,

A handwritten signature in black ink that reads 'T. Goodwin'.

Tekla Goodwin  
Contracts Specialist  
office 513-229-3750 /mobile 513-484-1066  
teklagoodwin@ari-hetra.com



### CONTRACT EXTENSION

**Contract Number: 013020-ARP**

Sourcewell	and	ARI-Hetra	
202 12th Street Northeast		11163 Woodward Lane	
P.O. Box 219			
Staples, MN 56479		Sharonville, Ohio	45241
(Sourcewell)		(Vendor)	

have entered into Contract Number: 013020-ARP  
for the procurement of: Vehicle Lifts, with Garage and Fleet Maintenance Equipment

The Contract has an expiration date of 2024-04-13 , but the parties may extend the Contract by mutual consent.

Sourcewell and Vendor acknowledge that extending the Contract benefits the Vendor, Sourcewell and Sourcewell’s Members. Vendor and Sourcewell agree to extend the Contract listed above for an additional period, with a new Contract expiration date of 2025-04-13 . All other terms and conditions of the Contract remain in full force and effect.


#### Sourcewell

DocuSigned by:  
  
C0FD2A139D06489  
 Authorized Signature

Jeremy Schwartz  
 Name

Director of Operations and Procurement/CPO  
 Title

11/27/2023 | 3:23 PM CST  
 Date

DocuSigned by:  
  
B642080F9C04423  
 Authorized Signature

Bill Gibson  
 Name

Vice President Business Development  
 Title

11/27/2023 | 1:46 PM PST  
 Date





## Solicitation Number: RFP#013020

### CONTRACT

This Contract is between **Sourcewell**, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and **ARI Phoenix Inc.**, 4119 Binion Way, Lebanon, OH 45036 (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 April 13, 2024, 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. **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.

C. **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.

Sourcewell 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 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 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 Sourcewell Price and Product Change Request Form to the assigned Sourcewell Contract Administrator. This form is available from the assigned Sourcewell Contract 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)
- Include a complete restatement of pricing documentation in Microsoft Excel with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Equipment, Products, and Services offered, even for those items where pricing remains unchanged.

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

#### **5. 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. Sourcewell, 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 Sourcewell for this Contract and must provide prompt notice to Sourcewell if that person is changed. The Account Representative will be responsible for:

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

B. **BUSINESS REVIEWS.** Vendor must perform a minimum of one business review with Sourcewell 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 Sourcewell 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. **FEDERAL TRANSIT ADMINISTRATION.** Sourcewell reserves the right to amend this Contract to include requirements relating to any subsequent changes affecting the use of inter-governmental cooperative purchasing agreements by FTA grant recipients.

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

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

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, 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

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:  
By: Jeremy Schwartz  
C0FD2A139D06489...  
Jeremy Schwartz

Title: Director of Operations & Procurement/CPO

Date: 4/20/2020 | 8:30 PM CDT

ARI Phoenix Inc.

DocuSigned by:  
By: Bill Gibson  
B642080F9C04423...  
Bill Gibson

Title: VP Business Development

Date: 4/20/2020 | 2:57 PM PDT

Approved:

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

Title: Executive Director/CEO

Date: 4/20/2020 | 8:46 PM CDT



# RFP 013020 - Vehicle Lifts, with Garage and Fleet Maintenance Equipment

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## Vendor Details

Company Name: ARI Phoenix, Inc.  
Does your company conduct business under any other name? If yes, please state: ARI-HETRA  
Address: 4119 Binion Way  
Lebanon, OH 45036  
Contact: Tekla Goodwin  
Email: teklagoodwin@ari-hetra.com  
Phone: 513-229-3750 103  
Fax: 703-359-6405  
HST#: 47-4503033

## Submission Details

Created On: Thursday December 12, 2019 09:04:02  
Submitted On: Thursday January 30, 2020 16:26:20  
Submitted By: Tekla Goodwin  
Email: teklagoodwin@ari-hetra.com  
Transaction #: 3415764a-24d6-4936-bf82-5b8b5b64cfa2  
Submitter's IP Address: 74.142.222.50

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## Specifications

**Table 1: Proposer Identity & Authorized Representatives**

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

Line Item	Question	Response *
1	Proposer Legal Name (and applicable d/b/a, if any):	ARI Phoenix, Inc.
2	Proposer Address:	4119 Binion Way, Lebanon, OH 45036
3	Proposer website address:	www.ari-hetra.com
4	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer and, in the event of award, will be expected to execute the resulting contract):	Bill Gibson VP Business Development ARI Phoenix, Inc. 4119 Binion Way, Lebanon, OH 45036 513-229-3750 / toll free 800-562-3250 / mobile 703-708-4410 billgibson@ari-hetra.com
5	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Tekla Goodwin Contracts Specialist ARI Phoenix, Inc. 4119 Binion Way, Lebanon, OH 45036 513-229-3750 / toll free 800-562-3250 / mobile 513-484-1066 teklagoodwin@ari-hetra.com
6	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	None.

**Table 2: Company Information and Financial Strength**

Line Item	Question	Response *
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<p>7</p>	<p>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>	<p>For over 30 years, ARI-HETRA has been a Customer-focused company specializing in maintenance equipment for heavy-duty vehicles. We support our Customers with a team of skilled and dedicated direct employees as well as select distributors. ARI Phoenix, Inc. was incorporated as an Ohio-based S-corporation in July 2015, acquiring and becoming successor to the business of Automotive Resources, Inc. which itself had been incorporated in 1988. In total, ARI has been serving the HD Truck Maintenance industry proudly for 32 years.</p> <p>The following lines directly from our strategic plan might be of interest:</p> <p>Who we are (culture): Customer first. Value employees above all else in the business. Safety. Winners. Integrity. Sustainable profitability. Positive. Growth-oriented.</p> <p>Where we play (market focus): Premium products of highest quality for North American heavy duty vehicle maintenance industry whether manufactured or distributed with emphasis on capital goods requiring sophisticated selling and support.</p> <p>How we operate (business model):</p> <ul style="list-style-type: none"> <li>- Manufacturer - efficient, lean, well-designed products made to last a lifetime.</li> <li>- Master Distributor - deliver value to all parties by scouring the globe for innovative manufacturers who cannot access our Customers and deliver interesting volumes to those manufacturers as they access our market through us, often on private-label basis</li> <li>- Partner with loyal local distributors and direct sales team to develop deep Customer relationships, meeting their unique needs, often with customised products</li> <li>- Obtain membership in key contracts to simplify the sourcing process for many of our Customers</li> <li>- Deliver excellent, timely and profitable service via direct employees and partner companies to keep our products running and deliver on the promise of "lowest lifetime cost" for our equipment</li> </ul>
<p>8</p>	<p>Provide a detailed description of the products and services that you are offering in your proposal.</p>	<p>Our products cover a wide range of the most important equipment required by Heavy Duty Truck Maintenance Shops. We handle Mobile Column Lifts, Drive-On Lifts, Shop Accessories, Tire Changers, Tire Balancers, Specialty Wheel Service Equipment and Exhaust Extraction Equipment and full Exhaust system design and installation.</p> <p>Our experienced direct sales team builds strong relationships with our customers and helps them identify the right product, often providing onsite demonstrations with our fleet of company owned demo trucks, as well as initial and ongoing training. We offer replacement parts, stocked in Ohio and our equipment is serviced by factory direct employees and factory trained service providers across the USA and Canada.</p> <p>Our mobile column lifts feature a recirculating ball screw (vs. hydraulics) that allows for friction free lifting with no leaking hydraulic fluid. This superior design has a service life of 20+ years with minimal maintenance. (See question 37).</p> <p>We offer a full range of tire changers, tire balancers, floor jacks, transmission jacks, support stands and many other unique and innovative products that make a technician's job easier and safer.</p> <p>We design and install custom turn-key Exhaust Extraction Systems that keep technicians from breathing dangerous fumes. The systems can be as simple as a single mobile fan with hose for one bay to as complex as a multi-bay extraction system utilizing variable speed fans tied into existing HVAC systems.</p> <p>We offer Service for any ARI-HETRA product. Our technicians are trained at the factory and are qualified to get equipment up and running quickly and safely.</p> <p>Replacement parts for our products are stocked and shipped from our Ohio facility.</p>

9	What are your company's expectations in the event of an award?	<p>In the event of a Sourcewell contract award, we hope to:</p> <ol style="list-style-type: none"> <li>1. Make it easier for government sector customers to purchase from ARI-HETRA, by reducing their administrative costs, and offering an option to buy our products at their best, pre-negotiated pricing without going to bid.</li> <li>2. Increase product sales. We recognize that Sourcewell has over 56,000 government agency members and has been around for 40+ years, making it a trusted agency resource with Buyers. This would increase the reach of our contract portfolio adding to - GSA, HGACBuy, CMAS, NCPA, BuyBoard and Florida Sheriff's Cooperative.</li> <li>3. We hope to standardize our government sector Customers on Sourcewell as it is widely accepted, well regarded and economical to use.</li> <li>4. A partnership with Sourcewell would add to our brand strength, helping Customers feel even more comfortable with their decision to buy ARI-HETRA products.</li> <li>5. Introduce ARI-HETRA products as an option to procurement managers, in the event they were not aware of us prior.</li> <li>6. Provide our sales team a common procurement language to discuss with our State/Local and Education customers.</li> </ol>
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.	<p>As noted elsewhere, the ARI-HETRA brand of Mobile Column Lifts has been used by leading companies, states, municipalities and federal entities since 1995. Tens of thousands of lifts remain in service in all 50 states.</p> <p>ARI Phoenix, Inc. is a privately-held business, has no debt and has a high current asset ratio. The company is financially sound with sustainable profitability and pays its bills scrupulously on time.</p> <p>Attached is our 2019 financial statement as well as letters from a representative vendor and the Regional President of PNC Bank. Additional references may be sought if needed.</p>
11	What is your US market share for the solutions that you are proposing?	<p>ARI-HETRA Mobile Column Lifts account for approximately 11% market share of the United States and Canada. This is based on fairly reliable (confidential) Wheel Engaging Mobile Unit (WEMU) data from the Automotive Lift Institute, of which ARI-HETRA has been a member for over 15 years.</p> <p>Since ARI-HETRA was one of the first mobile column lifts for sale in what is now a more crowded field, our installed base of lifts represent a higher proportion. We estimate ARI-HETRA lifts represent approximately 25% of the estimated 100,000 mobile column lifts sold and installed in the U.S. and Canada since that product became commonly used. Due to the longevity of our design, the vast majority are still in service.</p>
12	What is your Canadian market share, if any?	Our Canadian market share is not discernibly different from our market share for the U.S. and Canada combined.
13	Has your business ever petitioned for bankruptcy protection? If so, explain in detail.	No.
14	<p>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.</p> <p>a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned?</p> <p>b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?</p>	<p>ARI-HETRA is both a manufacturing company and a reseller.</p> <p>As a manufacturer, we have a 50,000 square foot manufacturing facility outside of Cincinnati, Ohio where all engineering design, ALI testing, fabrication and final assembly are completed. This is also our corporate headquarters with our customer support center and accounting functions.</p> <p>We provide consultative sales and support across the U.S. and Canada via a network of 15 direct Regional Sales Managers (RMs) who are full-time employees of ARI-HETRA and live in the regions which they serve. This team sells directly to many accounts and also supports our distributors. All RMs are equipped with fleet vehicles owned by the company which are outfitted with tools and parts to complete 80% of the service needs of their customers. We also have a 15 person team of Service Technicians who are full-time employees of ARI-HETRA and who service exclusively ARI-HETRA equipment. This team is complemented by the service teams of our distributors and other third party, ALI certified independent service companies whom we call upon from time to time to deliver service. Virtually all service activity is coordinated throughout headquarters allowing us to maintain tight control on quality, including metrics like net promoter scores for each individual who performs service on ARI-HETRA equipment.</p> <p>As a reseller, we are a master distributor for a variety of other manufacturers of high quality products, manufactured predominately in Europe. In most cases, ARI-HETRA sells these products on a private-labeled basis under the recognizable bright green "ARI-HETRA" brand, sometimes with territorial exclusivity for U.S./Canada.</p>

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.	Safety certification of equipment by the Automotive Lift Institute ("ALI") is a general commercial requirement in the vehicle lift industry. ARI has carried ALI approval on its lifts for twenty years. Attached is a full listing of ARI's ALI listed equipment.  The majority of our equipment is manufactured in ISO certified facilities.	*
16	Provide all "Suspension or Debarment" information that has applied to your organization during the past ten years.	Not Applicable.	*
17	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	Not Applicable.	*

**Table 3: 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	Not Applicable.	*
19	What percentage of your sales are to the governmental sector in the past three years	From 2017-2019 sales to government entities accounted for 28.8% of our total sales.	*
20	What percentage of your sales are to the education sector in the past three years	From 2017 - 2019 sales to the education sector accounted for 3% of our total sales.	*
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?	Currently, we have:  1. NCPA contract # 05-21 (National Cooperative Purchasing Alliance); contract term 5/1/17 - 5/30/21 2018 Sales = \$826K, 2019 Sales = \$1M  2. BuyBoard Purchasing Contract # 551-17 contract term 12/1/17 - 11/30/20 # 553-18 contract term 3/1/18 - 2/28/21 2018 Sales = \$143K, 2019 Sales = \$63K  3. HGACBuy contract # FL03-19 (Houston-Galveston Area Council) contract term 3/1/19 - 2/28/21 (OLD CONTRACT PRIOR TO RENEWAL: 2016 Sales = \$507, 2017 Sales = \$255K) 2019 Sales = \$136K  4. CMAS - Contract # 4-13-56-0053A (California Multiple Award Schedule) contract term 11/15/13 - 9/30/23 2017 Sales = \$221, 2018 Sales = \$590K, 2019 Sales = \$439K  5. Florida Sheriff's Contract # FSA19-VEH17.0 contract term 10/1/19 - 9/30/20 2019 Sales = zero to date.	*
22	List any GSA contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	ARI-HETRA has GSA contract schedule #GS-07F-291AA (contract term 07-01-2013 to 06-30-2023).  Annual Sales 2017 = \$1.3M, 2018 = \$956K, 2019 = \$1M	*

**Table 4: References/Testimonials**

Line Item 23. Supply reference information from three customers who are eligible for Sourcewell membership.

Entity Name *	Contact Name *	Phone Number *	
Los Angeles Metro 470 Bauchet Street Los Angeles, CA 90012	Frank Forde fordef@metro.net	213-922-5928	*
Walton County Shop 116 Montgomery Circle Defuniak Springs, FL 32435	Justin Missildine misjustin@co.walton.fl.us	850-307-2528	*
City of Pensacola 2759 North Palafox Street Pensacola, FL 32501	Doug Resmondo dresmondo@cityofpensacola.com	850-436-5596	*

**Table 5: Top Five Government or Education 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 *	
MATES	Government	Kansas - KS	Exhaust Extraction	\$429,749 (in 2016)	\$429,749	*
Pensacola Fleet Management	Government	Florida - FL	Mobile and Drive On Lifting Systems	\$422,645 (in 2019)	\$422,645	*
CalTrans	Government	California - CA	Lifting Systems and Exhaust Extraction	\$266,772 (in 2016) \$117,697 (in 2017) \$3,456 (in 2018)	\$387,925	*
Fairfax County Government	Government	Virginia - VA	Drive On Lifting Systems	\$213,326 (in 2016) \$26,112 (in 2017)	\$239,438	*
Naval Construction Group	Government	Mississippi - MS	Drive On Lifting Systems	\$102,773 (in 2017) \$99,415 (in 2019)	\$202,188	*

**Table 6: Ability to Sell and Deliver Service**

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.	<p>ARI-HETRA has 15 dedicated Regional Sales Managers dispersed nationally with full geographic coverage. This team partners with our distributors who provide an additional 98 sales FTEs to fully cover the 12,000 private and government sector Customers to whom we have sold in the past decade.</p> <p>We have two full time Product Managers who handle product specifications, and provide customers with expert knowledge and training support in the field nationally. The Sales Directors and Field Sales Managers are very knowledgeable in cooperative purchasing, developing relationships with procurement personnel, and understanding the government purchase process. Each salesperson is trained to repair minor items on our lifts and carries a standard set of repair parts. They are able to do repairs as they make sales calls and alleviate the need for a service technician visit in some cases.</p> <p>We also have two distributor partners who handle Eastern Canada and Long Island, NY.</p>	*
26	Dealer network or other distribution methods.	Our distributor network covers the US and Canada and works closely with our Regional Sales Managers.	*

27	Service force.	<p>ARI-HETRA has 15 full-time employed service technicians dispersed in major metropolitan areas nationally. We have a senior service technician who trains our team and does field repairs as well. Our Service Specialists provide technical support and logistics from our Ohio office. Each technician has a company van equipped with parts to repair our products in the field.</p> <p>At ARI-HETRA's home office located in Ohio, the Customer Service Team handles inbound calls (toll free line) Monday - Friday from 7am - 5pm, and who work diligently to provide phone technical support, take part orders and arrange service visits from our technicians in the field.</p> <p>In addition, each field salesperson has a complement of parts and tools on their company vehicles to supplement the service force.</p> <p>Our distributors are also fully trained to repair ARI-HETRA repairs in the field and have inventory of their own. Together they provide 135 FTEs to our service offering.</p>
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.	<p>ARI-HETRA has a dedicated Customer Service Team, who are direct employees who answer customer requests Monday - Friday, 7am - 7pm EST. All requests are answered, recorded and responded to immediately or within 24 business hours. The team is trained on requirements of state/local, education as well as Federal customers, ensuring that questions or issues are addressed in a timely manner. Phone technical support is provided free of charge. If on-site support is needed, our Service Specialists are daily contact with service technicians in and can see their vehicle locations tracked real-time by GPS transponders to make dispatching quicker by sending the closest technician and estimating a realistic response time. When an ARI direct service team member cannot respond timely, we dispatch an independent third party partner. We solicit customer feedback on every service work to ensure quality and fair pricing.</p> <p>Annual Safety Certification and Preventative Maintenance Inspection is available, prescheduled or on-demand, performed by ARI-HETRA factory trained personnel.</p>
29	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	None, as ARI-HETRA covers all geographic areas within the United States and Canada.
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?	None, as ARI-HETRA fully serves all Sourcewell Member sectors, and our existing contracts do not limit our ability to sell on other contracts/cooperatives.
31	Define any specific contract requirements or restrictions that would apply to our Members in Hawaii and Alaska and in US Territories.	<p>We currently supply products to customers located in both Alaska and Hawaii.</p> <p>Customers in these two states would have to pay an extra cost (to be quoted in advance) for on-site installation or training if that is required.</p>

**Table 7: Marketing Plan**

Line Item	Question	Response *
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<p>32</p>	<p>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>	<p>ARI-HETRA has a track record of successfully marketing its government contracts and we look forward to the opportunity to promote Sourcewell, if we are awarded.</p> <p>A large percentage of our sales occur as a direct result of the strong relationships our field sales team have built with their customers. You can see in questions 25 and 26 that we have a dedicated field sales force who spend their time with their local customers. There is no advertising substitute for the one-on-one interaction that takes place. These interactions allow our sales team to understand the unique needs of each customer and to share ARI-HETRA solutions. This in person approach allows our sales team to discuss the various procurement methods and allows us to recommend Sourcewell as an option if appropriate.</p> <p>Another successful method of working with customers one-on-one is when we attend industry trade shows. ARI-HETRA typically attends over 20 industry shows per year. Although most of these shows are focused on the private sector we have found that many government employees attend these shows. For example, at the 2019 Waste Expo show we spoke to a number attendees responsible for waste collection for City and Municipal governments.</p> <p>ARI-HETRA has a robust advertising and lead generation program. We would add Sourcewell's contract logo and information to our <a href="http://www.ari-hetra.com">www.ari-hetra.com</a> website under a government tab that has 100+ clicks per month (<a href="https://www.arihetra.com/government/">https://www.arihetra.com/government/</a>), and to our catalog which reaches over 10,000 recipients per year. We would also design a marketing flyer specific to the Sourcewell contract for our Field Sales Managers to email or hand to customers, and send broadcast emails to all eligible state and local recipients (from our current and potential customer database - approximately 4.5k State and Local Govt. email contacts and 4k Education).</p> <p>Our Sourcewell marketing strategy includes, but is not limited to:</p> <ul style="list-style-type: none"> <li>- Targeted broadcast email campaigns</li> <li>- Promotion in 15+ annual national and regional trade shows</li> <li>- Newly designed Sourcewell collateral</li> <li>- Inclusion in our government website landing page</li> <li>- Google Adword advertising</li> <li>- Sourcewell contract partnership press releases to major trade publications</li> <li>- Facebook postings <a href="https://www.facebook.com/arihetra/">https://www.facebook.com/arihetra/</a></li> <li>- LinkedIn postings <a href="https://www.linkedin.com/company/ari-hetra/">https://www.linkedin.com/company/ari-hetra/</a></li> <li>- You Tube postings <a href="https://www.youtube.com/user/ARIHETRAinc/videos">https://www.youtube.com/user/ARIHETRAinc/videos</a></li> <li>- Instagram postings <a href="https://www.instagram.com/arihetra/">https://www.instagram.com/arihetra/</a></li> </ul> <p>These efforts will draw customers and potential customers to our corporate website, enhancing overall communication of our products/services and Sourcewell. Our <a href="http://www.ari-hetra.com">www.ari-hetra.com</a> website was recently modernized and updated, increasing our SEO (search engine Optimization) and social media presence to drive traffic to our website and our government contracts section <a href="https://www.arihetra.com/government/">https://www.arihetra.com/government/</a>. We will also create an announcement on our blog section of our website: <a href="https://www.ari-hetra.com/blog">https://www.ari-hetra.com/blog</a>.</p>
<p>33</p>	<p>Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.</p>	<p>As described above, our <a href="http://www.ari-hetra.com">www.ari-hetra.com</a> website was recently redesigned to improve user experience and to increase Search Engine Optimization. We are better able to utilize social media in order to drive traffic to our website through website landing pages, product videos, Google Adword advertising, and company-wide weekly Facebook, LinkedIn, YouTube and Instagram postings. There is a specific "government" and "how to buy" tab on our website, where a customer can find information on our current cooperative contracts, including a section titled "The Power of Cooperative Contract Purchasing" (<a href="https://www.ari-hetra.com/how-to-buy/">https://www.arihetra.com/how-to-buy/</a>). These efforts draw customers and potential customers to our corporate website, enhancing overall communication of our products and/or services.</p> <p>When on <a href="http://www.ari-hetra.com">www.ari-hetra.com</a> it is easy for customers to find a local sales rep by searching via zip code. We also have easy to fill out forms for visitors to request price quotes, contact us, inquire about parts and place service requests.</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>We look to Sourcewell for three main things in promoting the contract:</p> <ol style="list-style-type: none"> <li>1. Select quality vendors that provide a wide range of products so members can get the products they need at the best value under one contract.</li> <li>2. Provide excellent administrative support to both Sourcewell members, and vendors providing products and service.</li> <li>3. Promote the Sourcewell name and educate on the benefits of the cooperative to agencies and education institutes in the USA and Canada.</li> </ol> <p>ARI-HETRA understands that if awarded a Sourcewell contract, contract information would be marketed to members per the proposed marketing plan in question 32. The ARI-HETRA sales team will be trained to offer the Sourcewell contract as an option to government buyers who seek the type of equipment we provide. If awarded, we would present our Sourcewell plans at our annual national sales meeting and review how best to educate customers and utilize this contract, which would include, but not be limited to: how to start the procurement conversation with customers, creating quotes (see example custom contract quote templates we use), and how to process orders. ARI-HETRA views Sourcewell as an advantageous contract for increasing government sales without going to bid, and we would dedicate ourselves to heavily promoting and utilizing this contract nationally. We have experience and success with our other national contracts. See questions 21-22.</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.	We do not currently have an e-procurement system as our products generally require consultative selling to ensure safety and proper product for the purpose.

**Table 8: 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.	ARI-HETRA equipment is provided with an operator's manual, and equipment is installed free of charge with the exception of Scissor Lifts and Exhaust Extraction Systems. Our field sales team will set up the equipment and provide free training within the continental United States (CONUS = The 48 Contiguous States and the District of Columbia). Additional charges may apply for locations outside the continental United States (OCONUS = Outside Continental United States). Overseas = Any country or place beyond CONUS like Canada, Hawaii, Alaska or Puerto Rico.
37	Describe any technological advances that your proposed products or services offer.	<p>The core of ARI-HETRA's Mobile Column Lifting Systems is a Recirculating Stainless Steel Ball Screw. This highly efficient operating approach eliminates all hydraulics, giving ARI-HETRA users distinct advantages. Ball bearings reduce friction and distribute the load evenly. Benefits of lower friction: improves speed, force, duty cycle rating, and contributes to a longer life cycle and less motor power required, therefore less energy consumption. The ball screw has over 20 years life expectancy, and is nearly maintenance free.</p> <p>Since the technology does not use hydraulics, the customer will never experience a leaking hydraulic seal. Our system uses an electronic brake to lock the gear box in place and requires electrical voltage applied to the brake to release it. This adds up to a safety feature that is always on and does not need to be applied by the user like a hydraulic system safety lock system does.</p>
38	Describe any "green" initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each.	ARI-HETRA's wireless and battery mobile column lifts are engineered to be environmentally friendly by providing energy savings. ARI-HETRA mobile column lifts offer its users Regenerative Power - ARI-HETRA's ball screw design minimizes the energy needed to raise a vehicle (as compared to a hydraulic lift system). This same design provides for the generation of incremental power/current for the lifting system, resulting from the force exerted during the process of lowering a raised vehicle on a lift. The additional power is ultimately returned to batteries for storage by use of a reversing electric motor/ generator.
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.	None available.

