

**Solicitation Number: RFP #092222****CONTRACT**

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and Caterpillar Inc., 5212 N. O'Connor Blvd., Suite 1100, Irving, TX 75039 (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 Electrical Energy Power Generation Equipment with Related Parts, Supplies, 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.
- B. **EXPIRATION DATE AND EXTENSION.** This Contract expires November 22, 2026, unless it is cancelled sooner pursuant to Article 22. This Contract may be extended one additional year upon the request of Sourcewell and written agreement by Supplier.
- C. **SURVIVAL OF TERMS.** Notwithstanding any expiration or termination of this Contract, all payment obligations incurred prior to expiration or termination will survive, as will the following: Articles 11 through 14 survive the expiration or cancellation of this Contract. All other rights will cease upon expiration or termination of this Contract.

**2. EQUIPMENT, PRODUCTS, OR SERVICES**

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

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

All Equipment and Products provided under this Contract must be new and the current model. Supplier may offer used, 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 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. Supplier may not enter into a contract with a U.S. Federal Government entity prior to obtaining necessary internal approvals and will not be obligated to provide Equipment, Products, or Services to any U.S. Federal Government entity under this Contract unless separately agreed in writing. Supplier may work with such parties and may agree to provide equipment or services under the Contract on a case-by-case basis.

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 Sourcewell, the Supplier will pay an administrative fee to Sourcewell 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. Provided, however, that Caterpillar is permitted to subcontract certain of its rights and obligations to Caterpillar dealers for performance without Sourcewell's prior written consent.

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**

Intentionally omitted.

## **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. *Professional/Technical, Errors and Omissions, and/or Miscellaneous Professional Liability*. During the term of this Contract, Supplier will maintain coverage for all claims the Supplier may become legally obligated to pay resulting from any actual or alleged negligent act, error, or omission related to Supplier's professional services required under this Contract.

Minimum Limits:

\$2,000,000 per claim or event

\$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. A Participating Dealer may name a Participating Entity as an additional insured on a case-by-case basis.

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.

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's Participating Dealers 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's Participating Dealer 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**

Intentionally omitted.

**22. CANCELLATION**

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

Sourcewell

Caterpillar Inc.

DocuSigned by:  
*Jeremy Schwartz*  
C0FD2A139D06489...

DocuSigned by:  
*Jaime Mineart*  
8ED6778AD1EB44E...

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

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

Jeremy Schwartz

Jaime Mineart

Title: Chief Procurement Officer

Title: Vice President & General Manager  
Retail Electric Power Solutions

12/6/2022 | 4:51 PM CST

12/6/2022 | 6:57 PM PST

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

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

Approved:

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

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

Chad Coquette

Title: Executive Director/CEO

12/6/2022 | 8:58 PM CST

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

# RFP 092222 - Electrical Energy Power Generation Equipment with Related Parts, Supplies, and Services

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## Vendor Details

Company Name: Caterpillar  
Address: 5205 N O'Connor Blvd  
Irving, TX 75039  
Contact: Jaime Mineart  
Email: Mineart\_Jaime\_M@cat.com  
Phone: 309-208-8238  
Fax: 847-212-8020  
HST#:

## Submission Details

Created On: Thursday August 04, 2022 09:20:25  
Submitted On: Thursday September 22, 2022 11:48:50  
Submitted By: Jaime Mineart  
Email: Mineart\_Jaime\_M@cat.com  
Transaction #: 7d158290-a935-4ffc-acc0-efaa11d1bfb4  
Submitter's IP Address: 198.180.154.20

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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. 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")	Caterpillar Inc.
2	Identify all subsidiary entities of the Proposer whose equipment, products, or services are