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.	None, not applicable. ARI-HETRA does not have any official certifications, but we are self-certified as a small business through the U.S. Federal government's Systems for Award Management (SAM) registration under primary classification NAICS code 333921 (ARI-HETRA cage code is 7H2W1) under our current GSA schedule contract # GS-07F-291AA.
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?	<p>We provide the only factory authorized direct sales, service, preventative maintenance, safety inspections, and replacement parts on ARI-HETRA Mobile Column Lifting Systems and ARI-HETRA branded products. For over 30 years, ARI-HETRA continues to be a premium Heavy-Duty brand providing maintenance equipment and are leaders in safety, reliability, durability and service.</p> <p>These Mobile Column Lifting Systems are manufactured in the United States of America. They have also been safety certified by the Automotive Lift Institute (ALI), and by ETL Intertek. While other Mobile Lift Systems use Hydraulic drives, we offer the most advanced Ball-Screw Technology with a certified ARI-HETRA mobile, heavy-duty wheel engaging lift system that will improve the efficiency and safety of automotive maintenance:</p> <ul style="list-style-type: none"> <li>- Precision Ball Screw Lifting Mechanism, with a simple mechanical drive</li> <li>- Ball screw technology has a 20 year life expectancy, longer than ACME thread</li> <li>- There is no possibility of leaking seals like hydraulics used in other Mobile Lift Systems</li> <li>- There are over 100 ball bearings sealed with grease fitting to ensure low friction</li> <li>- Inherent mechanical column synchronization</li> <li>- Precision Height Adjustment (inching)</li> <li>- Lifetime performance</li> </ul> <p>ARI-HETRA offers this dependable brand of Mobile Column Lift Systems that give technicians the value of flexible work bays and a comfortable workstation. They allow full, unobstructed access under the vehicle to quickly fulfill routine maintenance inspections and repairs. Mobile Column Lifts have many advantages and drastically improve daily maintenance operations. They are easy to operate, give technicians optimal space for working around the column, and create a safe working environment.</p> <p>In summary, what differentiates ARI-HETRA from the market includes:</p> <ul style="list-style-type: none"> <li>- 30+ year old ARI-HETRA American-Made Mobile Column Lifts approved by ALI, and NRTL certified ETL Intertek.</li> <li>- Heavy-Duty Mobile Column Lift Systems are achieved with a Ball-Screw Design (and not hydraulics, which can lead to leaking seals or cut hoses).</li> <li>- Products are sold from a direct ARI-HETRA sales and service team to include Wireless, Line Powered, or Battery-Operated Mobile Column Lifts.</li> <li>- Mobile Lifts have Safety Braking System and Mechanical Lock-Wedge (no long-step procedure to ensure vehicle is properly locked).</li> <li>- Line and Battery-Powered Mobile Column Lifts have built-in safety features which prevent operation if capacity overload is detected.</li> </ul>
42	Identify your ability and willingness to provide your products and services to Sourcewell member agencies in Canada.	ARI-HETRA is highly active selling in Canada today with bi-lingual sales and service. We look forward to providing our products and services to Canadian Sourcewell member agencies.

**Table 9: Warranty**

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

Line Item	Question	Response *
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43	Do your warranties cover all products, parts, and labor?	<p>All ARI-HETRA products (Mobile &amp; HDXL Scissor Lift Systems, Wheel Service Products, and Exhaust Extraction Systems and accessories), have a one (1) year Labor warranty.</p> <ul style="list-style-type: none"> <li>- Our Mobile Column and HDXL Lift Systems are also warranted for a period of five (5) years from date of new system purchase for all Structural and Mechanical parts (Structural and Mechanical parts include the frame body, gearbox, and mechanical ball-screw components). Electronics and non-structured parts are warranted for a period of two (2) years on new Lift systems. Warranted parts or components will be replaced or repaired at the discretion of ARI-HETRA and parts replaced under the warranty period carry the remaining balance of the original manufacturer's warranty. Structural and Electrical Parts warranties include first (1) year labor and travel. Replacement parts or repairs performed outside the warranty period carry a 60 day replacement warranty.</li> <li>- All ARI-HETRA branded accessories and components are warranted for a period of one (1) year from date of purchase. This includes, but is not limited to, Refurbished Lifts, Stands, Lifts Accessories, and Remote Control. Warranty includes labor and travel or return and replacement charge.</li> <li>- All ARI-HETRA branded Heavy-Duty Wheel Service Products including but not limited to Tire Changers, Balancers, Inflation Cages, Hydraulic Jacks, Brake Lathes, and Brake Handing products are warranted to a period of one (1) year from date of purchase. Warranty includes labor and travel or return and replacement charge.</li> </ul> <p>All mechanical and structural components of the ARI-HETRA Exhaust Extraction Systems are warranted for a period of one (1) year from date of purchase during which time warranted parts will be replaced or repaired at the discretion of ARI-HETRA without charge.</p>	*
44	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	<p>All ARI-HETRA products should be installed and serviced by ARI-HETRA trained and authorized sales or service personnel. Our warranty does not apply unless the product is installed, operated, used and maintained in accordance with ARI-HETRA specifications, as set forth in the ARI-HETRA Operations &amp; Service Instructions" manual. The warranty does not cover normal maintenance or adjustments, damage or malfunction due to improper handling, improper installation, abuse, misuse, overloading, negligence, unsuitable power sources, carelessness, or normal wear and tear.</p> <p>Damage caused by unauthorized service companies will void the warranty related to that damage and its coverage periods. All warranties are expressly conditioned upon use of only such replacement parts as are manufactured or approved by ARI-HETRA. After expiration of labor and travel warranties while parts warranties are still in effect, parts which are thought to be defective may be returned to ARI-HETRA in combination with an RMA (returned material authorization) with freight charges to be reimbursed in the event that ARI-HETRA determines the part(s) were defective.</p>	*
45	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	Yes, ARI-HETRA's warranty covers first year travel and labor.	*
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 regions in the United States or Canada where we do not provide a certified technician to perform warranty repairs. Sourcewell members can call our 800 number, to reach our Customer Service Team and Tech Support. They may also email or speak to the Regional Sales Manager people to arrange an appointment for service and warranty repair.	*
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?	No, ARI-HETRA will not cover warranty service on any non ARI-HETRA branded products.	*
48	What are your proposed exchange and return programs and policies?	ARI-HETRA offers a full refund on unused equipment less 15% restocking fee plus freight cost, up to 30 days after delivery.	*
49	Describe any service contract options for the items included in your proposal.	ARI-HETRA does not have any current service contract options.	*

**Table 10: Payment Terms and Financing Options**

Line Item	Question	Response *
50	What are your payment terms (e.g., net 10, net 30)?	Payment terms are Net 30.
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?	Leasing programs are available through ARI-HETRA's partners for schools and state & local government. We do not provide financing for the federal government. Our leasing options are utilized by our private sector customers and in our experience school and government agencies do not tend to use this procurement method.
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.	<p>Initial demand will be generated through our marketing activities, a salesperson visit, a website inquiry or inquiry from our existing customer base. A quote is generated with Sourcewell contract number, logo and pricing (See GSA QUOTE EXAMPLE ATTACHED) and emailed or hand delivered to the customer. Distributors do not issue contract pricing quotes, rather they work with ARI-HETRA to have them issued.</p> <p>In some cases a customer requests an onsite product demonstration or short term evaluation, which ARI-HETRA provides as necessary. A purchase order is then issued and is processed through our headquarters and office location in Ohio by our Customer Service Team. POs are checked for accuracy (ship to address, equipment configuration, adequate bill to information provided, coding of order to contract, discount, etc.). Any questions are addressed with the customer and an order confirmation is issued.</p> <p>Equipment is shipped then invoiced with the accounting team doing one last check for errors. The equipment is delivered and an ARI-HETRA employee or representative coordinates free on-site safety training (CONUS &amp; Eastern Canada). Automated order reports are generated by contract, are reviewed and payments submitted quarterly (more detail described in question #63). We have a portfolio of government contracts and are experienced in administrative fee processing.</p>
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, ARI-HETRA accepts P-card procurement. If the amount is over \$2,000.00, there is a 2%-3% fee depending on ARI-HETRA's actual cost.

**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 *
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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.	<p>ARI-HETRA offers Sourcewell participants a discount by product type as shown in the supplied pricelist. Out of fairness to all customers, some who are near to our facilities and some who are distant, ARI-HETRA does not include freight costs in its list prices. Therefore, all shipping and delivery is FOB origin at cost and customers nearer to our point of shipment do not bear a pro-rated cost for those farther away.</p> <p>All ship-from locations are within the continental United States. All products imported from international manufacturers are inventoried at an ARI-HETRA facility and shipping is invoiced from that location.</p> <p>ARI-HETRA will not mark up freight charges and will invoice only for its exact costs incurred from third parties.</p> <p>Our Logistics Manager ensures best delivery timeframe and costs, working with all major freight carriers according to negotiated contracts in place between the carrier and ARI-HETRA. All shipments arranged by ARI-HETRA are with reputable carriers with appropriate insurance.</p> <p>We are also pleased to work with many customers who prefer to arrange their own logistics and we provide support to facilitate as needed.</p> <p>Please refer to uploaded document for a detailed pricelist.</p>
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.	We are offering Sourcewell end users a percentage discount from our list price which varies based on product, ranging from 15% to 20%, as shown in the pricelist.
56	Describe any quantity or volume discounts or rebate programs that you offer.	<p>Yes. Quantity/volume discount is an additional discount for gross sales amount greater than the following breakpoints. This applies to all ARI products:</p> <p>Base discount shown off list price in the pricelist applied to all sales up to \$75,000 in list price before discount</p> <ul style="list-style-type: none"> <li>- Additional 1% off list price on all sales greater than \$100,000 in list price before discount</li> <li>- Additional 1% off list price on all sales greater than \$125,000 in list price before discount</li> <li>- Additional 1% off list price on all sales greater than \$150,000 in list price before discount</li> <li>- Additional 1% off list price on all sales greater than \$250,000 in list price before discount</li> <li>- Additional 1% off list price on all sales greater than \$500,000 in list price before discount</li> </ul>
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.	ARI-HETRA will offer "open market" items not covered within the Sourcewell contract by supplying a quote for each such request.
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.	ARI-HETRA offers free installation and training on all products. We do impose an extra charge for travel outside the continental United States (OCONUS) when installing, training, or servicing a product.
59	If freight, delivery, or shipping is an additional cost to the Sourcewell Member, describe in detail the complete freight, shipping, and delivery program.	<p>ARI-HETRA will charge freight as an additional charge, as "FOB Destination, freight collect at cost."</p> <p>Title to goods, and responsibility and liability for loss and/or damage in shipping shall pass to End User at the delivery destination after receipt and acceptance have taken place. Cost of shipping/delivery shall be paid by End User and shipping terms must be "F.O.B. Destination – Freight Collect". Any freight, shipping or delivery charged to End User will be prepaid and added to the invoice, and will be clearly shown on any Contract Pricing Worksheet or other quote presented to the End User.</p>
60	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	ARI-HETRA would offer FOB Origin for Alaska, Hawaii, Canada or any OCONUS delivery point.

61	Describe any unique distribution and/or delivery methods or options offered in your proposal.	HDXL scissor lifts require a full flatbed truck for delivery and based on the model may require ARI-HETRA to coordinate for a large (12,000 lbs.) forklift to be onsite for offloading.	*
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**Table 12: Pricing Offered**

Line Item	The Pricing Offered in this Proposal is: *	Comments
62	d. other than what the Proposer typically offers (please describe).	The proposer holds a number of government contracts. By agreement we offer our highest discount to our federal GSA Schedule eligible customers. The GSA contract has the lowest fees of our current contract portfolio which makes it easier to achieve the discount level. We are offering Sourcewell members a discount that is close to our GSA discount and it would be the best discount rate that State & Local, education and municipality customers could receive on ARI-HETRA products.

**Table 13: 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.	<p>ARI-HETRA has internal procedures for compliance with all our government contracts, and multiple checkpoints:</p> <ol style="list-style-type: none"> <li>1. Sales Team would issue a quote with Sourcewell pricing and contract numbers to eligible customers.</li> <li>2. Purchase orders would be reviewed by our Customer Service Team to check for proper pricing, discount, terms/conditions, eligibility and applicable freight charges before accepting into our system.</li> <li>3. The Sourcewell member would then receive a Sales Order Acknowledgement showing the specifics of the order.</li> <li>4. All sales are tagged for their contact affiliation for performance and quarterly reporting purposes, this is what we do for all contracts including our GSA schedule.</li> <li>5. Before invoices are sent to a customer, our Billing Department checks for errors.</li> <li>6. Sales are housed in our business operating software (see question 65) and Quarterly Reports are done in a timely manner by our internal Contracts Specialist.</li> </ol>
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.)	ARI-HETRA will issue a 1% administrative fee to Sourcewell for the services rendered on products sold on the contract.

**Table 14: Industry Specific Questions**

Line Item	Question	Response *
65	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.	ARI-HETRA will utilize our current contract quote and sales order process to gather data to evaluate our targeted contract goals. Our sales and administrative teams adjust the status of quotes and sales orders at major milestones within the lifecycle of a sale. This data is shared in frequently viewed dashboards with the salesperson, their manager and the management team. This data is dynamically pulled from our business operating software and is shared in easy to understand text and graphic reports that can be accessed using a secure login from any device browser. This tracking method is built into our existing sales cycle process and is reviewed by the management team on a regular basis and corrections are made to increase success. Our tracking system is very helpful when forecasting, evaluating, correcting and celebrating.
66	Identify any certification(s) that your business or the products included in your proposal have attained or received.	<p>In accordance with the new American National Standards Institute (ANSI) requirements "Safety Standard for Automotive Lift Construction, Testing and Validation", ARI-HETRA Mobile Column Lifts are ANSI/ALI ALCTV-2017 certified, where applicable. Each post is tested, witnessed and verified by a Nationally Recognized Testing Laboratory (NRTL) for operational and physical conformance to the ANSI/ALI ALCTV-2017, UL-201 Standard for Safety of Garage Equipment and CAN/CSA C22.2 No.0, 14, 68 and 100 Canadian Standard. The certified posts are NRTL listed, both electrically and structurally, and bear the ALI/MET label of compliance.</p> <p>Our manufacturing partner Maha USA L.L.C. holds ISO 9001:2015 in their manufacturing facility.</p>
67	Describe the ability to adapt your products through modification or replacement to address obsolescence resulting from advances in technology.	<p>All current ARI-HETRA lifts utilize onboard memory that can be updated in the field. Our service technicians are able to erase and reprogram the operating instructions on our lifts if and when there are modifications or improvements.</p> <p>Advancements in technology often allow for component upgrades on things like switches, sensors and wiring and whenever possible we utilize the existing mechanical mounting points. The low complexity of our designs allow for easy upgrades by swapping out a mounting bracket and component and rewiring.</p> <p>Changes in the mechanical design are rare as the structural steel construction of our equipment is held to rigorous third party safety standards (ANSI/ALI ALCTV-2017) that do not allow for modification after original factory production.</p>
68	For installation, repair, maintenance or warranty services included in your proposal, describe the training and/or certifications held or received by your service force.	ARI-HETRA directly employs the majority of its service team. In the cases that it utilizes third party partners they will undergo the same training as a newly hired ARI-HETRA service employee. Training includes time spent in the factory working with the lift assembly and engineering teams to get comprehensive and hands-on experience. Technicians are then trained on our procedures and the ability to locate appropriate documentation. New technicians then spend a predetermined time in the field with a senior trainer / technician to perform service and preventative maintenance on all ARI-HETRA equipment. Our Human Resource Department keeps track of all new hires and completion of training certification.
69	Describe your capabilities as it relates to the serviceability of the products included in your proposal (parts availability, response times, technical support, etc.).	<p>ARI-HETRA operates from its main facility located in Ohio. We have a Customer Service Team, Technical Support experts, and Parts experts on hand to take calls from customers who are in need Monday - Friday from 7am-5pm EST. After hours messages are returned the following business day. We can utilize the convenience of modern cell phones to gather photos or utilize video messaging to help in real time diagnosis.</p> <p>Phone and email service requests that are not addressed on the first contact are typically handled within 24-48 hours, with on-site service calls scheduled within a reasonable time frame.</p> <p>Replacement parts are stocked in our Ohio facility in a 1,200 square foot area housing over 2,000 individual part numbers. Parts availability can be obtained from our Customer Service team and in-stock items can be shipped overnight at the customer's request and approval of the shipping fee.</p> <p>In addition each service technician has a van stocked with all the components (less main beam or carriage) so they can handle service requests directly when they are on customer site. Our sales team all have company vehicles with a smaller inventory of critical components and are able to perform repairs on a more limited scope than a technician.</p>

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

**Line Item 70. 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

**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](#) - Financial Strength And Stability.zip - Thursday January 30, 2020 16:18:13
  - [Marketing Plan/Samples](#) - Marketing Plan \_ Samples.zip - Thursday January 30, 2020 16:24:22
  - WMBE/MBE/SBE or Related Certificates (optional)
  - [Warranty Information](#) - Warranty Information.pdf - Thursday January 30, 2020 14:02:59
  - [Pricing](#) - Pricing.pdf - Thursday January 30, 2020 16:20:43
  - [Additional Document](#) - Other Documents.zip - Thursday January 30, 2020 16:16:23



## 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. - Bill Gibson, VP Business Development, ARI Phoenix, Inc.

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

Yes  No

**AMENDMENT #1  
TO  
CONTRACT # 013020-ARP**

THIS AMENDMENT is effective upon the date of the last signature below by and between **Sourcwell** and **ARI Phoenix Inc.** (Vendor).

Sourcwell awarded a contract to Vendor to provide Vehicle Lifts, with Garage and Fleet Maintenance Equipment to Sourcwell and its Participating Entities, effective April 20, 2020, through April 13, 2025 (Contract).

The Vendor now requests to update their corporate address listed in contract #013020-ARP to 11163 Woodward Lane, Sharonville, OH 45241; and Sourcwell agrees to this change.

Except as amended, the Contract remains in full force and effect.

**Sourcwell**

**ARI Phoenix Inc.**

By:  \_\_\_\_\_  
DocuSigned by:  
C0FD2A139D06489...  
Jeremy Schwartz, Chief Procurement Officer

By:  \_\_\_\_\_  
DocuSigned by:  
CC8B85821DCC495...  
April Eldridge, CFO ARI-Hetra

Date: 12/12/2023 | 9:42 AM CST

Date: 12/12/2023 | 9:28 AM CST

Approved:

By:  \_\_\_\_\_  
DocuSigned by:  
48BAF71B0894454...  
Chad Coquette, Executive Director/CEO

Date: 12/12/2023 | 9:44 AM CST

Item XI2.



**AGENDA ACTION FORM**

**Consideration of a Resolution to Purchase Three (3) Nissan Frontier King Cab 2wd & Two (2) Nissan Frontier King Cab 4wd from TN State Contract # 80358**

To: Board of Mayor and Aldermen  
From: Chris McCartt, City Manager *CM*

Action Form No.: AF-290-2024  
Work Session: October 14, 2024  
First Reading: N/A  
Final Adoption: October 15, 2024  
Staff Work By: Committee  
Presentation By: R. McReynolds, S. Leonard

**Recommendation:**

Approve the resolution

**Executive Summary:**

It is the recommendation of the committee to purchase Three (3) Nissan Frontier King Cab 2wd & Two (2) Nissan Frontier King Cab 4wd from Alan Jay Automotive utilizing TN State Contract # 80358 for use by the Water Services Department. The Tennessee State Contracts are available for local government agencies to use. The delivery from the dealership to the agency is included in the total prices. The estimated delivery date is 6-7 months after purchase orders are received.

\$32,230.00	Unit Cost for Nissan Frontier King Cab 2wd (3)
<u>\$35,925.00</u>	Unit Cost for Nissan Frontier King Cab 4wd (2)
\$168,540.00	Total Purchase Price

Please see the attached recommendation memo for additional information & TN State Contract information.

These units are fleet replacements.

Funding is identified in Project/Account # 51150085019010

**Attachments:**

- Resolution
- Recommendation Memo
- Quote
- TN State Contract

	Y	N	O
Baker	—	—	—
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Mayes	—	—	—
Phillips	—	—	—
Montgomery	—	—	—

Item X13.

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING THE PURCHASE OF THREE (3) NISSAN FRONTIER KING CAB 2WD AND TWO (2) NISSAN FRONTIER KING CAB 4WD FROM ALAN JAY AUTOMOTIVE UTILIZING TENNESSEE STATE CONTRACT NO.: 80358 AND AUTHORIZING THE MAYOR TO EXECUTE A PURCHASE ORDER FOR THE SAME

WHEREAS, staff recommends the purchase of three (3) Nissan Frontier King Cab 2wd and two (2) Nissan Frontier King Cab 4wd from Alan Jay Automotive utilizing TN State Contract # 80358 for use by the Water Services Department; and

WHEREAS, local governments are allowed to use state contracts to purchase goods and services directly from holders of contracts with the state, as authorized by Tenn. Code Ann. § 12-3-1201; and

WHEREAS, the three (3) Nissan Frontier King Cab 2wd and two (2) Nissan Frontier King Cab 4wd are available pursuant to TN State Contract # 80358, and the city will need to submit purchase orders to Alan Jay Automotive in an amount not to exceed \$168,540.00;

WHEREAS, the funding is available in project account #51150085019010.

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That the Mayor is authorized to execute a purchase order to Alan Jay Automotive for the purchase of three (3) Nissan Frontier King Cab 2wd and two (2) Nissan Frontier King Cab 4wd from utilizing TN State Contract #80358 in an amount not to exceed \$168,540.00.

SECTION II. That the board finds that the actions authorized by this resolution are for a public purpose and will promote the health, comfort, and prosperity of the citizens of the city.

SECTION III. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 15th day of October, 2024.

\_\_\_\_\_  
PAUL W. MONTGOMERY, MAYOR

ATTEST:

\_\_\_\_\_  
ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

\_\_\_\_\_  

Item X13.
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RODNEY B. ROWLETT, III, CITY ATTORNEY



# FLEET MAINTENANCE DEPARTMENT

## City of Kingsport

**To:** Nikisha Eichmann, Assistant Procurement Manager  
**From:** Steve Leonard, Fleet Manager  
**Date:** September 30, 2024  
**Re:** Fleet Replacement units 2187, 2188, 2180, 2273, and 2274 Purchase Recommendation

It is the recommendation of this office to purchase the Fleet Replacement for units 2187, 2188, & 2180 with 3 Nisan Frontier King Cab 2wd vehicles for the total purchase price of \$96,690.00 (\$32,230.00 each). The 2 Nissan Frontier King Cab 4wd vehicles will replace units 2273 & 2274 for a total purchase price of \$71,850.00 (\$35,925.00 each). These units meet the expectations of the Water Services Department and will fulfill the requirements of their operational needs. These units will be purchased through the TN State Contract # 80358. A copy of the TN State Contract is attached. The estimated delivery is 6-7 months.

Item	Quantity	Description	Award to Vendor	Fuel Economy
1	3	2024 Nissan Frontier King Cab 2wd with 6 foot bed	Alan Jay Automotive	18 City/24 Hwy
2	2	2024 Nissan Frontier King Cab 4wd with 6 food bed	Alan Jay Automotive	18 City/23 Hwy

**These units will be a Fleet Replacements**

The units listed below will be replaced and disposed of utilizing the current approved City process.

The TN State offerings were reviewed by Chad Austin and he is in agreement with this recommendation.

**Fuel Economy Improvement**

N/A

**TN State Contract # 80358**

**Replacements**

2187	2014 Dodge Ram Cargo Vans	60,264 mileage	Purchased in 2013 for \$23,636 per unit. New purchase price per unit will be \$32,230, a 36% increase
2188	2014 Dodge Ram Cargo Vans	78,828 mileage	
2273	2016 Ford Transit XL Cargo Van	68,282 mileage	Purchased in 2015 for \$22,712 per unit. New purchase price per unit will be \$35,925, a 60% increase
2274	2016 Ford Transit XL Cargo Van	139,084 mileage	
2180	2015 Ford F-350 4WD	107,827 mileage	Purchased in 2014 for \$26,700. New purchase price will be \$32,230, a 20% increase

Should you have any questions on this recommendation, please do not hesitate to contact me.

Thank you.





**GOVERNMENT PRICE QUOTE**

Call Us first, for all of your Fleet Automotive, & Light Truck needs.

Quote

PHONE (800) ALANJAY (252-6529)		DIRECT 863-402-4216	WWW.ALANJAY.COM	57868-1
Corporate Office	2003 U.S. 27 South Sebring, FL 33870	MOBILE 904-505-9682	Mailing Address	P.O. BOX 9200 Sebring, FL 33871-9200
		FAX 863-402-4221		

ORIGINAL QUOTE DATE  
9/27/2024

# PRICE QUOTE FORM

REVISED QUOTE DATE  
9/27/2024

REQUESTING AGENCY	KINGSPORT, CITY OF (TN)		
CONTACT PERSON	STEVE LEONARD	EMAIL	<a href="mailto:STEVELEONARD@KINGSPORTTN.GOV">STEVELEONARD@KINGSPORTTN.GOV</a>
PHONE	423-224-2434	MOBILE	423-276-5515
		FAX	

**Contract No. 80358 - SWC209 EVENT # 32110-12904**

MODEL	31114	MSRP	\$33,560.00
2024 NISSAN FRONTIER KING CAB PICKUP 2WD S 6' BED			
<b>CUSTOMER ID</b>		<b>GOVERNMENT PRICE</b>	<b>\$31,380.00</b>

**BED LENGTH** 6' Bed

\*\* All vehicles will be ordered white w/ darkest interior unless clearly stated otherwise on purchase order.

FACTORY OPTIONS	DESCRIPTION	
QAK	Glacier White	\$0.00
G	OPTIONS Charcoal, Cloth Seat Trim	\$0.00

AFTERMARKET OPTIONS	DESCRIPTION	FACTORY OPTIONS	
NO-TEMP	TEMP TAG NOT REQUESTED, CUSTOMER WILL HANDLE THEIR OWN TAG WORK.		\$0.00
4K SMART	3rd & 4th keys and remotes for vehicles with proximity access.		\$850.00
<b>AFTERMARKET OPTIONS</b>			<b>\$850.00</b>

TRADE IN TOTAL COST **\$32,230.00**

**YES WE TAKE TRADE INS ~~~ ASK ABOUT MUNICIPAL FINANCING ~~~**

TOTAL COST LESS TRADE IN(S) QTY 1 **\$32,230.00**

Estimated Annual payments for 60 months paid in advance: \$7,410.34  
Municipal finance for any essential use vehicle, requires lender approval, WAC.

Comments **QUOTE SUBJECT TO FACTORY ORDER ACCEPTANCE or 30 DAYS**

VEHICLE QUOTED BY MATT FORTE GOVERNMENT ACCOUNT MANAGER [Matt.Forte@AlanJay.com](mailto:Matt.Forte@AlanJay.com)

"I Want to be Your Fleet Provider"

I appreciate the opportunity to submit this quotation. Please review it carefully. If there are any errors or changes, please feel free to contact me at any time. I am always happy to be of assistance.

Item X13.





**GOVERNMENT PRICE QUOTE**

Call Us first, for all of your Fleet Automotive, & Light Truck needs.

Quote

PHONE (800) ALANJAY (252-6529)		DIRECT 863-402-4216	WWW.ALANJAY.COM	57864-1
Corporate Office	2003 U.S. 27 South Sebring, FL 33870	MOBILE 904-505-9682	Mailing Address	P.O. BOX 9200 Sebring, FL 33871-9200
		FAX 863-402-4221		

ORIGINAL QUOTE DATE  
9/27/2024

# PRICE QUOTE FORM

REVISED QUOTE DATE  
9/27/2024

REQUESTING AGENCY	KINGSPORT, CITY OF (TN)		
CONTACT PERSON	STEVE LEONARD	EMAIL	<a href="mailto:STEVELEONARD@KINGSPORTTN.GOV">STEVELEONARD@KINGSPORTTN.GOV</a>
PHONE	423-224-2434	MOBILE	423-276-5515
		FAX	

**Contract No. 80358 - SWC209 EVENT # 32110-12904**

MODEL	31014	MSRP	\$36,560.00
2024 NISSAN FRONTIER KING CAB PICKUP 4WD S 6' BED		GOVERNMENT PRICE	\$35,075.00

**CUSTOMER ID**

BED LENGTH	6' Bed
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\*\* All vehicles will be ordered white w/ darkest interior unless clearly stated otherwise on purchase order.

FACTORY OPTIONS	DESCRIPTION	
QAK	Glacier White	\$0.00
G	OPTIONS Charcoal, Cloth Seat Trim	\$0.00

AFTERMARKET OPTIONS	DESCRIPTION	FACTORY OPTIONS	
NO-TEMP	TEMP TAG NOT REQUESTED, CUSTOMER WILL HANDLE THEIR OWN TAG WORK.		\$0.00
4K SMART	3rd & 4th keys and remotes for vehicles with proximity access.		\$850.00
AFTERMARKET OPTIONS			\$850.00

TRADE IN	TOTAL COST	\$35,925.00
YES WE TAKE TRADE INS ~~~ ASK ABOUT MUNICIPAL FINANCING ~~~		
	TOTAL COST LESS TRADE IN(S)	QTY 1 \$35,925.00

Estimated Annual payments for 60 months paid in advance: \$8,259.90  
Municipal finance for any essential use vehicle, requires lender approval, WAC.

Comments **QUOTE SUBJECT TO FACTORY ORDER ACCEPTANCE or 30 DAYS**

VEHICLE QUOTED BY **MATT FORTE** GOVERNMENT ACCOUNT MANAGER [Matt.Forte@AlanJay.com](mailto:Matt.Forte@AlanJay.com)

"I Want to be Your Fleet Provider"

I appreciate the opportunity to submit this quotation. Please review it carefully. If there are any errors or changes, please feel free to contact me at any time. I am always happy to be of assistance.

Item X13.



**STATE OF TENNESSEE, DEPARTMENT OF GENERAL SERVICES  
CENTRAL PROCUREMENT OFFICE**

**Statewide Multi-Year Contract Issued to:**

Alan Jay Automotive Management Inc  
5330 US Highway 27 S  
Sebring, FL 33870-5661

Vendor ID: 0000233695

**Contract Number: 0000000000000000000080358**

Title: SWC209 Vehicles

Start Date : September 22, 2023 End Date: December 31, 2024

Is this contract available to local government agencies in addition to State agencies?: Yes

**Authorized Users.** This Contract establishes a source or sources of supply for all Tennessee State Agencies. "Tennessee State Agency" refers to the various departments, institutions, boards, commissions, and agencies of the executive branch of government of the State of Tennessee with exceptions as addressed in Tenn. Comp. R. & Regs. 0690-03-01-.01. The Contractor shall provide all goods or services and deliverables as required by this Contract to all Tennessee State Agencies. The Contractor shall make this Contract available to the following entities, who are authorized to and who may purchase off of this Statewide Contract ("Authorized Users"):

- a. all Tennessee State governmental entities (this includes the legislative branch; judicial branch; and, commissions and boards of the State outside of the executive branch of government);
- b. Tennessee local governmental agencies;
- c. members of the University of Tennessee or Tennessee Board of Regents systems;
- d. any private nonprofit institution of higher education chartered in Tennessee; and,
- e. any corporation which is exempted from taxation under 26 U.S.C. Section 501(c)(3), as amended, and which contracts with the Department of Mental Health and Substance Abuse to provide services to the public (Tenn. Code Ann. § 33-2-1001).

These Authorized Users may utilize this Contract by purchasing directly from the Contractor according to their own procurement policies and procedures. The State is not responsible or liable for the transactions between the Contractor and Authorized Users.

Note: If "no", attach exemption request addressed to the Central Procurement Officer.

**Contract Contact Information:**

State of Tennessee  
Department of General Services, Central Procurement Office  
Contract Administrator: Michael Neely  
3rd Floor, William R Snodgrass, Tennessee Tower  
312 Rosa L. Parks Avenue  
Nashville, TN 37243-1102  
Phone: 615-741-5971  
Fax: 615-741-0684

Line Information

**Line 1**

Item ID: 1000179934  
*Police, Vehicles, Ford, Generic SWC209 Asset*  
Unit of Measure: EA

**Line 3**

Item ID: 1000179936  
*Minivan and Full-size Vans, Ford (Passenger, Cargo, Cut-Away), Generic SWC209 Asset*  
Unit of Measure: EA

**Line 4**

Item ID: 1000179937  
*Sport Utility Vehicles, Ford (SUVs), Generic SWC209 Asset*  
Unit of Measure: EA

**Line 5**

Item ID: 1000179938  
*Light Trucks, Ford (Class 1,2,3,4,5) Pickup or Chassis Cab, Generic SWC209 Asset*  
Unit of Measure: EA

**Line 6**

Item ID: 1000179939  
*Medium Trucks, Ford (Class 6,7) Pickup or Chassis Cab, Generic SWC209 Asset*  
Unit of Measure: EA

**Line 7**

Item ID: 1000179941  
*Optional Equipment, Generic SWC209 Asset*  
Unit of Measure: EA

**Line 8**

Item ID: 1000187744  
*Sedans, Nissan, Generic SWC209 Asset*  
Unit of Measure: EA

**Line 10**

Item ID: 1000187746  
*Sport Utility Vehicles, Nissan (SUVs), Generic SWC209 Asset*  
Unit of Measure: EA

**Line 11**

Item ID: 1000187747

*Light Trucks, Nissan (Class 1,2,3,4,5) Pickup or Chassis Cab, Generic SWC209 Asset*

Unit of Measure: EA

**Line 12**

Item ID: 1000187716

*Police Vehicles, CDJR, Generic SWC209 Asset*

Unit of Measure: EA

**Line 13**

Item ID: 1000187718

*Minivan and Full-size Vans, CDJR(Passenger, Cargo, Cut-Away), Generic SWC209 Asset*

Unit of Measure: EA

**Line 15**

Item ID: 1000187720

*Light Trucks, CDJR(Class 1,2,3,4,5) Pickup or Chassis Cab, Generic SWC209 Asset*

Unit of Measure: EA

**Line 16**

Item ID: 1000187750

*Minivan and Full-size Vans, GMC (Passenger, Cargo, Cut-Away), Generic SWC209 Asset*

Unit of Measure: EA

**Line 17**

Item ID: 1000187751

*Sport Utility Vehicles, GMC (SUVs), Generic SWC209 Asset*

Unit of Measure: EA

**Line 18**

Item ID: 1000187752

*Light Trucks, GMC (Class 1,2,3,4,5) Pickup or Chassis Cab, Generic SWC209 Asset*

Unit of Measure: EA

**Line 19**

Item ID: 1000187723

*Sedans, Chevy, Generic SWC209 Asset*

Unit of Measure: EA

**Line 20**

Item ID: 1000187724

*Minivan and Full-size Vans, Chevy(Passenger, Cargo, Cut-Away), Generic SWC209 Asset*

Unit of Measure: EA

**Line 21**

Item ID: 1000187725

*Sport Utility Vehicles, Chevy (SUVs), Generic SWC209 Asset*

Unit of Measure: EA

Vendor Item/Part #:

Manufacturer Item #:

Unit Price: \$ 0

**Line 22**

Item ID: 1000187726

*Light Trucks, Chevy(Class 1,2,3,4,5) Pickup or Chassis Cab, Generic SWC209 Asset*

Unit of Measure: EA

**Line 23**

Item ID: 1000187727

*Medium Trucks, Chevy(Class 6,7) Pickup or Chassis Cab, Generic SWC209 Asset*

Unit of Measure: EA

**Line 25**

Item ID: 1000187722

*Police Vehicles, Chevy, Generic SWC209 Asset*

Unit of Measure: EA

**Line 26**

Item ID: 1000187740

*Sedans, Toyota, Generic SWC209 Asset*

Unit of Measure: EA

**Line 27**

Item ID: 1000187742

*Sport Utility Vehciles, Toyota, Generic SWC209 Asset*

Unit of Measure: EA

**Line 28**

Item ID: 1000187743

*Light Trucks , Toyota (Class 1,2,3), Generic SWC209 Asset*

Unit of Measure: EA

**Line 29**

Item ID: 1000187741

*Minivan and Full Size Vans, Toyota (Passenger ,Cargo, Cut-Away), Generic SWC209 Asset*

Unit of Measure: EA



Digitally signed by Michael F. Perry  
DN: cn=Michael F. Perry, o=State of  
TN CPO, ou=Department of  
General Services,  
email=Mike.Perry@tn.gov, c=US  
Date: 2024.01.19 12:02:34 -06'00'

APPROVED: \_\_\_\_\_

CHIEF PROCUREMENT OFFICER

**Mike Neely**

Digitally signed by  
Mike Neely  
Date: 2024.01.19  
11:05:01 -06'00'

BY: \_\_\_\_\_

PURCHASING AGENT

DATE \_\_\_\_\_

Item X13.



**AGENDA ACTION FORM**

**Consideration of a Resolution Authorizing an Agreement with Selectron Technologies, Inc for a Master Services and Hosting Agreement for 5-year contracted Upgrade of Software**

To: Board of Mayor and Aldermen  
From: Chris McCartt, City Manager *CM*

Action Form No.: AF-286-2024  
Work Session: October 14, 2024  
First Reading: NA  
Final Adoption: October 15, 2024  
Staff Work By: Finance\IT  
Presentation By: Floyd Bailey

**Recommendation:**  
Approve the Resolution.

**Executive Summary:**  
The city of Kingsport has been using Selectron Technologies solution for over 15 years. It provides the interactive voice bill pay and proactive messaging for our utility billing and customer notifications. This is a renewal and an upgrade to the hosted, managed environment for the Interactive Voice Response (IVR) solution.

The savings for a 5-year contract is **\$220,850.37**. It is recommended that we accept this 5-year agreement. If we renewed yearly the commitment Annual Average is quoted as \$88,804. This calculates to a total 5-year cost of \$444,020.

Our 5-year agreement includes a significant discounts and costs will be:  
Year 1 - \$42,500; Year 2 - \$43,521; Year 3 - \$44,587; Year 4 - \$45,700; Year 5 - \$46,862  
The total cost: \$223,170.00

The funding for this is identified as operational and covered by the Water and Information Technology operating budgets: 411-5002-501-2055 and 110-1013-404-2057

- Attachments:**  
1. Resolution  
2. Contract

	<u>Y</u>	<u>N</u>	<u>O</u>
Baker	—	—	—
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Mayes	—	—	—
Phillips	—	—	—
Montgomery	—	—	—

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT WITH SELECTRON TECHNOLOGIES, INC. FOR AN UPGRADE FOR THE INTERACTIVE VOICE RESPONSE (IVR) SOLUTION

WHEREAS, staff recommends entering into an agreement with Selectron Technologies, Inc. for an upgrade to the hosted, managed environment for the Interactive Voice Response (IVR) solution; and

WHEREAS, Selectron Technologies provides the interactive voice bill pay and proactive messaging for the City's utility billing and customer notifications; and

WHEREAS, the term of the contract is for five years in an amount not to exceed \$223,170.00; and

WHEREAS, the funding is available in the following accounts: # 411-5002-501-2055 and # 110-1013-404-2057.

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That the agreement with Selectron Technologies, Inc. for an upgrade to the hosted, managed environment for the Interactive Voice Response (IVR) solution is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, the Agreement with Selectron Technologies, Inc. to deliver the agreement and take any and all action as may be required on the part of the city to carry out, give effect to, and consummate the transactions contemplated by the agreement and this resolution.

SECTION III. That the board finds that the actions authorized by this resolution are for a public purpose and will promote the health, comfort, and prosperity of the citizens of the city.

SECTION IV. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 15th day of October, 2024.

\_\_\_\_\_  
PAUL W. MONTGOMERY, MAYOR

ATTEST:

\_\_\_\_\_  
ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

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RODNEY B. ROWLETT, III, CITY ATTORNEY





## Master Services and Hosting Agreement

This Master Services and Hosting Agreement (this “**Agreement**”) by and between Selectron Technologies, Inc., an Oregon corporation having a principal place of business at 13535 SW 72<sup>nd</sup> Avenue, Suite 200, Portland, OR 97223, and its successors and assigns (“**Selectron**”), and Kingsport, TN (“**Licensee**”).

### Recitals

**Whereas**, as between Selectron and Licensee, Selectron is the owner of all rights, titles, and interest in and to certain software and materials, identified more particularly in this Agreement as the “**Licensed Software**”; and

**Whereas**, Selectron wishes to grant to Licensee, and Licensee desires to obtain from Selectron, certain rights to access and use, and to permit authorized Licensee employees to access and use the Licensed Software through Selectron’s application hosting service, as more particularly described below and in accordance with the terms and conditions of this Agreement.

**Now, Therefore**, in consideration of the mutual promises and covenants contained herein, the parties agree to the following terms and conditions, which set forth the rights, duties and obligations of the parties:

### Agreement

#### 1. Definitions

For purposes of this Agreement, the following terms shall have the following meanings. Any capitalized terms used in this Agreement that are not defined in this Section 1 shall have the meaning given to them elsewhere in this Agreement.

**1.1 “Aggregate Data”** means information, data, and statistics about a group of individuals, organizations, or transactions that cannot be used to identify Licensee or a particular individual, including Licensee Data that has been de-identified and anonymized and combined with data about other individuals and transactions.

**1.2 “Authorized User”** means an Employee that Licensee provides with access to the Licensed Software.

**1.3 “Customer Tools”** means the Licensed Software components and interfaces that, as described in the Documentation, are designed and intended to be accessed by customers of Licensee through an application that is set up and maintained as part of the Services and/or Licensee’s website.

**1.4 “Derivative Work”** shall mean a new or modified work that is based on or derived from a preexisting work, including, without limitation, a work that

in the absence of a license, would infringe the Intellectual Property Rights associated with such preexisting work.

**1.5 “Documentation”** shall mean the standard documentation for the Licensed Software, as generally provided by Selectron to its other customers.

**1.6 “Employee”** shall mean a then-current employee of Licensee.

**1.7 “Intellectual Property Rights”** shall mean all rights associated with (a) patents, designs, algorithms, and other industrial property rights; (b) works of authorship, including copyrights, “moral rights”, and derivative works thereof; (c) the protection of trade and industrial secrets and confidential information; (d) Trademarks (as defined herein); (e) all other intellectual and industrial property rights (of every kind and nature throughout the world and however designated), whether arising by operation of law, contract, license, or otherwise; and (f) all registrations, initial applications, divisions, continuations, renewals, extensions, divisions, and re-issuances of any of the foregoing, now existing or acquired in the future.

**1.8 “Licensed Software”** shall mean, collectively, (a) the software programs that are listed in Exhibit A and further described in Exhibit C; (b) the Documentation; and (c) any Updates.

**1.9 “Licensee Data”** means structured data about and identifiable to customers of Licensee, including without limitation data about transactions between such customers and Licensee, (a) that Licensee provides to Selectron to enable Selectron to provide the Licensed Software and the Services, (b) that Selectron collects from Licensee’s customers to facilitate payments by those customers to Licensee, or (c) that Selectron otherwise collects or creates, including by automated means, in the course of performing the Services or providing the Licensed Software to Licensee.

**1.10 “PCI Data”** means Cardholder Data (including, without limitation, Primary Account Number, cardholder name, expiration date, and Service Code) and Sensitive Authentication Data (including without limitation full magnetic stripe data or the equivalent on a chip, CAV2/CVC2/CW2/CID, PINs/PIN block), as such terms are defined by the PCI Security Standards Council.

**1.11 “Security Incident”** means a breach of security resulting in an unauthorized third party gaining access to Licensee Data if (a) such breach creates a substantial risk of harm to Licensee or any individual(s) and (b) the Licensee Data was accessed in unencrypted, usable, or readable form or it is reasonably likely that the unauthorized third party has acquired or will acquire the decryption key or other means of converting the Licensee Data to readable or usable form.

**1.12 “Services”** means the outbound call management, customization, training, set-up, configuration, or other services listed in Exhibit A and further described in Exhibit C hereto, the Technical Support Services, and any other services Selectron provides to Licensee as described herein.

**1.13 “Technical Support Services”** means the maintenance and technical support services described in Exhibit B hereto.

**1.14 “Term”** shall have the meaning set forth in Section 11.1.

**1.15 “Trademarks”** shall mean (a) the trademarks, trade names, and service marks used by a party, whether registered or unregistered; (b) the respective stylistic marks and distinctive logotypes for such trademarks, trade names, and service marks; (c) such other marks and logotypes as either party may designate from time to time in writing; and (d) the goodwill connected with the use of and symbolized by any of the foregoing.

**1.16 “Updates”** shall mean any modifications, error corrections, bug fixes, new releases, or other updates of or to Licensed Software, including the Documentation, that may be provided or otherwise made available hereunder by Selectron to Licensee during the Term.

**1.17 “Work Product”** means any and all work product, deliverables, materials, drawings, works of authorship, creative works, designs, inventions, documentation, methods, processes, techniques, software, reports, or data created or developed by Selectron in the course of performing the Services or providing the Licensed Software, excluding Licensee Data.

## **2. Grant of License; Restrictions**

**2.1 Grant of License to Use Licensed Software.** Subject to the terms and conditions of this Agreement, including the End User License Agreement (“EULA”) attached hereto as Exhibit D which is incorporated into and made a part hereof, and the timely payment of all fees hereunder, Selectron hereby grants to Licensee a non-exclusive, nontransferable, nonsublicensable, limited license, during the Term, to access and use the Licensed Software solely in accordance with the Documentation and the EULA and solely for Licensee’s own internal business use. Except as set forth in this Section 2.1 or the EULA, no other right or license of any kind is granted by Selectron to Licensee hereunder with respect to the Licensed Software.

**2.2 Software Restrictions.** Licensee hereby acknowledges and agrees that it shall not use the Licensed Software for any purpose other than the purpose for which Selectron has developed the Licensed Software, and that it shall use the Licensed Software in accordance with the EULA and all applicable laws, rules, and regulations. In the event of any violation of this Section 2.2 or the terms of the EULA by Licensee or any person Licensee provides with access to the Licensed Software (whether or not such person is an Authorized User), Selectron may terminate this Agreement in accordance with Section 11.2, and shall be entitled to equitable relief in accordance with Section 12.5.

**2.3 Data Restrictions.** Selectron hereby acknowledges that the Licensee Data may contain sensitive, personally-identifiable information. Selectron will not disclose Licensee Data to any third-party except as required to perform its obligations under this Agreement (e.g., transmittal of PCI Data to Licensee’s designated payment gateway) and will maintain and use the Licensee Data only for purposes of performing its obligations under

this Agreement. Except as otherwise expressly provided herein, Selectron will promptly delete any Licensee Data that Licensee requests in writing to be deleted (except for data retention required by law).

#### **2.4 Rights in Aggregate Data.**

Notwithstanding Section 2.3, Selectron may, (a) during the term of this Agreement, use and analyze the Licensee Data to generate Aggregate Data and (b) during and after the term of this Agreement, retain, use, publish, and otherwise disclose Aggregate Data without restriction, so long as the Aggregate Data is disclosed in a form in which it cannot be used to identify Licensee or any particular individual(s). By way of example and without creating any limitation, Selectron may analyze the Licensee Data along with data gathered from other sources to generate statistics and analytics about success rates of municipalities in collecting payments in response to application notification calls.

### **3. Deliverables and Services**

**3.1 Services.** Selectron shall perform the Services described in Exhibit A and Exhibit C and the Technical Support Services described in Exhibit B in accordance with the terms of this Agreement.

**3.2 Delivery, Testing, and Acceptance.** All deliveries of equipment or physical goods required under this Agreement shall be F.C.A. Selectron's facilities. Selectron shall provide Licensee with the Documentation and access to the Licensed Software according to the delivery, testing, and acceptance schedule and terms and conditions set forth in Exhibit A and Exhibit C. Unless a testing period of different duration is set forth in Exhibit A or Exhibit C, Licensee shall have a testing period of thirty (30) days from the date of delivery of any Licensed Software, including any customized Licensed Software, to inspect and test the Licensed Software. If Licensee provides Selectron with written notice during the applicable testing period describing the Licensed Software's failure to substantially comply with the limited warranty set forth in Section 7.3 in sufficient detail to enable Selectron to reproduce such failure, the Service Fees for the non-conforming Licensed Software shall be suspended until Selectron corrects any such substantial non-conformity. If Licensee does not provide such notice during the testing period, the Licensed Software shall be deemed accepted, and Licensee's sole remedy for any non-conformance shall be the Technical Support Services provided hereunder.

**3.3 Authorized Users; Licensee Identification and Passwords.** Except as provided in

Section 3.4, Licensee shall not permit any person to access the Licensed Software other than Employees whom Licensee has designated as Authorized Users. Each individual natural person shall be a separate Authorized User for purposes of this Agreement. Licensee shall create or request that Selectron create unique log-in credentials, consisting of a "User Identification" and "User Password", for each individual Authorized User who shall be accessing the Licensed Software. Licensee hereby acknowledges that Licensee and its Authorized Users bear sole responsibility for protecting the confidentiality of all User Passwords and shall remain fully responsible and liable for (and Selectron shall not be responsible or liable for) any unauthorized use of any User Identifications or User Passwords. Licensee shall not share or disclose, and shall not permit any Authorized User to share or disclose, such Authorized User's log-in credentials with or to any other individual or entity, even if such other individual is also an Authorized User. A User Identification may not be transferred from one Authorized User to another Authorized User. Licensee shall promptly terminate (or cause to be terminated by requesting that Selectron terminate) the User Identification for any individual who ceases to be an Authorized User for any reason, including without limitation due to termination of such individual's employment with Licensee. Licensee shall promptly notify Selectron if it discovers or suspects that any log-in credentials have been accessed or used by any person other than the Authorized User to which such log-in credentials were granted, in which case Selectron shall promptly reset or provide Licensee with a means of resetting the password associated with such log-in credentials.

**3.4 Customer Tools.** Licensee may permit its customers to access and use the Customer Tools solely through Licensee's website and/or an application that is set up and maintained as part of the Services, and solely for the purpose of enabling such customers to (a) receive notifications sent by or on behalf of Licensee, (b) make payments to Licensee, (c) view their invoices from Licensee and history of payments to Licensee, and (d) update their contact information with Licensee.

**3.5 Hosting.** During the Term, Selectron and/or its designees shall host and maintain the Licensed Software, and provide access thereto, subject to the terms and conditions of this Agreement and the EULA.

**3.6 Updates, Maintenance, and Technical Support.** During the Term, Selectron shall provide Licensee with Updates as they are made generally available by Selectron to its other customers, as well as

maintenance and technical support, in accordance with the terms and conditions set forth in Exhibit B. Any Update provided or made available by Selectron hereunder shall be deemed part of the Licensed Software and shall be subject to the terms and conditions of this Agreement.

**3.7 Other Modifications to the Licensed Software.** Licensee understands and agrees that Selectron may make modifications and updates to the Licensed Software from time to time. Selectron may determine in its sole discretion whether to provide such modifications and updates to Licensee and its other customers as an Update hereunder, or whether such modifications and updates will be issued as a separate or new product or premium version of the Licensed Software that is available only at an additional charge.

**3.8 Further Licensee Obligations.** Licensee shall be solely responsible for acquiring and maintaining, at its own expense, the necessary equipment and Internet and telecommunication services required to access the Licensed Software and the Services. Licensee acknowledges that Selectron shall have no obligation to assist Licensee in using or accessing the Licensed Software or the Service except as expressly set forth in this Agreement.

#### **4. Fees and Payment**

**4.1 Service Fees.** Licensee shall pay to Selectron service fees (“**Service Fees**”) in the amounts and according to the terms and conditions set forth in Exhibit A. In addition to the payment of Service Fees, unless different terms are provided for in Exhibit A, Licensee agrees to reimburse Selectron for all actual, documented and reasonable travel and out-of-pocket expenses incurred by Selectron in connection with the performance of any Services.

**4.2 Payment Terms.** Unless different payment terms are set forth in Exhibit A, all fees and expenses payable hereunder shall be due thirty (30) days from the date of invoice, and any amounts not paid when due will incur late fee charges at the rate of 1.5% per month, or the maximum rate permitted by applicable law, whichever is lower, calculated on a daily basis. If any amounts are past due and outstanding, Selectron reserves the right to suspend the licenses granted hereunder, suspend access to the Licensed Software, and discontinue the Services until all outstanding amounts are paid. Selectron is entitled to recover all costs of collection, including attorney’s fees and related expenses.

**4.3 Disputed Amounts.** Any disputed charges must be presented by Licensee to Selectron in writing within fifteen (15) days of the date of invoice, and the parties agree to cooperate in good faith to promptly resolve any disputed invoice within fifteen (15) days of Selectron’s receipt of Licensee’s written notice of dispute. In the event Licensee disputes any amounts invoiced by Selectron in good faith, the undisputed amount shall be paid when due, and only disputed amounts shall be withheld pending resolution of the dispute. If payment of a disputed amount has already been made and later resolution of the dispute is in Licensee’s favor, a credit will be issued by Selectron to Licensee on the next invoice.

**4.4 Fee Increases.** During the Initial Term, the Service Fees set forth in Exhibit A shall apply. After the Initial Term (as defined in Section 11.1 below), Selectron may increase or change its fees by providing Licensee with notice of such increase or change at least ninety (90) days prior to the effective date of such increase or change. Licensee’s sole alternative to such fee increase or change shall be to terminate this Agreement by providing notice of termination to Selectron within twenty (20) days after receipt of the notice of price increase or change, which termination will become effective thirty (30) days after such written notice of termination.

**4.5 Taxes.** All prices set forth in this Agreement are in U.S. Dollars and are exclusive of any applicable taxes. Licensee shall pay, indemnify, and hold Selectron harmless from all import and export duties, customs fees, levies, or imposts, and all sales, use, value added, or other taxes or governmental charges of any nature, including penalties and interest, and all government permit or license fees assessed upon or with respect to any products sold, leased, or licensed to Licensee and any services rendered to Licensee; provided, however, that Licensee shall not be responsible for paying any taxes imposed on, or with respect to, Selectron’s income, revenues, gross receipts, personnel, or real or personal property or other assets.

#### **5. Proprietary Rights**

As between Selectron and Licensee, Selectron and/or its licensors own and shall retain all right, title and interest, including, without limitation, all Intellectual Property Rights in and to the Licensed Software and any Work Product resulting from performance of the Services and any portions thereof, including without limitation any copy or Derivative Work of the Licensed Software (or any portion thereof) and any Updates and upgrades thereto. Licensee agrees to take any action reasonably requested

by Selectron to evidence, maintain, enforce, or defend the foregoing. Licensee shall not take any action to jeopardize, encumber, limit, or interfere in any manner with Selectron's or its licensors' ownership of and rights with respect to the Licensed Software or Service, or any Derivative Work or Update or upgrade thereto. The Licensed Software and any Work Product are licensed, not sold, and Licensee shall have only those rights in and to the Licensed Software and Work Product and any Derivative Work or Update or upgrade thereto as are expressly granted to it under this Agreement, including the EULA.

## 6. Proprietary Information

During the Term of this Agreement and after the termination of this Agreement, the parties will take all steps reasonably necessary to hold the other party's Proprietary Information in confidence, will not use the disclosing party's Proprietary Information in any manner or for any purpose not expressly set forth in this Agreement, and will not disclose any such Proprietary Information to any third party without the disclosing party's express prior written consent; provided, however, that each party (the "**receiving party**") may disclose Proprietary Information of the other party (the "**disclosing party**") (a) to such receiving party's employees, directors, officers, contractors, and agents (collectively, "**Representatives**") who have a need to know such information and who have been advised of and have agreed to comply with the confidentiality restrictions contained in this Section 6 and (b) to such third parties as are authorized or directed by the disclosing party in writing. Each party shall be responsible and liable for the actions and omissions of its Representatives. "**Proprietary Information**" belonging to a disclosing party includes, but is not limited to, such disclosing party's (a) trade secrets, inventions, ideas, processes, formulas, source and object codes, data, other works of authorship, know-how, improvements, discoveries, developments, designs, and techniques; (b) information regarding its plans for research, development, new products, marketing and selling, budgets and unpublished financial statements, licenses, prices and costs, suppliers and customers; (c) information regarding the skills and compensation of employees, and (d) other information about or belonging to such disclosing party that the receiving party should reasonably know, due to the nature of the information or the circumstances surrounding its disclosure, is regarded by the disclosing party as confidential. Proprietary Information includes reports, analyses, notes, and other information or materials that contain or are derived using the disclosing party's Proprietary Information, even if developed in whole or in part by the receiving party.

For clarity, information about the Licensed Software, including information about its features, functionality, and pricing, are and shall remain the Proprietary Information of Selectron. For further clarity, Licensee Data is and shall remain the Proprietary Information of Licensee.

Notwithstanding the foregoing, information will not be considered to be Proprietary Information if (a) it is readily available to the public other than by a breach of this Agreement; (b) it has been rightfully received by the receiving party from a third party without confidentiality limitations; (c) it has been independently developed by the receiving party without reference to or use of the disclosing party's Proprietary Information; or (d) it was rightfully known to the receiving party prior to its first receipt from the disclosing party. The receiving party shall be entitled to disclose the disclosing party's Proprietary Information if required by law or a judicial order; provided that the receiving party first provides prompt notice of the required disclosure to the disclosing party, and complies with any protective or similar order obtained by the disclosing party limiting the required disclosure.

## 7. Representations and Warranties; Warranty Disclaimer.

**7.1 Mutual Representations.** Each party represents and warrants to the other party that the execution, delivery and performance of this Agreement (a) is within its corporate, municipal, or governmental powers, as the case may be (b) has been duly authorized by all necessary corporate, municipal, or governmental action on such party's part, and (c) does not and shall not contravene or constitute a default under, and is not and shall not be inconsistent with, any law, regulation, judgment, decree or order, or any contract, agreement, or other undertaking, applicable to such party.

**7.2 Limited Software Warranty and Exclusive Remedy.** Subject to the limitations set forth in this Agreement, Selectron represents and warrants to Licensee that the Licensed Software, when used in accordance with the Documentation, shall throughout the Term substantially conform to the functional specifications in such Documentation. If Licensee finds what it reasonably believes to be a failure of the Licensed Software to substantially conform to the functional specifications in the Documentation, and provides Selectron with a written report that describes such failure in sufficient detail to enable Selectron to reproduce such failure, Selectron shall use commercially reasonable efforts to correct or provide a workaround for such failure at no additional charge to Licensee in accordance with

Exhibit B hereto. Outside the United States, this limited warranty is only available with proof of purchase from an authorized source. EXCEPT FOR THE EXPRESS WARRANTY ABOVE, SELECTRON PROVIDES THE LICENSED SOFTWARE TO LICENSEE "AS IS" AND "AS AVAILABLE." SELECTRON MAKES NO WARRANTY THAT ALL ERRORS, FAILURES, OR DEFECTS SHALL BE CORRECTED, OR THAT ACCESS TO OR USE OF THE LICENSED SOFTWARE SHALL BE UNINTERRUPTED, ERROR-FREE, OR SECURE. NO ORAL OR WRITTEN INFORMATION OR ADVICE PROVIDED BY SELECTRON, ITS AGENTS, OR ITS EMPLOYEES, SHALL CREATE ANY WARRANTY OR IN ANY WAY INCREASE THE SCOPE OF THE WARRANTIES EXPRESSLY PROVIDED IN THIS AGREEMENT. This Section states the entire liability of Selectron and the sole and exclusive remedy of Licensee with respect to any breach of the foregoing express warranty.

**7.3 Limited Services Warranty and Exclusive Remedy.** Subject to the limitations set forth in this Agreement, Selectron warrants that the Services shall be performed in a professional and workmanlike manner. Selectron's sole obligation, and Licensee's exclusive remedy for breach of the foregoing warranty, is that Selectron shall use its commercially reasonable efforts to re-perform the Services or otherwise cure such breach. If, in Selectron's sole judgement, curing the breach is not commercially feasible, Selectron shall credit Licensee for a portion of the fees allocable to the affected period of time that is proportionate to the period the Services or Licensee's ability to access or use the Licensed Software was impaired.

**7.4 Disclaimer of Other Warranties.** THE EXPRESS WARRANTIES SET FORTH IN THIS SECTION 7 AND SECTION 8.5 CONSTITUTE THE ONLY WARRANTIES MADE BY SELECTRON WITH RESPECT TO THE LICENSED SOFTWARE AND THE SERVICES AND ANY OTHER SUBJECT MATTER OF THIS AGREEMENT. SELECTRON MAKES NO OTHER, AND HEREBY DISCLAIMS ALL OTHER, REPRESENTATIONS, WARRANTIES, OR CONDITIONS OF ANY KIND, WHETHER EXPRESS, IMPLIED (EITHER IN FACT OR BY OPERATION OF LAW), OR STATUTORY, WITH RESPECT TO THE LICENSED SOFTWARE, THE SERVICES, OR ANY OTHER SUBJECT MATTER OF THIS AGREEMENT. SELECTRON EXPRESSLY DISCLAIMS ALL WARRANTIES OR CONDITIONS OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, AND NONINFRINGEMENT, AND ALL WARRANTIES THAT MAY ARISE FROM COURSE OF DEALING, COURSE OF PERFORMANCE, OR USAGE OF TRADE. SELECTRON DOES NOT WARRANT THAT ANY USE OF OR ACCESS TO THE LICENSED SOFTWARE SHALL BE ERROR-FREE OR SECURE, OR THAT OPERATION OF THE

LICENSED SOFTWARE SHALL BE UNINTERRUPTED, AND HEREBY DISCLAIMS ANY AND ALL LIABILITY IN CONNECTION THEREWITH. LICENSEE ACKNOWLEDGES THAT IT HAS RELIED ON NO WARRANTIES OTHER THAN THE EXPRESS WARRANTIES IN SECTION 7 AND SECTION 8.5 OF THIS AGREEMENT.

**7.5 Defects Not Covered by Warranties.**

Selectron shall have no obligations under Section 7.2 to the extent any nonconformance or failure of, or error in, the Licensed Software is caused by (a) use of any attachment, feature, hardware, software, or device in connection with the Licensed Software, or combination of the Licensed Software with any other materials or service, unless the combination is performed by Selectron; (b) transportation, neglect, misuse, or misapplication of the Licensed Software, or any use of the Licensed Software that is not in accordance with this Agreement, the EULA, and/or the Documentation; (c) alteration, modification, or enhancement of the Licensed Software, except as may be performed by Selectron; (d) failure to provide a suitable use environment for all or any part of the Licensed Software; or (e) failure to maintain systems and environments that are compatible with Updates.

**8. Security**

**8.1 Internet Security.** Selectron's Licensed Software is made available through the Internet and may be used to access and transfer information over the Internet. Licensee is solely responsible for the security and integrity of information it transfers from the Licensed Software, if any. Selectron makes no representations or warranties to Licensee regarding (a) the security or privacy of Licensee's network environment, or (b) any third-party technologies' or services' ability to meet Licensee's security and privacy needs. These third-party technologies and services may include, but are not limited to, operating systems, database management systems, web servers, and payment processing services. Licensee is solely responsible for ensuring a secure environment for information it transfers from the Licensed Software, if any. Further, Licensee acknowledges and agrees that Selectron does not operate or control the Internet and that Selectron shall have no responsibility or liability in connection with a breach of security or privacy regarding the Licensed Software or information contained therein that is caused by (a) viruses, worms, Trojan horses, or other undesirable data or software; (b) unauthorized users, e.g., hackers; or (c) any other third party or activity beyond Selectron's reasonable control; in each of the foregoing cases, except to the extent caused by Selectron's breach of Section 8.4 or 8.5.

**8.2 Remote Access Security.** In order to enable code development and support and maintenance of the software, Selectron may require remote access capability. Remote access is normally provided by installing PC-Anywhere, ControllIT, or other industry standard remote access software. It may also be provided through a Licensee solution such as VPN access. Regardless of what method is used to provide remote access, or which party provides remote access software, it is Licensee's responsibility to ensure that the remote access method meets Licensee's security requirements. Selectron makes no representations or warranties to Licensee regarding the remote access software's ability to meet Licensee's security or privacy needs. Selectron also makes no recommendation for any specific package or approach with regard to security. Licensee is solely responsible for ensuring a secure network environment.

**8.3 Outbound Services Disclaimer.** Outbound services are intended to create additional methods of communication for Licensee's employees who use the Licensed Software in support of existing processes. These services are not intended to replace all interaction with Licensee's end users or employees. While the outbound services have been created with the best available tools and practices, they are dependent on infrastructure that is inherently not fail-proof, including but not limited to infrastructure such as software, computer hardware, network services, telephone services, and e-mail. Examples of situations that could cause failure include but are not limited to: down phone lines, all lines busy, equipment failure, email address changes, and Internet service disruptions. For this reason, while outbound services are valuable in providing enhanced communication, they are specifically not designed to be used as the sole method to deliver critical messages. Licensee acknowledges that it is aware of the potential hazards associated with relying on an automated outbound service feature, when using the Licensed Software, and Licensee acknowledges and agrees that it is giving up in advance any right to sue or make any claim against Selectron, and that Licensee forever releases Selectron from any and all liability caused by (a) any failed call attempts (including excess of calls over and above network or system capacity), incomplete calls, or any busy-outs; (b) any failure to transmit, obtain or collect data from callers or for human and machine errors, faulty or erroneous input, inarticulate caller communication, caller delays or call lengths exceeding estimated call lengths or omissions, delays and losses in connection with the Services provided hereunder; or (c) if Licensee, Licensee's employees, or Licensee's end user suffer injury or damage due to the failure of outbound services to operate, even

though Licensee does not know what or how extensive those injuries or damages might be, unless such losses were directly attributable to Selectron's gross negligence or willful misconduct.

**8.4 Privacy and Security Standards.** Selectron agrees that it will gather, collect, receive, generate, store, use, maintain, transmit, process, import, export, transfer and disclose the Licensee Data substantially in compliance with applicable data protection, security, breach notification and privacy laws, rules, regulations and industry standards to which Selectron is subject. Selectron shall, at all times, use reasonable measures to protect the confidentiality of the Licensee Data in its possession or care, including technical, administrative, and physical safeguards that are appropriate given the nature of the Licensee Data.

**8.5 PCI Compliance.** Selectron warrants that, during the Term of this Agreement, (a) all system components, people, processes, and the cardholder data environment that are used in Selectron's collection, transmittal, or other processing of PCI Data on behalf of Licensee are and shall remain compliant with the applicable provisions of PCI DSS; and (b) Selectron PayEngine™, Selectron's proprietary payment application, is and shall remain compliant with PA-DSS. On an annual basis or upon Licensee's request, Selectron shall provide Licensee with an Attestation of Compliance or Attestation of Validation confirming such compliance.

**8.6 Incident Response.** In the event Selectron becomes aware of a confirmed or suspected Security Incident involving the unauthorized disclosure or theft of PCI Data, Selectron shall (a) notify Licensee, (b) cooperate in any investigation, (c) promptly take reasonable measures to prevent further unauthorized access or use of the Licensee Data, (d) cooperate with Licensee's notification to affected individuals if such notification is required by applicable law or regulation, and (e) perform all such other acts, or cooperate with Licensee's performance of all such other acts, that are required with respect to such Security Incident by applicable law or regulation.

**8.7 Limited Scope of PCI Data Processing.** The parties acknowledge that Selectron's sole processing of PCI Data on behalf of Licensee shall consist of (a) collecting PCI Data needed to facilitate payments to Licensee, (b) transmitting such PCI Data to a third party payment gateway designated by Licensee, and (c) receiving confirmation via the payment gateway that the payment transaction has been completed. After

transmittal of PCI Data to the payment gateway, Selectron will not retain, store, or continue to use or process such PCI Data.

**8.8 Data Transfers Between Licensee and Selectron.** The parties acknowledge that, to facilitate providing the Services and the Licensed Software, Selectron and Licensee shall regularly transfer Licensee Data to each other. Licensee, not Selectron, is responsible for providing and maintaining a secure file transfer protocol for such transfer of Licensee Data, and shall be responsible for maintaining the security of the system components, environment, and procedures of such file transfer protocol.

**8.9 Licensee's Privacy Practices.** Licensee acknowledges that the Licensee Data includes information about individuals with whom Licensee, rather than Selectron, has direct relationships. Therefore, it is Licensee's obligation, and not Selectron's obligation, to provide any privacy notices or disclosures to, and obtain any consent from, such individuals as may be required by applicable law with respect to processing of the Licensee Data by Selectron on Licensee's behalf. Licensee represents, warrants, and covenants to Selectron that (a) Licensee has the authority to transmit the Licensee Data to Selectron; and (b) Selectron's collection, storage, transmittal, and other processing of the Licensee Data on behalf of Licensee, as described in the Documentation and this Agreement, does not and will not violate any applicable laws, regulations, ordinances, contracts, policies, orders, or decrees to which Licensee is subject.

## 9. Indemnification

**9.1 Infringement Indemnity Obligations of Selectron.** Selectron shall defend any action brought against Licensee to the extent it is based on a third party claim that use by Licensee of the Licensed Software as furnished hereunder, which use is in accordance with the terms and conditions of this Agreement, directly infringes or misappropriates any valid United States patent, copyright, or trade secret. Selectron shall pay any liabilities, costs, damages, and expenses (including reasonable attorney's fees) finally awarded against Licensee in such action that are attributable to such claim. Licensee agrees to promptly notify Selectron of any known or suspected infringement or misappropriation of Selectron's proprietary rights of which Licensee becomes aware. Should the Licensed Software become, or be likely to become in Selectron's opinion, the subject of any claim of infringement, Selectron may, at its option (a) procure for Licensee the right to continue using the potentially

infringing materials; (b) replace or modify the potentially infringing materials to make them non-infringing; or (c) terminate this Agreement and provide Licensee with a refund equal to the set-up fees paid by Licensee, less an amount equal to the depreciated portion of such fees calculated on a five (5) year straight-line basis. This Section 9.1 states the entire liability of Selectron and the exclusive remedy of Licensee with respect to infringement of any third-party intellectual property or other rights, whether under theory of warranty, indemnity, or otherwise.

**9.2 Infringement Indemnity Obligations of Licensee.** Selectron shall have no liability for any claim based upon (a) the use, operation, or combination of the Licensed Software with non-Selectron programs, data, equipment, or documentation if liability would have been avoided but for such use, operation, or combination; (b) use of other than the then-current, unaltered version of the Licensed Software that incorporates all Updates; (c) Licensee's or its agents' or Employees' activities after Selectron has notified Licensee that Selectron believes such activities may result in infringement; (d) any modifications to or markings of the Licensed Software that are not specifically authorized in writing by Selectron; (e) any third party software; (f) any Licensee Data; or (g) Licensee's breach or alleged breach of this Agreement. Licensee shall indemnify, defend, and hold Selectron harmless for, from and against all liabilities, costs, damages, and expenses (including reasonable attorney's fees) awarded against or incurred by Selectron in such action(s) that are attributable to such claim.

**9.3 Security Related Indemnity Obligations of Selectron.** If an investigation performed by a qualified third party forensic investigator confirms that a Security Incident was caused solely by an act or omission of Selectron, including any security vulnerability in system components, procedures, or environments owned or controlled by Selectron, then Selectron shall defend, indemnify, and hold harmless Licensee for, from and against all liabilities, costs, damages, fines, penalties, and expenses (including reasonable attorney's fees) incurred by Licensee as a result of such Security Incident, including the reasonable costs of investigation and reasonable costs of notification to affected individuals and providing credit monitoring or other fraud prevention services, but only to the extent such notification, credit monitoring, or other fraud prevention services are required by applicable laws, regulations, a court order or consent decree, or the terms of a settlement and release of claims arising from such Security Incident that Selectron has consented to (collectively, "**Losses**").



**9.4 Security Related Indemnity Obligations of Licensee.** Selectron shall have no liability or obligation to defend or indemnify Licensee with respect to any Losses caused by Licensee's breach of Sections 8.8 or 8.9 or any Security Incident to the extent caused in whole or in part by an act or omission of Licensee or any third party (other than Selectron's subcontractors) or any of their affiliates, employees, directors, officers, agents, or contractors (other than Selectron), including without limitation any of the following acts or omissions: (a) their loss of control of any device, (b) their failure to maintain the confidentiality of log-in credentials, (c) their transmission of data via methods that are not secure, (d) their failure to maintain systems and environments that are compatible with any Update, (e) their violation of the applicable terms of this Agreement or any applicable laws, regulations, or industry standards, or (f) any vulnerability in their environment, systems, hardware, software, or physical or administrative security safeguards or procedures, including without limitation any vulnerability in the file transfer protocol maintained by Licensee pursuant to Section 8.8. Licensee shall indemnify, defend, and hold harmless Selectron for, from and against all Losses arising from any such Security Incident or Licensee's breach of Sections 8.7 or 8.8, including without limitation any expenses incurred by Selectron in complying with its obligations under Section 8.5.

**9.5 Conditions for Indemnification.** The parties' indemnification obligations hereunder shall apply only if (a) the party to be indemnified (the "indemnitee" notifies the party obligated to indemnify them (the "indemnitor") in writing of a claim promptly upon learning of or receiving the same; and (b) the indemnitee provides the indemnitor with reasonable assistance requested by the indemnitor, at the indemnitor's expense, for the defense and settlement, if applicable, of any claim. The indemnitee's failure to perform any obligations or satisfy any conditions under this Section 9.5 shall not relieve the indemnitor of its obligations hereunder except to the extent that the indemnitor can demonstrate that it has been materially prejudiced as a result of such failure.

**9.6 Control of Defense.** After receipt of notice of a claim, the indemnitor shall be entitled, if it so elects, at its own cost, risk and expense (a) to take control of the defense and investigation of such lawsuit or action; and (ii) to employ and engage attorneys of its own choice to handle and defend the same; *provided, however*, that the indemnitee's consent shall be required for any settlement that does not include a full release of all claims. If the indemnitor fails to assume the defense of such claim within ten (10) business days after receipt of notice of the

claim, the indemnitee will (upon delivering notice to such effect to the indemnitor) have the right to undertake, at the indemnitor's cost and expense, the defense, compromise or settlement of such claim on behalf of and for the account and risk of the indemnitor; provided, however, that such claim shall not be compromised or settled without the written consent of the indemnitor. The party that assumes control of the defense of the claim will keep the other party reasonably informed of the progress of any such defense, compromise or settlement. Notwithstanding the foregoing, the indemnitee shall be entitled to conduct its own defense at the cost and expense of the indemnitor if the indemnitee establishes that the conduct of its defense by the indemnitor would reasonably be likely to prejudice materially the indemnitee due to a conflict of interest between the indemnitee and the indemnitor; and provided further that in any event, the indemnitee may participate in such defense at its own expense.

## **10. Limitation of Liability**

**10.1 Limited Remedy.** EXCEPT AS EXPRESSLY PROVIDED HEREIN, TO THE MAXIMUM EXTENT ALLOWED BY APPLICABLE LAW, IN NO EVENT SHALL SELECTRON OR ITS SUPPLIERS OR LICENSORS BE LIABLE FOR, OR BE OBLIGATED TO INDEMNIFY LICENSEE FOR, ANY LOSS OF PROFITS, LOSS OF BUSINESS, LOSS OF USE OR DATA, OR INTERRUPTION OF BUSINESS, OR FOR INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY, OR PUNITIVE DAMAGES OF ANY KIND OR OTHER ECONOMIC LOSS ARISING FROM OR RELATING TO THIS AGREEMENT OR THE SUBJECT MATTER HEREOF, EVEN IF SELECTRON HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, HOWEVER CAUSED.

**10.2 Maximum Liability.** Notwithstanding anything in this Agreement to the contrary or the failure of essential purpose of any limited remedy or limitation of liability, Selectron's entire liability arising from or relating to this Agreement or the subject matter hereof, under any legal theory (whether in contract, tort or otherwise), shall not exceed the amounts actually received by Selectron from Licensee hereunder in the twelve (12) months immediately preceding the action that gave rise to the claim. Licensee acknowledges that the Service Fees reflect the allocation of risk set forth in this Agreement and that Selectron would not enter into this Agreement without the limitations on liability set forth in this Agreement.

## **11. Term and Termination**

**11.1 Term.** The term of this Agreement shall commence on the Effective Date and continue for an initial period of five (5) years therefrom (the “**Initial Term**”), and shall automatically renew for successive one (1) year periods unless either party notifies the other of its intention not to renew at least ninety (90) days before the end of the then-current term (collectively, the “**Term**”). If Licensee cancels prior to the end of the Initial Term of five (5) years, all fees for the Initial Term of this agreement that are unpaid will become immediately due.

**11.2 Termination for Default.** If either party materially defaults in any of its obligations under this Agreement, the non-defaulting party, at its option, shall have the right to terminate this Agreement by written notice to the other party unless, within sixty (60) calendar days after written notice of such default, the defaulting party remedies the default, or, in the case of a default which cannot with due diligence be cured within a period of sixty (60) calendar days, the defaulting party institutes within the sixty (60) day-period substantial steps necessary to remedy the default and thereafter diligently prosecutes the same to completion. Notwithstanding anything herein to the contrary, in the event Licensee breaches the EULA or Sections 2.2, 5 and/or 6 of this Agreement, Selectron may immediately terminate this Agreement. Licensee shall notify Selectron within twenty-four (24) hours of Licensee’s becoming aware of any breach (other than by Selectron) of the terms and conditions of this Agreement, including, without limitation, any breach of Sections 2.2, 5 or 6.

**11.3 Termination for Bankruptcy.** Either party may terminate this Agreement if the other party (a) becomes insolvent; (b) fails to pay its debts or perform its obligations in the ordinary course of business as they mature; (c) is declared insolvent or admits its insolvency or inability to pay its debts or perform its obligations as they mature; or (d) becomes the subject of any voluntary or involuntary proceeding in bankruptcy, liquidation, dissolution, receivership, attachment, or composition, or makes a general assignment for the benefit of creditors, provided that, in the case of an involuntary proceeding, the proceeding is not dismissed with prejudice within sixty (60) days after the institution thereof.

**11.4 Effect of Termination.** Upon the expiration or termination of this Agreement, all rights and licenses granted to Licensee hereunder shall immediately and automatically terminate. Within ten (10) days after any termination or expiration of this Agreement, Licensee shall, at its sole expense, return to Selectron (or destroy, at Selectron’s sole election) all Licensed Software and

Proprietary Information of Selectron (and all copies, summaries, and extracts thereof) then in the possession or under the control of Licensee and its current or former employees. Licensee shall furnish to Selectron an affidavit signed by an officer of Licensee certifying that, to the best of its knowledge, such delivery or destruction has been fully effected. Termination of this Agreement by either party shall not act as a waiver of any breach of this Agreement and shall not act as a release of either party from any liability for breach of such party’s obligations under this Agreement. Neither party shall be liable to the other for damages of any kind solely as a result of terminating this Agreement in accordance with its terms. Either party’s termination of this Agreement shall be without prejudice to any other right or remedy that it may have at law or in equity, and shall not relieve either party of liability for breaches occurring prior to the effective date of such termination. Any provisions that would reasonably be expected by the parties to survive termination of this Agreement shall survive such termination, including without limitation the provisions of the EULA and Sections 1 (“Definitions”), 2.2 (“Software Restrictions”), 2.3 (“Data Restrictions”), 2.4 (“Rights in Aggregate Data”), 4 (“Fees and Payment”) (with respect to amounts accrued but as-yet unpaid), 5 (“Proprietary Rights”), 6 (“Proprietary Information”), 7 (“Representations and Warranties; Warranty Disclaimer”), 8 (“Security”), 9 (“Indemnification”), 10 (“Limitation of Liability”), 11 (“Term and Termination”) and 12 (“General Provisions”).

## **12. General Provisions**

**12.1 Notices.** Any notice, request, demand or other communication required or permitted hereunder shall be in writing, shall reference this Agreement, and shall be deemed to be properly given (on the earliest of) (a) when delivered personally; (b) when sent by facsimile, with written confirmation of receipt; or (c) upon receipt three (3) days after having been sent by registered or certified mail, return receipt requested, postage prepaid. All notices shall be sent to the address set forth on the signature page below (or to such other address as may be designated by a party by giving written notice to the other party pursuant to this Section 12.1).

**12.2 Governing Law; Jurisdiction.** This Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee, U.S.A., without reference to its conflicts of law provisions. The United Nations Convention on Contracts for the International Sale of Goods does not apply to and shall not be used to interpret this Agreement. Any dispute regarding this Agreement must be brought in the state or

federal courts located in Sullivan County, Tennessee, U.S.A.

**12.3 Construction.** This Agreement has been negotiated by the parties and their respective counsel. This Agreement shall be interpreted fairly in accordance with its terms and without any construction in favor of or against either party.

**12.4 Attorneys' Fees.** If any legal action is brought relating to this Agreement or the breach hereof, the prevailing party in any final judgment shall be entitled to the full amount of all reasonable expenses, including all court costs and reasonable attorney fees paid or incurred.

**12.5 Injunctive Relief.** In the event that Licensee breaches any provision of the EULA or Sections 2, 5, or 6 or any other material provision of this Agreement, Licensee acknowledges and agrees that there may be no adequate remedy at law to compensate Selectron for such breach, that any such breach may result in irreparable harm to Selectron that would be difficult to measure; and, therefore, that upon any such breach or threat thereof, Selectron shall be entitled to seek injunctive and other appropriate equitable relief (without the necessity of proving actual damages or of posting a bond or other security), in addition to whatever remedies Selectron may have at law, in equity, under this Agreement, or otherwise.

**12.6 Waiver.** The waiver by either party of a breach of or a default under any provision of this Agreement, shall be in writing and shall not be construed as a waiver of any subsequent breach of or default under the same or any other provision of this Agreement, nor shall any delay or omission on the part of either party to exercise or avail itself of any right or remedy that it has or may have hereunder, operate as a waiver of any right or remedy.

**12.7 Severability.** If the application of any provision of this Agreement to any particular facts or circumstances shall be held to be invalid or unenforceable, then (a) the validity and enforceability of such provision as applied to any other particular facts or circumstances and the validity of other provisions of this Agreement shall not in any way be affected or impaired thereby, and (b) such provision shall be enforced to the maximum extent possible so as to effect the intent of the parties, and reformed without further action by the parties, to the extent necessary to make such provision valid and enforceable. Without limiting the generality of the foregoing, Licensee agrees that Section 7.5 will remain in

effect notwithstanding the unenforceability of any other provision hereof.

**12.8 Independent Contractor Relationship.** Selectron's relationship with Licensee will be that of independent contractor, and nothing contained in this Agreement shall be deemed or construed as creating a joint venture, partnership, or employer-employee relationship. Licensee is not an agent of Selectron and is not authorized to make any representation, contract, or commitment on behalf of Selectron, or to bind Selectron in any way. Selectron is not an agent of Licensee and is not authorized to make any representation, contract, or commitment on behalf of Licensee, or to bind Licensee in any way. Selectron will not be entitled to any of the benefits that Licensee may make available to its employees, such as group insurance, profit sharing, or retirement benefits.

**12.9 Force Majeure.** Except for the payment of monies due hereunder, neither party shall be responsible or have any liability for any delay or failure to perform to the extent due to unforeseen circumstances or causes beyond its reasonable control, including, without limitation, acts of God, earthquake, fire, flood, embargoes, labor disputes and strikes, riots, war, error in the coding of electronic files, Internet or other network "brownouts" or failures, power failures, novelty of product manufacture or other unanticipated product development problems, and acts of civil and military authorities; provided that such party gives the other party prompt written notice of the failure to perform and the reason therefor and uses its reasonable efforts to limit the resulting delay in its performance and to mitigate the harm or damage caused by such delay.

**12.10 Public Announcements.** Licensee shall cooperate with Selectron so that Selectron may issue a press release concerning this Agreement; provided, however, Selectron may not release any such press release without the prior approval of Licensee (which shall not be unreasonably withheld, delayed, or conditioned). However, without seeking prior approval in each instance, Selectron shall have the right to use Licensee's name as a customer reference, and to use Licensee's trade name on Selectron's customer lists.

**12.11 U.S. Government Rights.** (a) The Licensed Software is a "commercial item," as that term is defined at 48 C.F.R. 2.101, consisting of "commercial computer software" and "commercial computer software documentation," as such terms are used in 48 C.F.R. 12.212 or 48 C.F.R. 227.7202, as applicable. Consistent

with 48 C.F.R. 12.212 and 48 C.F.R 227.7202-1 through 227.7202-4, the Licensed Software are licensed to any U.S. Government End Users (i) only as a commercial item and (ii) with only those rights as are granted to all other end users pursuant to the terms and conditions herein. Manufacturer is Selectron Technologies, Inc., 13535 SW 72<sup>nd</sup> Avenue, Suite 200, Portland, OR 97223, USA. This Section, consistent with 48 C.F.R. § 12.212 and 48 C.F.R. § 227.7202 is in lieu of, and supersedes, any other Federal Acquisition Regulation, Defense Federal Acquisition Regulation Supplement, or other clause or provision that addresses United States Government rights in computer software, technical data, or computer software documentation.

(b) The parties agree that, in the event that Licensee is a governmental entity, all other state and local governments within Licensee's state may purchase a license from Selectron to use the Licensed Software under the same terms and conditions as set forth in this Agreement by entering into a master services and hosting agreement with the same terms and conditions as set forth herein with Selectron.

**12.12 Export Controls.** The Licensed Software is subject to the export control laws of the United States and other countries. Licensee may not export or re-export the Licensed Software, unless Licensee has first obtained Selectron's prior written permission and the appropriate United States and foreign government licenses, at Licensee's sole expense. Licensee must otherwise comply with, and contractually require that all of its employees comply with, all applicable export control laws and regulations in the use of the Licensed Software. None of the Licensed Software may be downloaded or otherwise exported or re-exported (a) into any country for which the United States has a trade embargo, or (b) to anyone on the U.S. Treasury Department's list of Specially Designated Nationals or the U.S. Commerce Department's Denied Persons List. Licensee represents and warrants that it is not located in, under the control of, or a national or resident of any such country or on any such list. Licensee shall defend, indemnify and hold Selectron and all successors, assigns, affiliates, suppliers, and each of their officers, directors, employees, and agents harmless for, from, and against any and all claims, allegations, damages,

liabilities, and costs and expenses (including without limitation attorneys' fees and costs) arising out of Licensee's violation of such export control laws. Licensee further agrees to comply with the United States Foreign Corrupt Practices Act, as amended.

**12.13 Captions and Section Headings.** The captions and Section and paragraph headings used in this Agreement are inserted for convenience only and shall not affect the meaning or interpretation of this Agreement.

**12.14 Counterparts.** This Agreement may be signed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement, and, when taken together, shall be deemed to constitute one and the same agreement. Each party agrees that the delivery of this Agreement by facsimile transmission or by PDF attachment to an e-mail transmission will be deemed to be an original of the Agreement so transmitted and, at the request of either party, the other party will confirm facsimile or e-mail transmitted signatures by providing the original document.

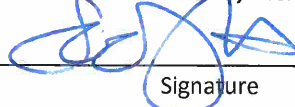
**12.15 Modification; Subsequent Terms.** No amendment or modification of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized signatory of Selectron and Licensee. To the extent that the terms and conditions of the Exhibits hereto or Exhibits to subsequent amendments or modifications of or to the Agreement ("Subsequent Terms") differ from those herein, those Subsequent Terms shall control the interpretation and any conflict resolution thereof. The terms on any purchase order or similar document submitted by Licensee to Selectron will not modify the terms and conditions of this Agreement.

**12.16 Entire Agreement; Amendment.** This Agreement, including the Exhibit(s) attached hereto, constitutes the entire agreement between the parties concerning the subject matter hereof, and supersedes (a) all prior or contemporaneous representations, discussions, proposals, negotiations, conditions, agreements, and communications, whether oral or written, between the parties relating to the subject matter of this Agreement, and (b) all past courses of dealing and industry custom.

In Witness Whereof, the parties have caused this Agreement to be executed by duly authorized representatives of the parties as of the Effective Date.

**SELECTRON TECHNOLOGIES, INC.**

**LICENSEE**

By:  \_\_\_\_\_  
Signature

By: \_\_\_\_\_  
Signature

Name: Todd A. Johnston

Name: \_\_\_\_\_

Title: President

Title: \_\_\_\_\_

Date: 7/9/2024

Date: \_\_\_\_\_

Address: 13535 SW 72<sup>nd</sup> Avenue, Suite 200  
Portland, OR 97223

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**EXHIBIT A**  
Scope of Work

**Relay IVR - Utility Application Move to Managed and Upgrade to Relay Outbound**

**Professional Services**

<b>Description</b>	<b>Qty</b>	<b>Unit Price</b>	<b>Total</b>
Relay IVR Platform Move to Managed - Utility Application			
Project Management	38	\$225.00	\$8,550.00
System Configuration	26	\$225.00	\$5,850.00
QA Testing and Training	16	\$225.00	\$3,600.00
Payments	1	\$20,000.00	\$20,000.00
Relay Outbound Platform Setup			
Project Management	16	\$225.00	\$3,600.00
System Configuration	16	\$225.00	\$3,600.00
QA Testing and Training	8	\$225.00	\$1,800.00
Database Integration			
Development Resources	108	\$225.00	\$24,300.00
<b>PROFESSIONAL SERVICES TOTAL</b>			<b>\$71,300.00</b>

**Annual Hosted Platform and Application Fees**

<b>Description</b>	<b>Qty</b>	<b>Unit Price</b>	<b>Total</b>
Relay IVR Platform - Utility Application	1	\$22,000.00	\$22,000.00
Integration Support			
Application Hosting			
Relay Outbound Platform	1	\$18,000.00	\$18,000.00
Selectron-Built Template	1	\$3,700.00	\$3,700.00
Bill Delinquency Notification			
Universal Message Bundle for Relay Channels	105,000	\$0.25	\$26,250.00
<b>ANNUAL FEES TOTAL</b>			<b>\$69,950.00</b>

### Five-Year Cost Summary

1-Year Commitment Pricing					
	Year 1	Year 2	Year 3	Year 4	Year 5
PROFESSIONAL SERVICES	\$71,300.00				
ANNUAL FEES TOTAL	\$69,950.00	\$72,135.00	\$74,429.25	\$76,838.21	\$79,367.62
<b>TOTAL - 1-Year Commitment</b>	<b>\$141,250.00</b>	<b>\$72,135.00</b>	<b>\$74,429.25</b>	<b>\$76,838.21</b>	<b>\$79,367.62</b>

3-Year Commitment Pricing					
	Year 1	Year 2	Year 3	Year 4	Year 5
PROFESSIONAL SERVICES	\$57,040.00				
ANNUAL FEES TOTAL	\$58,850.00	\$60,480.00	\$62,191.50	\$63,988.58	\$65,875.50
<b>TOTAL - 3-Year Commitment</b>	<b>\$115,890.00</b>	<b>\$60,480.00</b>	<b>\$62,191.50</b>	<b>\$63,988.58</b>	<b>\$65,875.50</b>

5-Year Commitment Pricing					
	Year 1	Year 2	Year 3	Year 4	Year 5
PROFESSIONAL SERVICES	\$46,345.00				
Upgrade & Move to Managed	-\$46,345.00				
ANNUAL FEES TOTAL	\$50,750.00	\$51,771.00	\$52,836.93	\$53,949.85	\$55,111.93
Second Channel Discount	-\$8,250.00	-\$8,250.00	-\$8,250.00	-\$8,250.00	-\$8,250.00
<b>TOTAL - 5-Year Commitment</b>	<b>\$42,500.00</b>	<b>\$43,521.00</b>	<b>\$44,586.93</b>	<b>\$45,699.85</b>	<b>\$46,861.93</b>

### Cost Analysis

Commitment	Monthly Average	Annual Average	5 Year Total	5 Year Savings
Cost Summary				
1-Year Commitment	\$7,400.33	\$88,804.02	\$444,020.09	\$0.00
3-Year Commitment	\$6,140.43	\$73,685.12	\$368,425.58	\$75,594.51
5-Year Commitment	\$3,719.50	\$44,633.94	\$223,169.71	\$220,850.37

Annual Support and Maintenance fees paid by the City for the current premise system will be prorated based on usage and a credit for the balance will be provided to the City.

## PRICING & PAYMENT INFORMATION

The contract period begins upon execution. Pricing does not include additional application integration charges that may be required as part of this solution. This includes Application Vendor API, user, or implementation fees, additional licensing fees, or other surcharges directly or indirectly charged by or remitted to the Application Vendor.

### PROFESSIONAL SERVICES PAYMENT SCHEDULE

45% Invoiced at time of execution of contracts  
55% Invoiced upon system available for initial user acceptance testing

### TRAVEL FEE PAYMENT SCHEDULE

100% If travel is identified in the above detail or later requested, all travel and related fees are scheduled in advance including travel days and will be invoiced upon completion. Total travel is invoiced at then current hourly rates, currently \$225.00 per person per hour, plus actual travel expenses.

### ANNUAL FEES, BUNDLES, AND SUPPORT

100% Invoiced at time of execution of contracts. Recurring fees are invoiced 45 days prior to renewal annually.

In the event the customer terminates agreement prior to the end of the commitment term, 100% of all remaining unpaid fees for the term become immediately due.

### CHANGE ORDERS INCLUDING TIME AND MATERIAL RATES

- All service work and/or deliverables not listed, defined, or provided as optional deliverables in this document are considered outside of the scope of this project effort. Out of scope services will be invoiced at Selectron's then current Time and Material rate, currently \$225.00 per hour.
- If the out of scope services require a formal change order, the Company and Customer will mutually agree in writing, which will include a scope of work, timeline for delivery, Company and Customer responsibilities and the price terms and conditions. Upon acceptance by Customer and issuance of required purchasing documentation, all Change Orders shall be governed by the terms and conditions of this Agreement, no other terms or conditions shall apply. Customer acknowledges that such Change Orders may affect the implementation schedule and dates otherwise established as part of the project plan.

### TAXES

Sales Tax or any other applicable taxes are **not included** in any of the pricing in this agreement. All applicable taxes will be invoiced, collected and remitted in accordance with state and local tax laws.

### PAYMENT TERMS

Terms are net 30 days from date of invoice. Past due invoices are subject to a 1.5% per month late fee. All presented pricing is in US Dollars.

### VENDOR INFORMATION

Selectron Technologies, Inc.  
13535 SW 72<sup>nd</sup> Avenue, Suite 200  
Portland, OR 97223  
Ph: 503.443.1400 Fax: 503.443.2052



## EXHIBIT B

### Maintenance and Technical Support

This Exhibit describes the software maintenance and support services that Selectron shall provide for Licensee.

#### I. Definitions

Unless defined otherwise herein, capitalized terms used in this Exhibit shall have the same meaning as set forth in the Agreement.

**A. "Error"** means any failure of the Licensed Software to conform in any material respect with the Documentation.

**B. "Error Correction"** means either a bug fix, patch, or other modification or addition that brings the Licensed Software into material conformity with the Documentation.

**C. "Priority A Error"** means an Error that renders Licensed Software inoperative or causes a complete failure of the Licensed Software, as applicable.

**D. "Priority B Error"** means an Error that substantially degrades the performance of Licensed Software, as applicable, or materially restricts Licensee's use of the Licensed Software, as applicable.

**E. "Priority C Error"** means an Error that causes only a minor impact on Licensee's use of Licensed Software, as applicable.

#### II. Error Reporting and Resolution

**A. Error Reporting.** Selectron shall provide Licensee with telephone customer support twenty-four (24) hours per day, seven (7) days per week for the reporting of Priority A Errors, and telephone support during Selectron's normal business hours for the reporting of Priority B and Priority C Errors, in each event excluding Selectron holidays.

**B. Licensed Software Error Resolution.** Selectron shall use commercially reasonable efforts to: (a) notify applicable Vendors of all Licensed Software Errors properly reported by Licensee in accordance with Section II(A) of this Exhibit B; (b) make available to Licensee any Error Corrections that are made available by such Vendor(s) to Selectron promptly after such Error Corrections are delivered to Selectron; and (c) update Licensee with respect to the progress of the resolution of all Licensed Software Errors.

**C. Error Resolution.** Licensee shall report all Errors in the Licensed Software to Selectron in sufficient detail, with sufficient explanation of the circumstances under which the Error occurred or is occurring, and shall reasonably classify the Error as a Priority A, B, or C Error. Selectron shall use commercially reasonable efforts to correct any Error in the Licensed Software reported by Licensee, in accordance with the priority level actually assigned by Selectron to such Error, as follows:

**1. Priority A Errors.** In the event of a Priority A Error, Selectron shall, within two (2) hours of receiving Licensee's report, commence verification of the Error. Upon verification, Selectron shall use commercially reasonable efforts to resolve the Error with an Error Correction. Selectron shall use commercially reasonable efforts to provide a workaround for the Error within twenty-four (24) hours of receiving Licensee's report of such Error, and an Error Correction within forty-eight (48) hours of receiving Licensee's report. Selectron shall provide Licensee with periodic reports (no less frequently than once every eight (8) hours) on the status of the Error Correction.

**2. Priority B Errors.** In the event of a Priority B Error, Selectron shall, within six (6) hours of receiving Licensee's report, commence verification of the Error. Upon verification, Selectron shall use commercially reasonable efforts to resolve the Error with an Error Correction. Selectron shall use commercially reasonable efforts to provide a workaround for the Error within forty-eight (48) hours of receiving Licensee's report of such Error, and an Error Correction within six (6) business days of receiving Licensee's report. Selectron shall provide Licensee with periodic reports (no less frequently than once every twelve (12) hours) on the status of the Error Correction.

**3. Priority C Errors.** In the event of a Priority C Error, Selectron shall, within two (2) business days of receiving Licensee's report, commence verification of the Error. Upon verification, Selectron shall use commercially reasonable efforts to resolve the Error with an Error Correction. Selectron shall use commercially reasonable efforts to provide a workaround for the Error within six (6) business days of receiving Licensee's report of such Error, and an Error Correction within three (3) weeks of receiving Licensee's report. Selectron shall provide Licensee with periodic reports on the status of the Error Correction.

**EXHIBIT C**  
Statement of Work



# Statement of Work

Kingsport, TN

## Relay

*UTILITY PACK*

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## 1. Overview

This Statement of Work (SOW) outlines the services provided by Selectron Technologies, Inc. (Selectron) to Kingsport, TN (Kingsport or Customer). Selectron will be transitioning the existing solution from on premise to our Managed/Hosted environment. All existing functionality will remain with the addition of an upgrade to Relay Outbound for Delinquency Notification. The features, functionality, and services are provided through Selectron Technologies' Relay communication platform (Relay).

### 1.1. Revision History

Version #	Details	Date
1.0	Initial Release	08/03/2023
1.1	Content Update	07/09/2024

## 2. Functionality

This section details the functionality of each application included in Relay. All functions and features are dependent upon the accessibility of Kingsport's CentralSquare NaviLine application database to provide the given data to Relay.

### 2.1. The Relay Platform

The Customer's solution is powered by Selectron's Relay platform. Relay is a multi-channel, multi-department platform designed to connect Customers and government agencies, and utilities. The Relay platform uses a number of different application packs specific to the market being serviced. In addition to each application pack, the Relay channels include interactive voice response (IVR), web, mobile, outbound, call center agent assistance, and interactive texting capabilities all in a single platform.

The following sections detail the functionality that will be implemented for the Customer. Additional channels, applications, and integrations that are not specified in this SOW are not included but may be able to be added to the system under a supplemental statement of work.

#### 2.1.1. Application Packs and Channels

The Customer's solution includes the following application pack and channels:

- Application packs:
  - Utility Pack
- Channels:
  - IVR
  - Outbound

### 2.2. Utility Pack

The solution will be configured with the Utility Pack. The Utility Pack offers the Customer's end user with a central point of access for account management and payments. The end user will be able to enter an account number or phone number and access account data and activities based on the channel being implemented.

#### 2.2.1. IVR Channel

The IVR Channel for the Utility Pack provides callers with an Interactive Voice Response (IVR) system for accessing account information and making payments over the phone.

Citizens can call the Utility IVR channel to hear account information and to make a payment. Citizens will access their account using an account number or other identifier as indicated below. The IVR validates this data against the Customer's application database. Once the account is validated, the IVR will speak the service address, followed

by the current balance owed and the due date. During the kickoff phase of the implementation project, Selectron and the Customer will need to determine the exact terminology and methodology around presenting 'current' and 'delinquent' amounts due to the user. The caller will then be prompted to make a payment. If no payment is due, then the IVR will say there is currently no payment due.

The functionality of the IVR will include the following:

- Current balance owed
- Last billing date and amount (up to last 6)
- Last payment date and amount (up to last 6)
- Next payment due date
- Payment Processing – Credit Card and E-Check

Callers will also be able to transfer to an agent. If a caller requests a transfer, the IVR performs a transfer to a number specified by the Customer.

IVR service requires a local-to-customer phone number. Selectron can either use an existing number provided by customer, or obtain and provide a number if needed. IVR Services are provided by the Call. A Call is defined as a successful completed connection. A Call can be up to 4 minutes in length, with each additional 4 minute period counted as an additional Call. Actions such as transfer that result in multiple connected circuits are counted on the per circuit basis and are measured for the duration of the connection including the time after a transfer occurs.

### 2.3. Relay Outbound

Relay Outbound provides the Customer's staff with a multi-channel outbound communication platform capable of sending citizens voice, SMS, and email messages. Messages can be configured to include dynamic account data designed to be sent to specific recipients or can be designed as 'general information' messages without customer-specific data. These outbound messages can be designed and configured by staff using the Relay Portal. Customer-configured voice messages will be spoken to message recipients using computerized text-to-speech.

Relay Portal allows users to:

- Schedule one time, daily, weekly or monthly outbound campaigns
- Use dynamic data variable in any campaign
- Set runtime windows and overflow rules for campaigns

In addition to the above customer-configured messages, Selectron will design one message template during the implementation process. This Selectron-created template

will use professional voice recording for voice messages instead of computerized text-to-speech. This project includes one Selectron-built notification as described in the following section.

### **2.3.1. User-Generated Notifications**

The Customer can send end-user-defined notifications to citizens via phone, email, or SMS text. The Customer is responsible for defining and configuring these notifications, which can be done via the Relay Portal. Training for configuring and recording these notifications will be provided at the end of the implementation process.

## **3. System Integration**

Depending on the implemented features, Relay requires varying levels of integration with other database components. These are described in the following sections.

### **3.1. Application Database Interfaces**

It is anticipated that Selectron will be integrating with the Customer's backend application database. All data-based interactivity on the solution is reliant upon data being available via the application vendor APIs.

During the implementation phase, if necessary data are not available via the included APIs, the project will be impacted. This may affect the implementation timeframe and result in additional professional service fees.

## **4. Deployment Model**

This implementation of Relay will be deployed in Selectron's Relay Managed Services environment.

Relay Managed Services is a hosted application environment, located in Selectron's local hosting facility. Selectron's hosting facility is a co-located data center featuring keyed entry and individual server locks for security. With a Managed Services solution, Selectron owns all hardware and is responsible for security, ongoing maintenance, and proactive support.

### **4.1. Hosted IVR Access**

For optimal user experience and telecom usage, it is recommended that callers access the hosted IVR by dialing directly into the hosted solution using a local 10-digit number, which Selectron will provide. If the Customer elects to have calls routed through their phone system first before connecting to the IVR, two customer telecom channels may be tied up during the duration of the entire call, and callers may experience a decrease in call quality.



## 5. Administrative Tasks

This section details administrative tasks that can be performed to manage Relay. All system administration for Relay is handled through the Relay Portal web application. The Customer's administrator will be provided with user credentials for the Relay Portal application during the implementation process. Additional users can be created by the administrator as needed. Permissions can be assigned per-user; permissions govern the functionality available to a given user.

The Relay Portal provides administrators with a single platform for viewing system usage and health, running reports, and configuring various system settings. The Relay Portal is supported on Chrome, Firefox, Microsoft Edge, and Safari.

### 5.1. Activity Widgets

The Customer's solution is equipped with the following dashboard widgets, allowing for the easy tracking of daily activity and statistics.

#### Activity

- Call Activity – Tracks and reports call activity with line graph
- IVR Usage – Display call statistics, including peak (concurrent) call activity

#### Support System

- System Status Widget – Tracks status of the system through Ping and Database displays
- Today Widget – Displays date, holiday, office hours, and greeting information

#### Outbound

- Outbound: Completed Summary – Summarizes and displays data of completed outbound campaigns
- Outbound: Running Now – Tracks, reports, and displays current outbound data through a percentage chart
- Outbound: Up Next – Tracks, report and displays upcoming outbound campaign data through a time countdown

### 5.2. Run System Reports

Administrators will be able to run system reports via the Relay Portal.

#### 5.2.1. Reports Center

- Running / Saving Reports - Depending on your permissions, the Reports Center has a large number of system, activity, and usage reports that you can run. Saving a Report - To save a report (including how you have set the filters), click the desired file type you want to download, either PDF or Excel. The Portal will automatically generate the file and allow you to download it.

The solution will also be equipped to provide the following reporting functions:

### 5.2.1.1 Activity Reports

- Call Activity Report - This report provides a graph of different activity types performed by callers on the IVR over a relative span of time (hour over hour, day over day, month over month, and more).
- Call Activity Detail Report - Use this report to find a specific call or group of calls. Search by date/time, the caller's phone number, or other identifying information to find calls of interest.
- Call Statistics Report - This report provides aggregate facts and statistics about calls into the IVR including average call lengths, longest calls, and whether or not actions were completed by callers.
- Email Activity Report - This report provides a list of all emails sent on a specified date.
- IVR Usage Report - This report provides data on peak (concurrent) calls and average calls, hour by hour, over a selected date range.
- Multiple Calls Report - This report provides insight on how many times incoming phone numbers have called the IVR within a specified range of time.
- System Status Report - See a log of system events, including reboots and changes in the system's overall status or health.

### 5.2.1.2 Relay Outbound Reports

- Outbound Campaign Detail Report – This report shows the detail of Outbound campaign messages delivered for a specific Campaign Type.
- Outbound Campaign Summary Report – This report shows the summary of Outbound campaign messages delivered for a specific Campaign Type.
- Outbound Import Errors Report - This report shows all recipients that were not contacted due to incomplete data or errors.

## 5.3. Schedule Outbound Campaigns

Using the Relay Portal, administrators can create, edit, and review outbound campaigns made using Relay Outbound. Each instance of an outbound campaign must be scheduled individually. This includes selecting the type of notification, the date/time of delivery, and (for user-generated notifications) the configuration of the message.

The administrator will also need to upload a contact list in .csv format for the notification. The exact formatting of the .csv file will vary depending on the notification being scheduled. Selectron will provide the Customer with example .csv files for the configured notifications included in this project, as well as assistance in generating the outbound call list.

## 6. Responsibilities

### 6.1. Selectron Technologies, Inc.

This section outlines Selectron Technologies' responsibilities regarding service initiation and operation.

#### 6.1.1. Provide Project Management

Selectron Technologies assigns a Project Manager to the service implementation. The Project Manager is the Customer's primary contact at Selectron Technologies and coordinates all necessary communication and resources.

#### 6.1.2. Provide Documentation

The Project Manger provides the Customer with the documents to help facilitate the service implementation process. Some or all of these may be provided depending on the scope of the project.

- Implementation Questionnaire- gathers critical information needed to set up and initiate the service. This includes information on the toll-free numbers, call volume, APIs, account validation information.
- Remote Access Questionnaire- details information that Selectron Technologies needs to remotely access the Customer's network and application database prior to system initiation, allowing for complete system testing.
- Implementation Timetable- details project schedule and all project milestones.
- Quality Assurance Test Plan- assists the Customer in determining that the interactive solution is functioning as specified in the Contract.
- Service Acceptance Sign-off Form- indicates that the Customer has verified service functionality.

#### 6.1.3. Develop Channel Design

The Project Manager works with the Customer to develop and complete the following portions of channel design:

- IVR call flow design
- Outbound messaging configuration

Software development can begin once these design elements are completed and approved by the Customer.

#### **6.1.4. Perform Quality Assurance Testing**

Selectron Technologies thoroughly tests all applications and integration points prior to initiation, ensuring system functionality. This includes data read from and written to the application database and the general ability for a customer to successfully access live data and complete a transaction.

#### **6.1.5. Provide Installation and Administrative Training**

Selectron will provide remote training for the Relay solution. All installation is handled by Selectron technical staff at our remote hosting facility.

#### **6.1.6. Provide Marketing Materials**

Selectron Technologies provides marketing collateral that the Customer can use to promote the interactive solution to citizens. Marketing collateral includes a poster, tri-fold brochure, and business card; standard templates for each item are used. Collateral is provided to the Customer in PDF format (original Adobe InDesign files are provided upon request).

Marketing collateral will be provided for each department included in this project. Selectron Technologies' Project Manager will assist in gathering the correct information to be displayed on the marketing collateral. Information displayed includes the following:

- IVR phone number(s)
- Department logo (preferably in EPS format)
- Department address
- A description of functionality
- Additional contact/informational phone numbers
- Samples: where to find account/ permit/ case numbers, etc.

Any changes to the collateral that do not include the items listed above (e.g., design changes to the template) are billed on a time and materials basis. Any changes to the marketing materials after final delivery are also billed on a time and materials basis.

#### **6.1.7. Interface Upgrades**

After service initiation, the Customer's database application may release new updates to their application or its interface. Upgrading the Relay interface to be compatible with any of the Customer's application databases (or other application database software) may require professional services outside the scope of this service.

## 6.2. Kingsport, TN

This section outlines the Customer's service implementation and maintenance requirements and responsibilities.

### 6.2.1. Return Questionnaires and Information

Selectron Technologies' Project Manager provides the Customer with an implementation questionnaire. The implementation questionnaire must be returned prior to developing the call flow design and the implementation timetable.

### 6.2.2. Provide Customer Specific Information

The following information should be supplied to Selectron Technologies, in conjunction with the Implementation Questionnaire, to help create a precisely integrated product. For further clarification on the format and detail of the following data, refer to the Implementation Questionnaire or contact your Selectron Technologies' Project Manager.

- Street names
- Observed holidays
- Extensions used for transfer functions
- Utility account numbering scheme
- Validations used for receiving payment on a utility bill

### 6.2.3. Approve Channel Configuration

The Customer is responsible for approving the application design developed by Selectron Technologies' Project Manager. This includes reviewing:

- IVR call flow design
- Outbound messaging configuration

Once the channel design(s) have been approved, software development begins.

### 6.2.4. Provide Remote Network Access to Application Database(s)

To fully test the interactive solution, Selectron Technologies requires access to the Customer's application database(s) prior to installation. The Customer will help facilitate communication between Selectron and the database vendor.

### 6.2.5. Provide System Access

Selectron Technologies requires access to the Customer's network and database/system. Changing or deleting access accounts could disrupt service for the interactive solution and/or Selectron Technologies' ability to provide timely support. Please notify Selectron Technologies immediately if the accounts for the Application Database, the payment gateway, or the network are modified. The Customer is responsible for

providing Selectron with appropriate application database and payment gateway network access as defined in the System Integration section.

#### **6.2.6. Confirm Service Functionality**

The Customer has 30 calendar days after service initiation to verify the functionality of the interactive solutions. Within the 30-day system acceptance period, the Customer should test system functionality using the provided Quality Assurance Test Plan. Additionally, the System Acceptance Sign-off form must be sent to Selectron Technologies' Project Manager within this period.

#### **6.2.7. Contact Customer Support**

Anytime the Customer requests a significant change to their Selectron interactive solution, an authorized contact from the agency must provide acknowledgment to Selectron's Customer Support Department. A significant change is a modification that will A) change system behavior, B) allow users to change the system, or C) allow access to protected data.

**EXHIBIT D**

SELECTRON TECHNOLOGIES, INC.  
END USER LICENSE AGREEMENT

This End User License Agreement (this “**EULA**”) is part of a Master Services and Hosting Agreement (the “**Master Agreement**”) between Selectron Technologies, Inc., an Oregon corporation (“**Selectron**”, “**we**”, “**our**”, or “**us**”) and the person or entity identified in the Master Agreement as the Licensee purchasing Services from us (“**Licensee**”). This EULA governs use by Licensee and all natural persons to whom Licensee provides access to the Licensed Software (each, an “**Authorized User**”). In this EULA, unless the context clearly indicates otherwise, all references to “**you**,” or “**your**” means both the Licensee and the Authorized User. All capitalized terms used but not defined in this EULA have the meanings given to them in the Master Agreement.

SELECTRON PROVIDES THE LICENSED SOFTWARE SOLELY ON THE TERMS AND CONDITIONS SET FORTH IN THIS EULA AND ON THE CONDITION THAT YOU ACCEPT AND COMPLY WITH THEM. IF YOU DO NOT AGREE TO THE TERMS OF THIS EULA, SELECTRON WILL NOT AND DOES NOT LICENSE THE LICENSED SOFTWARE TO YOU, AND YOU MUST NOT USE OR ACCESS THE SOFTWARE.

**1. License Grant.** Subject to your strict compliance with this EULA, Selectron hereby grants you a non-exclusive, non-transferable, non-sublicensable, limited license to use the Licensed Software solely in accordance with the Documentation, the Master Agreement, and this EULA, for Licensee's internal business purposes. The foregoing license will terminate immediately on the earlier to occur of:

- (a) the expiration or earlier termination of the Master Agreement between Selectron and Licensee; or
- (b) your ceasing to be authorized by Licensee to use the Licensed Software for any or no reason.

**2. Scope of License.** Subject to and conditioned upon Licensee's timely payment of the fees set forth in the Master Agreement and your strict compliance with all terms and conditions set forth in this EULA and the Master Agreement, you have a limited right and license to:

- (a) Use and access the Licensed Software in accordance with this EULA and the Documentation, solely for Licensee's internal business purposes.
- (b) Download, display, and use the Documentation, solely in support of Licensee’s use and access of the Licensed Software in accordance herewith.
- (c) Download, display, copy, use, and create derivative works of reports and structured data generated using the Licensed Software, solely for Licensee’s internal business purposes.

**3. Copies.** All copies of the Licensed Software and Documentation made by you:

- (a) Will be the exclusive property of Selectron;
- (b) Will be subject to the terms and conditions of the Master Agreement and this EULA; and

(c) Must include all trademark, copyright, patent and other intellectual property rights notices contained in the original.

**4. Use Restrictions.** You shall not, directly or indirectly:

(a) Use the Licensed Software beyond the scope of the license granted in the Master Agreement and Section 2 of this EULA;

(b) Copy all or any portion of the Licensed Software, except as expressly permitted in Section 2 of this EULA;

(c) Decompile, disassemble, decode, or otherwise reverse engineer the Licensed Software, or any portion thereof, or determine or attempt to determine any source code, algorithms, methods, or techniques used or embodied in the Licensed Software or any portion thereof;

(d) Modify, translate, adapt or otherwise create derivative works or improvements, whether or not patentable, of the Licensed Software or any part thereof;

(e) Provide any other person, including any subcontractor, independent contractor, affiliate, service provider, or other employee of Licensee, with access to or use of the Licensed Software, except as expressly permitted by the Master Agreement or this EULA;

(f) Distribute, disclose, market, rent, lease, lend, sell, timeshare, sublicense, assign, distribute, pledge, publish, transfer or otherwise make available the Licensed Software or any features or functionality of the Licensed Software, to any third party for any reason, whether or not over a network and whether or not on a hosted basis, including in connection with the internet, web hosting, wide area network (WAN), virtual private network (VPN), virtualization, time-sharing, service bureau, software as a service, cloud or other technology or service, except as expressly permitted by the Master Agreement or this EULA;

(g) Use the Licensed Software for the commercial or other benefit of a third party;

(h) Permit the Licensed Software to be used for or in connection with any facility management, service bureau, or time-sharing purposes, services, or arrangements, or otherwise used for processing data or other information on behalf of any third party;

(i) Remove, delete, alter or obscure any trademarks or any copyright, trademark, patent or other intellectual property or proprietary rights notices, legends, symbols, or labels appearing on or in the Licensed Software, including any copy thereof;

(j) Perform, or release the results of, benchmark tests or other comparisons of the Licensed Software with other software or materials;

(k) Incorporate the Licensed Software or any portion thereof into any other materials, products, or services, except as expressly permitted by the Master Agreement or this EULA;

(l) Use the Licensed Software for any purpose other than in accordance with the terms and conditions of this EULA and the Master Agreement.

(m) Use the Licensed Software in, or in association with, the design, construction, maintenance or operation of any hazardous environments or systems, including (i) power generation systems; (ii) aircraft navigation or communication systems, air traffic control systems or any other transport management systems; (iii) safety-critical applications, including medical or life-support systems, vehicle operation applications or



any police, fire or other safety response systems; (iv) military or aerospace applications, weapons systems or environments;

(n) Use the Licensee Data or the Licensed Software in any way that is fraudulent, misleading, or in violation of any applicable laws or regulations (including federal, state, local, and international laws and regulations), including but not limited to export or import control laws, information privacy laws, and laws governing the transmission of commercial electronic messages; or

(o) Use the Licensed Software for purposes of competitive analysis of the Licensed Software, the development of a competing software product or service or any other purpose that is to Selectron's commercial disadvantage.

**5. Collection and Use of Information.** Selectron may, directly or indirectly through the services of others, including by automated means and by means of providing maintenance and support services, collect and store information regarding your use of the Licensed Software, its performance, the equipment through which the Licensed Software accessed and used, such as dates and times of use by each Authorized User, activities conducted using the Licensed Software, the type of web browser used to access the Licensed Software, the operating system/platform you are using, your IP address, and your CPU speed. You agree that the Selectron may use such information for any purpose related to the Licensed Software, including but not limited to improving the performance of the Licensed Software, developing Updates, and verifying compliance with the terms of this Agreement and enforcing Selectron's rights, including all intellectual property rights in and to the Licensed Software.

**6. Intellectual Property Rights.** You acknowledge that the Licensed Software is provided under license, and not sold, to you. You do not acquire any ownership interest in the Licensed Software under this EULA or the Master Agreement, or any other rights to the Licensed Software other than to use the Licensed Software in accordance with the license granted under this EULA and the Master Agreement, subject to all terms, conditions and restrictions contained therein and herein. Selectron reserves and shall retain its entire right, title and interest in and to the Licensed Software and all intellectual property rights arising out of or relating to the Licensed Software, subject to the licenses expressly granted in the Master Agreement and this EULA. You shall use commercially reasonable efforts to safeguard all Licensed Software (including all copies thereof) from infringement, misappropriation, theft, misuse or unauthorized access.

**7. Login Credentials.** You, the Authorized User, shall not share or disclose your log-in credentials with or to any other individual or entity, even if such other individual is also an Authorized User. If you discover or suspect that log-in credentials of any Authorized User have been accessed or used by anyone other than the individual to whom such log-in credentials were originally granted, you will promptly notify Selectron, and Selectron shall promptly reset or provide Licensee with a means of resetting the password associated with such log-in credentials.

**8. Export Regulation.** The Licensed Software may be subject to US export control laws, including the US Export Administration Act and its associated regulations. You shall not, directly or indirectly, export, re-export or release the Licensed Software to, or make the Licensed Software accessible from, any jurisdiction or country to which export, re-export or release is prohibited by law, rule or regulation. You shall comply with all applicable federal laws, regulations and rules, and complete all required undertakings (including obtaining any necessary export license or other governmental approval), prior to exporting, re-exporting, releasing or otherwise making the Licensed Software available outside the US.

**9. Governing Law.** This EULA shall be governed by and construed in accordance with the internal laws of the State of Oregon without giving effect to any choice or conflict of law provision or rule (whether of the State of Oregon or any other jurisdiction) that would cause the application of laws of any jurisdiction other than those of the State of Oregon.

**ADDENDUM TO SELECTRON TECHNOLOGIES, INC.  
MASTER SERVICES AND HOSTING AGREEMENT  
AND END USER LICENSE AGREEMENT**

This Addendum (herein "Addendum") amends the Selectron Technologies, Inc. Master Services and Hosting Agreement, End User License Agreement, and any and all other terms and conditions as well as attachments, exhibits, any physical or virtual documents or writings, referenced therein, and any click through, clickwrap, shrink-wrap, or other such virtual agreement, *etc.* (all of which are herein "Agreement") between Selectron Technologies, Inc., its affiliates and subsidiaries (herein "Vendor") and City of Kingsport, Tennessee (herein "City"). In consideration of using Vendor's form agreement, the mutual promises set out herein, and other good and valuable consideration, the sufficiency of which is hereby acknowledged the Agreement is amended as follows:

- 1. Precedence.** Notwithstanding any other provision in the Agreement, the language in this Addendum takes precedence over all other terms, conditions or language to the contrary or in conflict with the language herein, and the Agreement and this Addendum shall not be construed to create any ambiguity, it being the intent of the parties that this Addendum shall control. In the event of a conflict between this Addendum and the provisions of the Agreement, the provisions of this Addendum shall, to the extent of such conflict take precedence unless such document expressly states that it is amending this Addendum.
- 2. Indemnity, Limitation of Liability and Disclaimer of Warranty.** Article II, Section 29 of the Tennessee Constitution prohibits cities from lending their credit to private entities and, therefore, prohibits an agreement by City to indemnify a third party or agree to a limitation of liability provision. Any indemnity or hold harmless provision contained in the Agreement requiring City to indemnify or hold harmless Vendor or any other person or entity and any limitation of liability in favor of Vendor is enforceable only to the extent permitted by Tennessee law, provided City's monetary limits of liability under any such provision is limited to the monetary limits of liability as provided for in the Tennessee Governmental Tort Liability Act, Tenn. Code Ann. § 29-20-101 *et seq.* No provision of this Agreement shall act or be deemed a waiver by City of any immunity, including its rights or privileges or of any provision of the Tennessee Governmental Tort Liability Act, Tenn. Code Ann. § 29-20-101 *et seq.*
- 3. No Liability of Officials and Employees.** No official, employee or volunteer, whether disclosed or undisclosed, of City shall be personally liable to Vendor or any other person or entity, including a third party beneficiary, in the event any provision of the Agreement is unenforceable; there is any default or breach by City; for any amount which may become due under the Agreement ;or on any obligations under the terms of the Agreement and Vendor and any other person or entity, including a third party beneficiary, shall to look solely to City for the satisfaction of any liability of City hereunder.
- 4. No Liability for Users or Third Parties.** Except as provided in the Tennessee Governmental Tort Liability Act (Tenn. Code Ann. § 29-20-101 *et seq.*) City is not responsible for Users of the Service, their acts or data, or any acts or data of a third party.
- 5. Warranty.** Reserved.
- 6. Accessibility.** Vendor warrants that they will make reasonable efforts to conform the services to the accessibility guidelines, including, but not limited to, supporting assistive software or devices such as large-print interfaces, text-to-speech output, refreshable braille displays, voice-activated input, and alternate keyboard or pointer interfaces, etc., established by the World Wide Web Consortium's Web Content Accessibility Guidelines 2.2 (WCAG 2.2), and the accessibility guidelines established by Section 508 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794d), and implementing regulations set forth in 36 C.F.R. Part 1194. Vendor further agrees to indemnify and hold harmless City from any claims arising out of Vendor's failure to comply with the aforesaid requirements. Failure to comply with these requirements shall constitute a breach of the Agreement. Notwithstanding the foregoing, City acknowledges and understands the legal and practical distinction between 'software' and 'content,' and further agrees that City, not Vendor, shall have sole responsibility for WCAG 2.2 and Section 508 compliance as it relates to content.
- 7. Confidentiality.** The Agreement is a public record, and it, along with all documents or materials, in any format,

including, but not limited to, paper, electronic, or virtual, that are public records pursuant to the Tennessee Open Records Act, set out in Tenn. Code Ann. §10-7-503 *et seq.*, are not confidential and are subject to disclosure in whole or in part, without regard to any provision contained in the Agreement declaring information confidential. Additionally, City must, upon proper request, release public documents and records as defined by Tenn. Code Ann. §10-7-503 *et seq.*, including, but not limited to, the Agreement and all records created and maintained related to the Agreement, without any requirement to disclose such request to Vendor or provide Vendor with notice or the time to obtain a protective order. City does not have the burden of establishing that information is not confidential information or that its release is authorized to release the records. This Section 6 serves to meet such burden and authorization of disclosure.

- 8. Non-Appropriation.** Vendor acknowledges that City is a governmental entity, and the validity of the Agreement is based upon the availability of public funding under its authority. In the event City fails to appropriate funds or make monies available for any fiscal year covered by the term of the Agreement for the services to be provided, the Agreement shall be terminated on the last day of the fiscal year for which funds were appropriated or monies made available for such purposes without liability to City, and such termination shall not be a breach of the Agreement, and any unused payment made to Vendor shall be returned to City. If City terminates the Agreement under this Section 8 due to failure to appropriate funds before the end of the Initial Term of five (5) years, then a pro-rated amount of the professional services discount provided by Vendor shall be paid back to Vendor within ninety (90) business days of the effective date of the termination, in an amount according the following table:
- If terminated after year 1, \$37,076 shall be repaid to Vendor;
  - If terminated after year 2, \$27,807 shall be repaid to Vendor;
  - If terminated after year 3, \$18,538 shall be repaid to Vendor;
  - If terminated after year 4, \$9,269 shall be repaid to Vendor; and
  - If terminated after year 5, no amount of the discount shall be refunded.
- 9. Renewal.** Any renewal of the agreement following the initial term as defined in Section 11.1 of the Master Services and Hosting Agreement shall be by written document executed by Vendor and City.
- 10. Name and Logo.** Vendor shall not use City's name, its marks, or any of City logos, including Kingsport City Schools, in marketing or publicity materials or for marketing or publicity purposes without prior written authorization from City.
- 11. Governing Law Selection of Jurisdiction, Waiver of Jury Trial, Venue, Service of Process.** The Agreement and the rights and obligations of the parties are governed by the laws of the state of Tennessee, without regard to its conflict of laws principles. Pursuant to the Constitution and Laws of the State of Tennessee, City is a sovereign entity subject only to those courts with jurisdiction over City. If a dispute arises between the parties concerning any aspect of the Agreement, and it cannot be resolved by mutual agreement, any party may resort to resolution of the dispute by litigation in the state courts in Kingsport, Tennessee or the Federal court for the Eastern District of Tennessee, Northeastern Division. However, neither party shall be obligated to provide any type of pre-suit notice before initiating a cause of action. The parties waive their right to a jury trial. The parties hereby consent to the mandatory and exclusive venue and jurisdiction of the state court located in Kingsport, Tennessee or the Federal court for the Eastern District of Tennessee. Service of process shall comply with the Tennessee Rules of Civil Procedure or applicable federal rules, and City does not agree to any other service of process procedure.
- 12. Responsibility for Litigation Costs, Expenses and Payment of Attorney's Fees.** Article II, Section 29 of the Tennessee Constitution prohibits cities from lending their credit to private entities and, therefore, prohibits an agreement by City to indemnify a third party or agree to a limitation of liability provision. This prohibition extends to contractual provisions for the payment of attorney's fees. In the event of litigation between City and Vendor each party shall be solely and exclusively responsible for the payment of litigation costs, expenses and attorney's fees excepting those costs which may be awarded by a court of competent jurisdiction as specified by Tennessee law or applicable rules of civil procedure. Discretionary cost may be awarded by a court as permitted by Tennessee law, provided City does not waive its governmental immunity.

13. **No Taxes.** As a tax-exempt entity, City shall not be responsible for sales or use taxes incurred for products or services, so long as the City maintains its tax-exempt status. City shall supply Vendor with its Sales and Use Tax Exemption Certificate upon Vendor's request. Vendor shall bear the burden of providing its suppliers with a copy of City's tax exemption certificate and Vendor shall assume liability for such applicable Sales and Use Taxes, if any, that should be incurred.
14. **Amendment.** Unilateral modification or amendment of the Agreement by either party is prohibited and any provision permitting such by Vendor is not applicable to City. Any amendment or modification of the Agreement or this Addendum is binding only if it is in writing and properly executed by the signatures of authorized representatives of the parties hereto, including attestation by City's city recorder and approved as to form by City's city attorney.
15. **Survival.** This Addendum shall survive the completion of or any termination of the Agreement or other document which may accompany the Agreement or be incorporated by reference.
16. **No Presumption Against Drafter.** This Addendum shall not be construed for or against any party because that party or that party's legal representative drafted any of its provisions. Accordingly, this Addendum shall be construed without regard to the rule that ambiguities in a document are to be construed against the draftsman. No inferences shall be drawn from the fact that the final, duly executed Addendum differs in any respect from any previous draft hereof.
17. **Counterparts.** This Addendum may be executed in one or more counterparts by City and Vendor. If so executed, the signer shall deliver an original to the other party and the collective counterparts shall be treated as the fully executed document.
18. **Effective Date.** This Addendum shall be effective immediately after the Agreement is effective.

Selectron Technologies, Inc.

City of Kingsport, Tennessee

Signature

Patrick W. Shull, Mayor

Date

Date

Printed Name

Attest:

Title

Angela Marshall, Deputy City Recorder

Approved as to form:

Rodney B. Rowlett, III, City Attorney



**AGENDA ACTION FORM**

**Consideration of a Resolution to Award Piedmont Pharmaceutical Care Network the RFP and Authorizing the Mayor to Sign a Contract to Implement a Pilot Program for Weight Loss Management**

To: Board of Mayor and Aldermen  
From: Chris McCartt, City Manager *CM*

Action Form No.: AF-288-2024  
Work Session: October 14, 2024  
First Reading: N/A  
Final Adoption: October 15, 2024  
Staff Work By: Mike Wessely  
Presentation By: Tyra Copas

**Recommendation:**  
Approve the Resolution.

**Executive Summary:**  
To promote and encourage employee wellness, Human Resources proposes implementing a two-year pilot program for weight loss management. The program will be open to all City of Kingsport employees with a specific emphasis placed on high-risk individuals to reduce/eliminate future diagnosis of diabetes which in turn reduces future medical claim costs.

A request for proposal was conducted, and five proposals were received. The selection committee viewed all proposals and identified Piedmont Pharmaceutical Care Network as the successful proposal.

The Piedmont Pharmaceutical Care Network program provides COK employees access to licensed pharmacists to develop individualized weight loss plans that will enable employees to make lifestyle changes at a pace that is comfortable while improving their over-all health and well-being. In addition, the program may offer limited weight loss medications for some participants for a specified period. Currently, weight loss medications are not covered under the City’s medical insurance plans.

The cost to provide the program would be up to \$250k per year, depending on the number of participants, which is already within the budget of the enterprise benefits fund. These amounts are in the current FY25 budget under accounts 615-1601-413-20-61 and account 625-1704-413-51-00.

- Attachments:**  
1. Resolution  
2. Piedmont Pharmaceutical Slide Deck

	Y	N	O
Baker	—	—	—
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Mayer	—	—	—
Phillips	—	—	—
Montgomery	—	—	—

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING AN AGREEMENT WITH PIEDMONT PHARMACEUTICAL CARE NETWORK FOR EMPLOYEE WEIGHT MANAGEMENT PROGRAM AND AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT FOR THE SAME AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, in an effort to improve the overall health and wellbeing of our employee population while attempting to prevent future diagnosis of additional comorbidities and the increased cost of treatment, the city would like to enter into an agreement with Piedmont Pharmaceutical Care Network to implement a weight management program (the "program") for active employees who are enrolled in City sponsored health care coverage; and

WHEREAS, while the program will be open to all employees who are enrolled in City sponsored health care coverage, a specific emphasis will be placed on high-risk individuals to reduce/eliminate future diagnosis of additional comorbidities which in turn will reduce future medical claim costs; and

WHEREAS, on August 24, 2024 the city published a request for proposals from licensed health care providers to implement a weight management program for active employees who are enrolled in City sponsored health care coverage; and

WHEREAS, five proposals were received, which were reviewed by the selection committee and after review, the selection committee recommends the city enter into a one year agreement with an annual renewal option with Piedmont Pharmaceutical Care Network for the provision of employee weight management program as set forth in the request for proposals in an amount not to exceed \$250,000.00; and

WHEREAS, funding is identified in account numbers 615-1601-413-20-61 and 625-1704-413-51-00.

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That a one year agreement, with an annual renewal option with Piedmont Pharmaceutical Care Network for the provision of employee weight management program as set forth in the request for proposals in an amount not to exceed \$250,000.00, is hereby authorized.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, the Agreement with Piedmont Pharmaceutical Care Network for the provision of employee weight management program, to deliver the agreement and take any and all action as may be required on the part of the city to carry out, give effect to, and consummate the transactions contemplated by the agreement and this resolution.

SECTION III. That the board finds that the actions authorized by this resolution are for a public purpose and will promote the health, comfort and prosperity of the citizens of the city.

SECTION IV. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 15th day of October, 2024.

\_\_\_\_\_  
PAUL W. MONTGOMERY, MAYOR

ATTEST:

\_\_\_\_\_  
ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

\_\_\_\_\_  
RODNEY B. ROWLETT, III, CITY ATTORNEY



# Exploring Weight Loss Drug Treatments & Cost Offset

Ron DeVizia, Pharm.D., CDCES  
Vice President of Business Development  
Piedmont Pharmaceutical Care Network (PPCN)  
(website): [ppcn.org](http://ppcn.org)

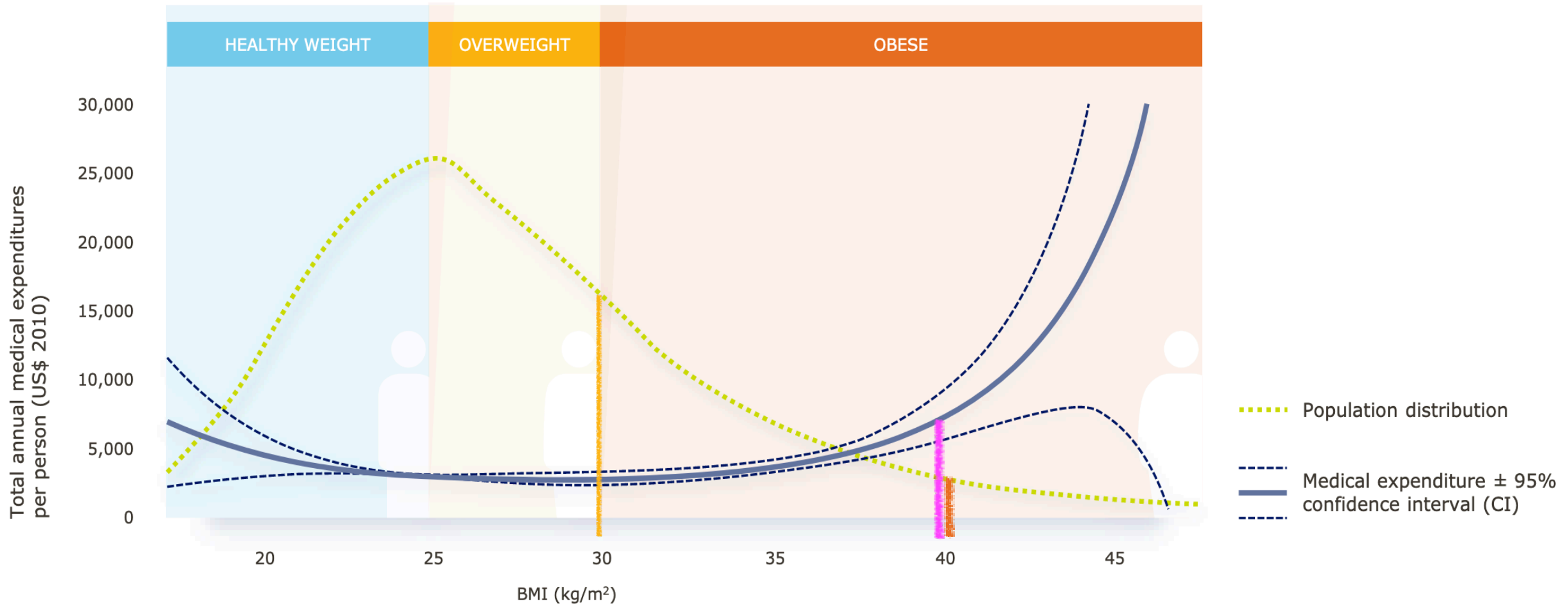


Item X15.

336.899.8475  
[ppcn.org](http://ppcn.org)



# Correlation of BMI to Cost



# Clients Sponsoring Medical Weight Management

19 County Governments and Municipalities

## 2023-2024 Healthiest Employers

### Triangle Area

City of Rocky Mount - 2nd

### Greater Charlotte Area

City of Salisbury - 2nd

Gaston County - 5th

### Healthiest 100 U.S. Workplaces

City of Gastonia - 61st

Cleveland County - 64th

Rowan County - 82nd



# HMP<sub>Rx</sub> Medical Weight Management Program Structure



## Pharmacist Visits Empowerment

- 6 visits, live or virtual.
- Review weekly surveys for priority interventions between quarterly visits.
- Depression screening (baseline 12 months).



## Virtual Group Behavioral Change

- 8 virtual sessions.
- Health coaches presents.
- Focused education topics.
- Sessions format:
  - Months 1-6, 8, & 10



## Weekly Check-Ins Accountability

- 45 surveys delivered via email or text.
- Individualized support.
- Screens for behavioral health, medication adherence, side effects, & weekly challenges.



## Scale Monitoring Accountability

- Weekly Weigh-ins.
- Monitoring for reporting and interventions.
- App with Bluetooth technology.

# Medical Weight Management Timeline

Month	1	2	3	4	5	6	7	8	9	10	11	12
PCM	✓	✓	✓			✓			✓			✓
Group	✓	✓	✓	✓	✓	✓		✓		✓		

Year 1	Year 2
Program Introductions	Weight-Loss Plateaus
Habit Loop	Non-Scale Victories
Healthy Eating 101	Seasonal Affective Disorder/Self-Care
Physical Activity 101	Sleep & Weight-Management
Challenges to your healthy Routine	Seasonal Nutrition
Essential Guide to Sugar	Reflection & Next Steps
Eliminating Critical Self-Talk	
Maintenance & Strategies	

Item X15.



336.899.8475  
ppcn.org

# Medical Weight Management Clinical Outcomes: Summer 2023

Customers	Parts.	Avg Baseline	Avg. Current	Decrease (%)
Weight	135	277.9	253.9	-8.7%
Hemoglobin A1c	81	5.6	5.4	

# Medical Claims Financial Trending PMPY

	Patient Count	Medical August 2022 - July 2023	Medical August 2023 - July 2024	Trending Differential
<b>Control*</b>	260	\$8,612	\$13,220	<b>\$4,608</b>
<b>MWMP</b>	135	\$4,563	\$4,933	<b>\$370</b>
<b>Differential</b>				<b>\$4,238</b>

Criteria

1

ICD-10 Diagnosis of Grade 3 Overweight (Morbid Obesity)

2

No ICD-10 Diagnosis of *Item X15* es

3

No pharmacy claims fill history of Anti-Obesity Medications in past 6-months

\*Cohort was determined from medical pharmacy claims data and the above criteria.

# Diabetes Diagnosis Cost Prevention PMPY

	<b>Patient Count</b>	<b>Average Costs</b>
<b>Average Cost of Diabetes</b>	801	\$17,594
<b>Average Cost of Pre-Diabetes with BMI <math>\geq</math> 40</b>	112	\$5,483
<b>Diagnosis of Diabetes Cost Increase</b>		<b>\$12,111</b>

# Return on Investment

	Employees	BMI ≥ 40 (12%)	Enrollment (30%)
<b>Projected Enrollment</b>	604	72	22
<b>Program Costs</b>	<b>Enrollment</b>	<b>PPPM Fee</b>	<b>Budget</b>
HealthMapRx Program-MWM	22	\$105	\$27,720
Manufacturer Savings Program	22	\$670	\$176,880
Data Analytics		\$1,000	\$12,000
<b>Total Costs</b>			<b>\$216,600</b>
<b>Cost Savings</b>			<b>Savings</b>
Diabetes Prevention (Pre-Diabetes: 50%)	11	\$12,111	\$133,221
Medical Claims Trending Differential	22	\$4,238	\$93,236
<b>Total Savings</b>			<b>\$226,457</b>
<b>Savings Net of Costs</b>			\$9,857
Program Costs			\$216,600
<b>ROI (savings net of costs ÷ program costs)</b>			4.6



*Each dollar of program expense can be recovered,  
plus \$0.46 on the amount invested!*

Item X15.

336.899.8475  
ppcn.org





**AGENDA ACTION FORM**

**Consideration of a Resolution to Rename the “Moonshiners’ Delight” Trail to “Woody’s Trail”**

To: Board of Mayor and Aldermen  
From: Chris McCartt, City Manager *CM*

Action Form No.: AF-252-2024  
Work Session: October 14, 2024  
First Reading: N/A  
Final Adoption: October 15, 2024  
Staff Work By: Committee  
Presentation By: Michael T. Borders

**Recommendation:**

Approve the Resolution.

**Executive Summary:**

If approved the city will rename the “Moonshiners’ Delight” Trail to “Woody’s Trail” at Bays Mountain Park.

Moonshiner’s Delight trail is a 4.1-mile linear single-track trail that begins at an intersection with Chestnut Trail and runs westwards crossing Fire Tower Trail, River Mountain Road, and ultimately terminating at an intersection with Indian Pipes Trail.

This trail was a project that was identified as a need during Bays Mountain Park’s 50<sup>th</sup> anniversary to increase the number of mountain biking trails and to provide a unique experience at the park. The trail was a passion of Dr. Woody Reeves who along with staff and volunteers brought the trail to fruition. The trail opened on June 3<sup>rd</sup>, 2022.

The Bays Mountain Park Commission is supportive of the recommendation to rename the trail in honor of Dr. Reeve’s project along with his six years of service on the Bays Mountain Park Commission. The proposed name qualifies under Section III (e), as an individual who made a substantial contribution for construction, of the City of Kingsport, Tennessee’s Public Building Infrastructure, & Facility Naming Policy.

**Attachments:**

- 1. Resolution
- 2. Map

	<u>Y</u>	<u>N</u>	<u>O</u>
Baker	—	—	—
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Mayes	—	—	—
Phillips	—	—	—
Montgomery	—	—	—

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION APPROVING THE RENAMING OF THE  
“MOONSHINER’S DELIGHT” TRAIL TO “WOODY’S TRAIL” AT  
BAYS MOUNTAIN PARK

WHEREAS, Moonshiner’s Delight trail is a 4.1-mile linear single-track trail that begins at an intersection with Chestnut Trail and runs westwards crossing the Fire Tower Trail, River Mountain Road, and ultimately terminating at an intersection with Indian Pipes Trail; and

WHEREAS, this trail was a project that was identified as a need during Bays Mountain Park’s 50<sup>th</sup> anniversary to increase the number of mountain biking trails and to provide a unique experience at the park; and

WHEREAS, the trail which opened on June 3<sup>rd</sup> 2022, was a passion of Dr. Woody Reeves who along with staff and volunteers brought the trail to fruition; and

WHEREAS, the Bays Mountain Park Commission recommends to rename the trail in honor of Dr. Reeve’s in recognition of his dedication to the project in addition to his six years of service on the Bays Mountain Park Commission; and

WHEREAS, on April 18, 2023, by Resolution No.: 2023-219, the board approved a naming policy for public buildings, infrastructure, and facilities; and

WHEREAS, pursuant to the Policy for the Naming of Public Buildings, Infrastructure, and Facilities, the board may consider the Names of individuals or organizations that have made a substantial contribution in service or substantial financial contribution for acquisition/development/construction; and

WHEREAS, upon consideration of these factors specified in Section (III)(e) of the naming policy, it is deemed advisable to name the trail as “Woody’s Trail”.

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That based upon the findings set forth above, which are incorporated herein by reference, the board hereby approves the renaming of the “Moonshiner’s Delight” as “Woody’s Trail.”

SECTION II. That the board finds that the actions authorized by this resolution are for a public purpose and will promote the health, comfort, and prosperity of the citizens of the city.

SECTION III. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 15<sup>th</sup> day of October, 2024.

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PAUL W. MONTGOMERY, MAYOR

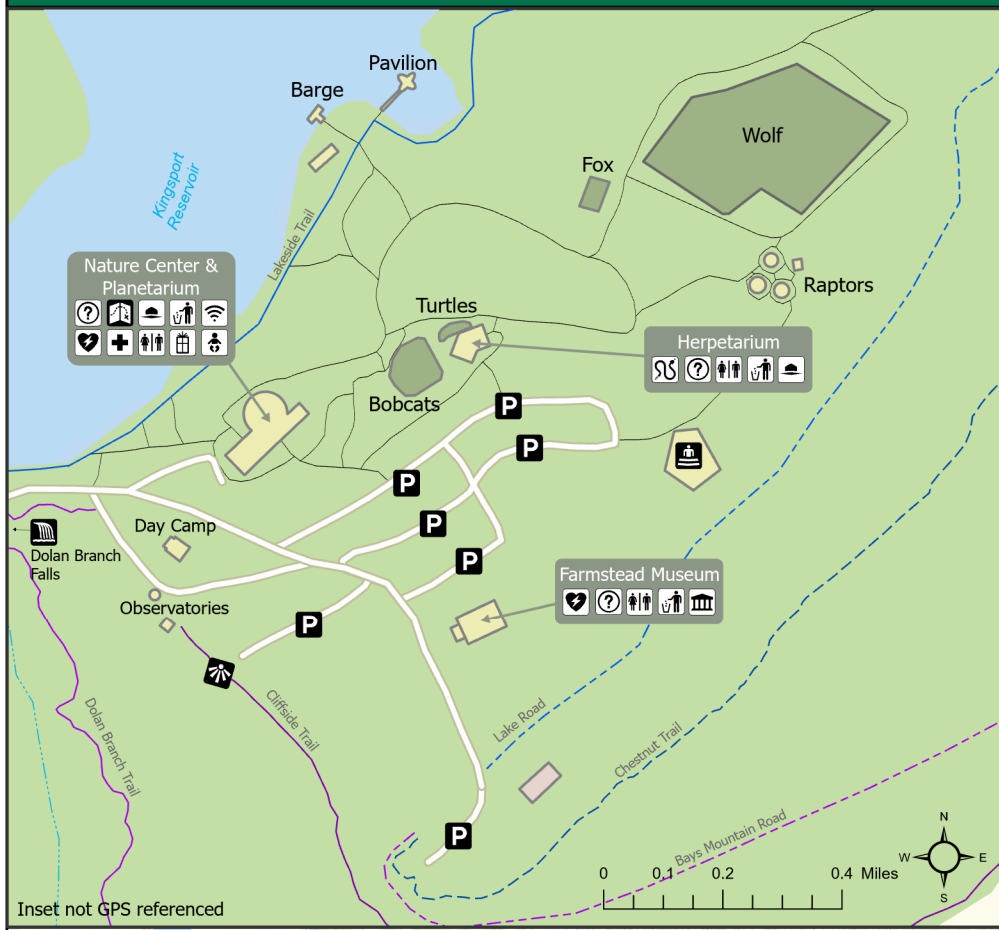
ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

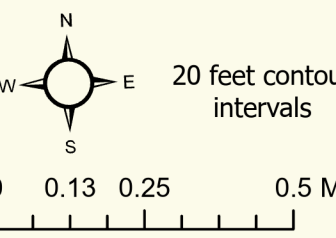
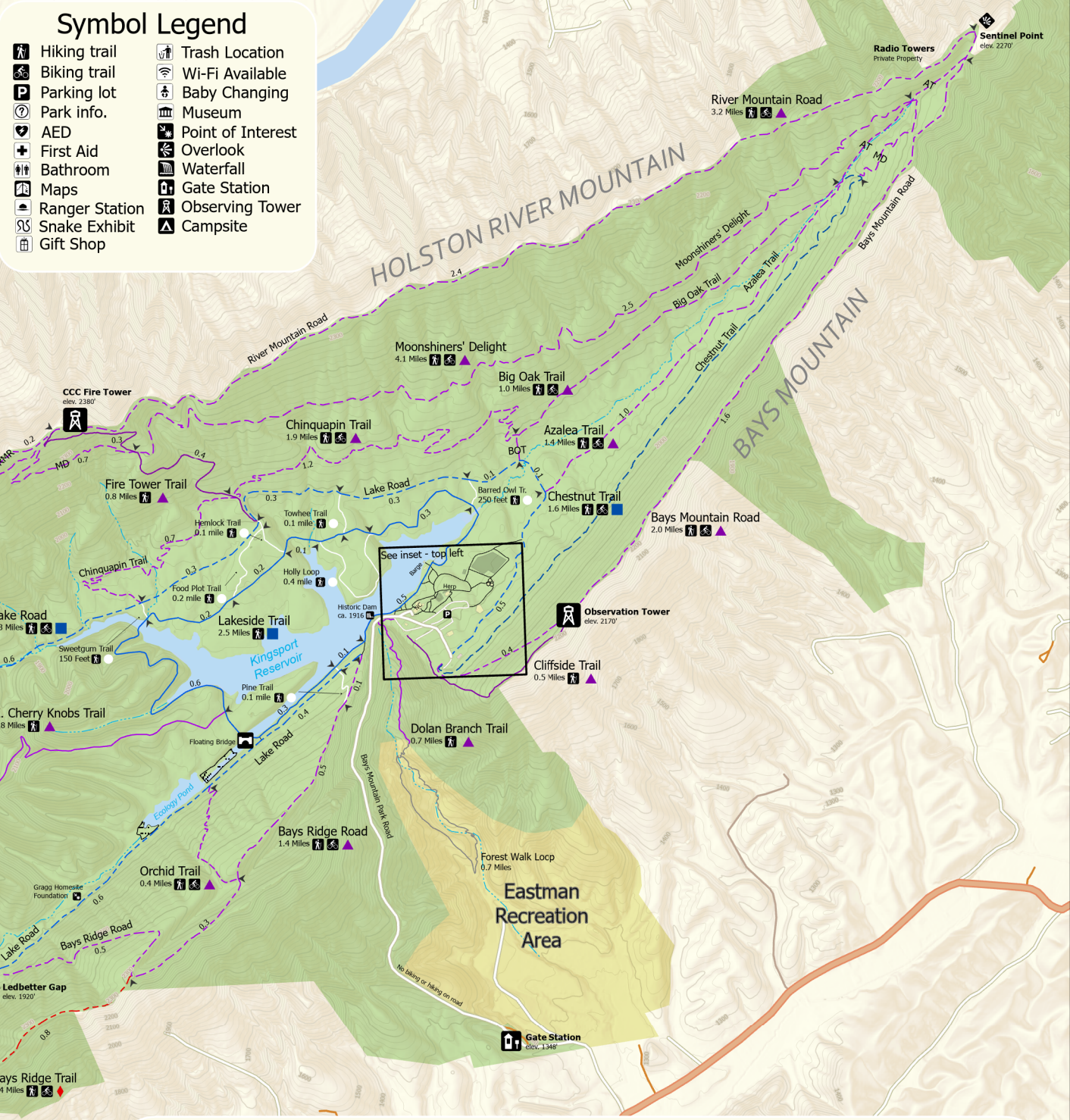
# Bays Mountain Park & Planetarium



Bays Mountain Park & Planetarium  
853 Bays Mountain Park Rd.  
Kingsport, TN 37660  
(423) 229-9447  
Map created: March 1, 2024

Trail Legend		Symbol Legend	
▲ 1.4 miles	▲ Azalea Trail	🚶 0.9 mile	🚶 Hiking trail
◆ 0.9 mile	◆ Back Hollow Road	🚴 4.3 miles	🚴 Biking trail
○ 250 feet	○ Barred Owl Trail	🅗 4.3 miles	🅗 Parking lot
▲ 2.0 miles	▲ Bays Mountain Road	📶	📶 Wi-Fi Available
◆ 1.4 miles	◆ Bays Ridge Road	🏠	🏠 Baby Changing
▲ 2.4 miles	▲ Bays Ridge Trail	🏛️	🏛️ Museum
◆ 0.5 mile	◆ Bear Run Trail	📍	📍 Point of Interest
▲ 1.6 miles	▲ Big Oak Trail	🏠	🏠 First Aid
◆ 1.9 miles	◆ Chestnut Trail	🚿	🚿 Bathroom
▲ 0.5 mile	▲ Chinquapin Trail	🗺️	🗺️ Maps
◆ 1.9 miles	◆ Cliffside Trail	👮	👮 Ranger Station
▲ 1.2 miles	▲ Cross Ridges Trail	🐍	🐍 Snake Exhibit
◆ 0.7 mile	◆ Dolan Branch Trail	🏠	🏠 Gate Station
▲ 0.8 mile	▲ East Cherry Knobs	🏠	🏠 Observing Tower
◆ 0.8 mile	◆ Fire Tower Trail	🏠	🏠 Campsite
▲ 0.2 mile	▲ Food Plot Trail		
◆ 1.7 miles	◆ Front Hollow Road		
▲ 0.1 mile	▲ Hemlock Trail		
○ 0.4 mile	○ Holly Loop		
◆ 2.0 miles	◆ Indian Pipes Trail		
◆ 0.9 mile	◆ Jones Road		
◆ 1.5 miles	◆ Kiner Hollow Trail		
◆ 2.5 miles	◆ Lake Road		
◆ 4.1 miles	◆ Lakeside Trail		
◆ 2.0 miles	◆ Laurel Run Trail		
◆ 4.1 miles	◆ Moonshiners' Delight		
○ 0.4 mile	○ Orchid Trail		
◆ 0.1 mile	◆ Pine Trail		
◆ 0.9 mile	◆ Pretty Ridge Trail		
◆ 3.2 miles	◆ River Mtn Road		
◆ 150 feet	◆ Sweetgum Trail		
◆ 0.1 mile	◆ Towhee Trail		
◆ 0.5 mile	◆ West Cherry Knobs		
—	— Hiking only path		
- - -	- - - Hiking and Biking path		
➤	➤ Trail intersection		
0.2	0.2 Intermediate distance		
▭	▭ Park Boundary		

○ Easy ■ Moderate ▲ Advanced ◆ Expert  
Trail line color corresponds with difficulty.



### Trail Guidelines

**Motor vehicles are prohibited on all trails and service roads.** Class I electric bikes are permitted on mountain bike trails.

**Cell coverage is limited within the park.** Please plan ahead and let someone know where you are going.

**Be aware of the park's closing time.** The entrance gate is locked at closing time. Those locked in are subject to fines.

**If you get lost, call the park (423) 229-9447.** Sit down and stay put. A ranger will be able to assist you.

**If you are badly hurt or have a medical emergency, call 911.** Remember, you may still be able to call 911 with bad cell reception.

**Go prepared.** Always take drinking water and have access to a map.

**This is a nature preserve.** Never feed wild animals, pick flowers, dig plants, or leave trash behind.

**Know your limits.** Bays Mountain can have very steep terrain. It's ok to sit down and rest.

**Practice proper trail etiquette.** Cyclists yield to hikers. Stay on trail. Keep all pets leashed.

## Park Hours

Summer Hours	Winter Hours
March - October	Nov-Feb
Mon-Sat 8:30am-8:00pm	Mon-Sat 8:30am-5:00pm
Sunday 11:00am-8:00pm	Sunday 11:00am-5:00pm

**Closed:**  
Thanksgiving Day  
Christmas Eve & Day

**Gate locked at closing time.**  
Hours subject to change without notice.

## About the Park



Dolan Branch Falls  
Photo by: Ranger Bob Culler

Bays Mountain Park is a 3,750 acre nature preserve and state natural area. It is the largest municipal park in the state. Bays Mountain was historically used by Native Americans as a hunting ground. The first Europeans settled in the area in the late 1700s. Family farms dominated the landscape until construction of the reservoir in 1916, which served as Kingsport's drinking water supply until 1944. For over 100 years, families visited Bays Mountain for outdoor recreation and a connection to nature. In 1965 Kingsport began exploring options for permanently protecting this public use by creating a city park. This effort culminated in the opening of the Nature Center and the dedication of the park in 1971. Since that time, the park has continued to grow in size and resources. With a planetarium, nature center, native animal exhibits and a barge on the reservoir, the park focuses much of its resources on science education. An extensive hiking and biking trail system lends itself to outdoor recreation for all levels. The park's ecosystem is home to myriad plants and animals, big and small.

## Park Rules

**Bays Mountain Park is a nature preserve and state natural area. The collection of any items, living or dead, is expressly prohibited by law.**

- ANIMAL HABITATS** - All of our animals are fed a nutritious diet. Do not feed any animal. Pets and bicycles are prohibited in the animal habitat areas.
- PICNIC AREAS** - Picnic areas are located in the parking areas. No fires or grills allowed. Feeding of wildlife is prohibited.
- FISHING** - Fishing is available to visitors under the age of 16 and over the age of 55. Fishing is allowed Monday & Saturday from 8:30am - Noon. In June, July, and August, fishing days are extended to Monday thru Saturday. All fishing must take place from the dam. No live bait other than night crawlers. All Tenn. fishing regulations apply.
- MOUNTAIN BIKING** - Ride at your own risk. Mountain bikes must stay on biking trails. E-bikes prohibited except for pedal assist (class I) bicycles. Helmets required of all bikers. Bikes are prohibited in the animal habitats and the entrance road.

- MOTOR VEHICLES** - Motorized vehicles are prohibited on all trails and service roads. Vehicles are required to follow all posted speed limits and should always yield to pedestrians.
- RECREATIONAL ACTIVITIES** - Bays Mountain is a nature preserve best suited to passive recreation. As such, recreational activities such as horseback riding, roller skating, skateboarding, electric motored vehicles (hoverboards, etc.), metal detecting, swimming, and boating are all prohibited. All visitors should stay on trail.
- WILDLIFE** - Visitors will likely encounter wildlife during their visit. It is a violation of law to harass wildlife. Feeding of wildlife is prohibited.
- PETS** - Pets, such as dogs and cats, can be a nuisance to wildlife, carry diseases, and harm or scare other visitors. As such, visitors with pets are required to maintain control of their pet on a 6-foot visible leash at all times. Pets may not be in the animal habitat areas or the Herpetarium. Pets may not swim in the lake or any pond.

This set of rules is not exhaustive. For a complete set of rules and regulations, please see a park ranger.

## Park Programs

**Park program offerings and times vary throughout the year. Please visit our website for a complete listing of available programs.**

- BARGE RIDES** - Observe water lilies, deer, raccoons, ducks, geese, turtles, great blue herons, beaver lodges, and sometimes beavers and black bear. Your captain will discuss park history as well as the sights and sounds encountered on your trip creating a unique experience.
- PLANETARIUM PROGRAMS** - Visit our state-of-the-art planetarium theater. It is the only one of its kind in the Western Hemisphere! Programs cover a wide range of astronomical topics. Programs change regularly and many are produced by our in-house staff.
- ANIMAL PROGRAMS** - Learn about native wildlife at our live animal exhibits. At our Keeper Talks, our animal care staff will explain how we care for our animals and answer any questions you may have about our animals or their exhibits. At some programs, you may even get to meet some of our animals up close!
- ASTRONOMY PROGRAMS** - Our staff astronomers and astronomy club host a variety of astronomy themed programs throughout the year. SunWatch is held on most sunny Sundays and Saturdays and allows visitors to safely view the Sun. StarWatch is held many Saturday nights in the spring and fall and gives visitors the opportunity to experience the night sky. StarFest is a regional gathering of amateur astronomers held every fall. Astronomy programs are weather dependent. Alternate indoor programs may be offered in poor weather. Check the park's calendar for details.
- NATURE PROGRAMS** - Giving our visitors the opportunity to connect with nature is central to our mission. For visitors who may be new to the outdoors or just want to learn more about nature, we offer guided ranger programs. These programs are often seasonal and cover topics like backpacking, wildflowers, outdoor safety, off trail adventures, and more.

**In case of emergency, please call 911**  
**For information or if you are lost, please call (423) 229-9447**

**Memberships and tickets can be purchased at the Gift Shop**  
**To view scheduled programs, visit our website [www.BaysMountain.com](http://www.BaysMountain.com)**



**AGENDA ACTION FORM**

**Consideration of a Resolution to Approve the Mayor's Signature for the Purchase of Clear Risk, a Risk Management Information System, by Participating in the City of Fort Collins Cooperative Procurement Agreement**

To: Board of Mayor and Aldermen  
From: Chris McCartt, City Manager *CM*

Action Form No.: AF-274-2024  
Work Session: October 14, 2024  
First Reading: n/a  
Final Adoption: October 15, 2024  
Staff Work By: Kristen Hodgson  
Presentation By: Bart Rowlett

**Recommendation:**  
Approve the Resolution

**Executive Summary:**  
The Risk Management department is implementing a risk management software system to help manage the various aspects of risk management including claims and incident management, policy management, insurance certificates and contracts, property management, and vehicle and equipment management.

The city is allowed to participate in government contracts such as the Fort Collins Cooperative Agreement.

The annual subscription cost is \$41,500 and the implementation fee is \$34,650. Funding is available in account 615-1601-413-90.06.

- Attachments:**
1. Resolution
  2. Agreement

	Y	N	O
Baker	—	—	—
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Mayes	—	—	—
Phillips	—	—	—
Montgomery	—	—	—

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT WITH CLEAR RISK US CORP FOR THE PURCHASE OF CLEARRISK UTILIZING THE CITY OF FORT COLLINS, COLORADO CONTRACT

WHEREAS, staff recommends purchasing ClearRisk, a Risk Management Information System from Clear Risk US Corp utilizing the City of Fort Collins, Colorado Contract for use by the Risk Management Department; and

WHEREAS, Tenn. Code Ann. §12-3-1205 permits city to participate in, a cooperative purchasing agreement for the procurement of equipment when such participation is permitted by the laws of the jurisdiction which originally procured the equipment permits the joint exercise of purchasing authority in accordance with an agreement entered into between or among the participants; and

WHEREAS, the City of Fort Collins competitively solicited bids for risk management software and entered into a contract with Clear Risk US Corp for the same and which the City of Fort Collins, by agreement, allows other governmental entities to make purchases of the specified equipment; and

WHEREAS, the Agreement, as attached as Exhibit A to this resolution needs to be executed by the city; and

WHEREAS, the cost of implementation of the software is \$34,650.00 plus an annual subscription cost of \$41,500.00 for a total amount not to exceed \$76,150.00; and

WHEREAS, the funding is available in account no: 615-1601-413-90.06.

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, the Agreement with Clear Risk US Corp to deliver the agreement and take any and all action as may be required on the part of the city to carry out, give effect to, and consummate the transactions contemplated by the agreement and this resolution as set out in the attached Exhibit A to this resolution.

SECTION II. That the mayor is further authorized to make such changes approved by the mayor and the city attorney to the agreement as attached as Exhibit A to this resolution that do not substantially alter the material provisions of the agreement, and the execution thereof by the mayor and the city attorney is conclusive evidence of the approval of such changes.

SECTION III. That the board finds that the actions authorized by this resolution are for a public purpose and will promote the health, comfort, and prosperity of the citizens of the city.

SECTION IV. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 15th day of October, 2024.

\_\_\_\_\_  
PAUL W. MONTGOMERY, MAYOR

ATTEST:

\_\_\_\_\_  
ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

\_\_\_\_\_  
RODNEY B. ROWLETT, III, CITY ATTORNEY

**Addendum**  
**[To Participate in City of Fort Collins Cooperative Procurement]**

This Addendum (the “**Addendum**”) is entered into as of this \_\_\_\_ day of \_\_\_\_\_, 2024 (the “**Addendum Effective Date**”) by and between Clear Risk US Corp. a corporation organized and existing under the laws of the State of Delaware (“Clear Risk”) and **CITY OF KINGSPORT**, a municipal corporation chartered under the laws of the State of TENNESSEE (“**Client**”), in order to utilize, by way of cooperative procurement, the ClearRisk Services Agreement entered into between Clear Risk and the City of Fort Collins dated June 15, 2022 and attached hereto as **Exhibit 1** (the “**Fort Collins Agreement**”).

**IN CONSIDERATION** of the mutual covenants contained herein, Clear Risk and the Client agree as follows:

1. **Interpretation.** Capitalized terms used herein and not defined herein shall have the meanings ascribed to such terms in the Fort Collins Agreement. For the purpose of this Addendum, the following terms shall have the following meanings, respectively:

“**Agreement**” means this Addendum together with the Fort Collins Agreement (as amended herein).

“**ClearRisk**” means Clear Risk US Corp.

Any references to “**City of Fort Collins**” in the Fort Collins Agreement shall mean the “**Client**” as defined in this Addendum.

2. **Scope and Schedules.** The Parties intend to utilize the Fort Collins Agreement (as amended herein) for the purposes of the Client’s subscription to access and use the ClearRisk Service. Schedules A, B and C to the Fort Collins Agreement are not applicable to this Agreement and are hereby deleted and replaced with Schedules A and B attached hereto. By executing this Addendum, the undersigned Client and Clear Risk each acknowledge and agree to be bound by the Fort Collins Agreement (as amended herein).
3. **Term.** The term of this Agreement commences on the Joinder Effective Date and, unless terminated earlier in accordance with the Agreement, has an initial term of three (3) years.
4. **Amendments.** The Fort Collins Agreement is hereby amended as follows:

- a. Section 2.2 is hereby deleted and replaced with the following:

*“2.2 **Renewal.** This Agreement may be renewed for succeeding three year terms (each a “**Renewal Term**”) on no less than 30 days prior notice prior to the expiration of the Initial Term or any Renewal Term, which shall be memorialized in writing and executed by the Parties.*

- b. Section 6.3 is hereby deleted and replaced with the following:

*“6.3 **Taxes.** Client is exempt from sales and use tax. A copy of Client’s Sales and Use Tax Exemption shall be provided upon execution of this Addendum.*

- c. Section 9.5 is hereby deleted and replaced with the following:

*Client as a governmental entity is subject to the Tennessee Public Records Act (the “TPRA”), set out in Tenn. Code Ann. §10-7-503 et seq., and any public records as defined by Tenn. Code Ann. § 10-7-503 created or maintained by Client are not confidential and are subject to disclosure in whole or in part, pursuant to the provisions of the TPRA without regard to any provision contained in the Agreement declaring information confidential. Additionally, Client must, upon proper request, release public documents and records as defined by Tenn. Code Ann. §10-7-503 et seq., including, but not limited to, the Agreement and all records*



*created and maintained related to the Agreement, without any requirement to disclose such request to ClearRisk or provide ClearRisk with notice or the time to obtain a protective order. Client does not have the burden of establishing that information is not confidential information or that its release is authorized to release the records. This Section 9.5 serves to meet such burden and authorization of disclosure.*

d. In Section 10.2, all references to “ClearRisk Claims” are amended to read “the ClearRisk Service”. Additionally, because governmental entities in the State of Tennessee may not have the legal authority to agree to limitations of warranties, any limitations set forth in the agreement are only enforceable to the extent permitted by Tennessee law.

e. Section 12 is hereby deleted and replace with the following:

“12     **INDEMNIFICATION BY CLIENT**

*Article II, Section 29 of the Tennessee Constitution prohibits cities from lending their credit to private entities and, therefore, prohibits an agreement by Client to indemnify a third party or agree to a limitation of liability provision. Any indemnity or hold harmless provision contained in the Agreement requiring Client to indemnify or hold harmless Vendor or any other person or entity and any limitation of liability in favor of Vendor is enforceable only to the extent permitted by Tennessee law, provided Client’s monetary limits of liability under any such provision is limited to the monetary limits of liability as provided for in the Tennessee Governmental Tort Liability Act, Tenn. Code Ann. § 29-20-101 et seq. No provision of this Agreement shall act or be deemed a waiver by Client of any immunity, including its rights or privileges or of any provision of the Tennessee Governmental Tort Liability Act, Tenn. Code Ann. § 29-20-101 et seq.*

f. Section 13.2 is hereby deleted and replaced with the following:

“13.2    Limitation of Liability. TO THE EXTENT PERMITTED BY TENNESSEE LAW AND SUBJECT TO SECTION 13.3 HEREOF, IN NO EVENT WILL EITHER PARTY’S MAXIMUM CUMULATIVE LIABILITY UNDER THIS AGREEMENT ARISING OUT OF OR RELATED TO THIS AGREEMENT OR RELATING TO THE SUBJECT MATTER HEREOF FOR ALL CLAIMS, COSTS, LOSSES AND DAMAGES EXCEED THE LESSER OF (A) \$7,500.00, OR (B) THE AMOUNTS ACTUALLY PAID BY AND DUE FROM CLIENT HEREUNDER IN THE 12 MONTHS PRECEDING THE INCIDENT GIVING RISE TO THE CLAIM OR LIABILITY. THE EXISTENCE OF MORE THAN ONE CLAIM SHALL NOT ENLARGE THIS CUMULATIVE LIMIT.”

g. Section 14.1(d) is hereby modified to read as follows:

“(d)    *Cyber Liability Insurance, with limits of no less than One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) in the aggregate for claims each policy year;*”

h. Section 16.14 is hereby amended to read as follows:

*Client is a governmental entity, and the validity of the Agreement is based upon the availability of public funding under its authority. In the event Client fails to appropriate funds or make monies available for any fiscal year covered by the term of this Agreement for the services to be provided, this Agreement shall be terminated on the last day of the fiscal year for which funds were appropriated or monies made available for such purposes without liability to Client, such termination shall not be a breach of this Agreement.*

5.     **Email Notifications.** From time to time, ClearRisk may use a third party application for data submission and such application provides email notifications to Client related to Client’s input of data into the ClearRisk Service. Client is responsible for ensuring that Client’s email address is accurate and complete and that such information remains current at all times during the Term. In order to ensure successful delivery of such email notifications, Client is advised to add IP address

35.169.190.25 hostname infra-mail.formassembly.com or such other domains provided by ClearRisk to Client's safe senders list to prevent email messages from being moved to Client's junk or spam folder. ClearRisk is not liable for any damages whatsoever caused by or resulting from the unsuccessful delivery of email notifications to Client as a result of email notifications being directed to spam or junk filters, incorrect email addresses, incorrect email addresses, or other acts or omissions of Client.

6. **Publicity.** Client agrees: (i) to issue a joint press release with ClearRisk ("**Press Release**") on a mutually agreed date within thirty (30) days of the Effective Date announcing that Client has entered into an agreement to use the ClearRisk Service; and (ii) that ClearRisk may disclose that Client is a Client of ClearRisk. Client will have the right to review and approve the Press Release in advance; such approval shall not be unreasonably delayed or withheld. Each Party may include the name and logo of the other Party in lists of clients or vendors in accordance with the other Party's standard guidelines.
7. **Notices.** All notices under this Agreement shall be delivered in accordance with Section 16.6 of the Fort Collins Agreement to the ClearRisk and Client addresses set forth below:

Clear Risk US Corp:

PMB #111  
2801 Centerville Road  
First Floor  
Wilmington, Delaware  
19808-1609  
Attention: Craig Rowe  
Email: craig@clearrisk.com

Client:

Street  
City, State:  
Zip Code:  
Attention:  
Email:  
Phone:

**Governing Law.** Notwithstanding Section 16.8 of the Fort Collins Agreement, this Agreement and all matters arising out of or relating to this Agreement, whether sounding in contract, tort, or statute, are governed by and construed in accordance with the laws of the State of Tennessee and the federal laws of the United States applicable therein, without giving effect to the conflict of laws provisions thereof to the extent such principles or rules would require or permit the laws of any jurisdiction other than the State of Tennessee to apply and each of the Parties hereby irrevocably attorns to the exclusive jurisdiction of the courts of such State. The application of the *United Nations Convention on Contracts for the International Sale of Goods* to this Agreement is expressly excluded and does not apply to this Agreement.

8. **Signature, Counterparts, and Delivery.** This Addendum may be signed electronically, including through DocuSign and similar applications. This Addendum may be signed in any number of counterparts (including counterparts by scanned or electronic signature) and each counterpart will be deemed an original; taken together, all counterparts will be deemed to constitute one and the same instrument. Delivery of a printed counterpart (whether or not the counterpart was signed electronically) or electronic delivery (including by email transmission or transmission over an electronic signature platform) of an executed counterpart of this Addendum are each as valid, enforceable and binding as if the signatures were upon the same instrument and delivered in person.

**IN WITNESS WHEREOF** the signature of a duly authorized director of each of ClearRisk and Client were hereunto affixed in accordance with their rules and regulations in that behalf contained, the day and year first

before written.

**CLEAR RISK US CORP.**

**City of Kingsport, Tennessee**

\_\_\_\_\_  
Name: Craig Rowe

\_\_\_\_\_  
Paul W. Montgomery, Mayor

Title:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date:

I have authority to bind the corporation.

Attest:

\_\_\_\_\_  
Angela Marshall, Deputy City Recorder

Approved as to form:

\_\_\_\_\_  
Rodney B. Rowlett, III, City Attorney



**AGENDA ACTION FORM**

**Consideration of a Resolution Ratifying an Application for the Public Entity Partners 2024-2025 James L Richardson Driver Matching Grant Program**

To: Board of Mayor and Aldermen  
From: Chris McCartt, City Manager

Action Form No.: AF-282-2024  
Work Session: October 14, 2024  
First Reading: N/A  
Final Adoption: October 15, 2024  
Staff Work By: Kristen Hodgson  
Presentation By: Kristen Hodgson

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**Recommendation:**

Approve the Resolution.

**Executive Summary:**

The city has applied for the James L. Richardson Driver Matching Grant Program through Public Entity Partners to be used for employee driver safety. The application was submitted on September 25, 2024 and requires a resolution for approval.

The city would use the grant funds to conduct Motor Vehicle Record checks of employees that drive city vehicles.

The maximum amount of the grant is \$5,000 and covers 100% of the cost for Motor Vehicle Record checks.

**Attachments:**

1. Resolution

	<u>Y</u>	<u>N</u>	<u>O</u>
Baker	—	—	—
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Mayes	—	—	—
Phillips	—	—	—
Montgomery	—	—	—

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION TO APPROVE AND RATIFY THE SUBMISSION OF AN APPLICATION FOR A 2024-2025 JAMES L. RICHARDSON DRIVER GRANT THROUGH PUBLIC ENTITY PARTNERS FOR THE RISK MANAGEMENT DEPARTMENT AND AUTHORIZING THE MAYOR TO SIGN ALL DOCUMENTS NECESSARY AND PROPER TO RECEIVE THE GRANT

WHEREAS, the city, through the Risk Management Department, applied for a 2024-2025 James L. Richardson Driver Grant from Public Entity Partners (PEP) to be used for employee driver safety; and

WHEREAS, if awarded, the grant funds will be used for Motor Vehicle Record checks of employees that drive city vehicles; and

WHEREAS, the maximum amount of the grant is \$5,000.00, and covers 100% of the cost for Motor Vehicle Record checks.

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That the application submitted on September 25, 2024, for the 2024-2025 James L. Richardson Driver Grant from Public Entity Partners (PEP) to be used for employee driver safety, in an amount not to exceed \$5,000.00, is approved and ratified.

SECTION II. That the Mayor, or in his absence, incapacity, or failure to act, the Vice Mayor, is authorized to execute, in a form approved by the City Attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, all documents necessary and proper to apply for and receive the 2024-2025 James L. Richardson Driver Grant from Public Entity Partners (PEP), in an amount not to exceed \$5,000.00, to deliver the documents and take any and all action as may be required on the part of the city to carry out, give effect to, and consummate the transactions contemplated by the application and this resolution.

SECTION III. That the mayor is authorized to execute any and all documents including those necessary and proper to demonstrate the city's compliance with the grant requirements or its provisions necessary to effectuate the purpose of the grant or this resolution.

SECTION IV. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 15th day of October, 2024.

\_\_\_\_\_  
PAUL W. MONTGOMERY, MAYOR

ATTEST:

\_\_\_\_\_  
ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

\_\_\_\_\_  
RODNEY B. ROWLETT, III, CITY ATTORNEY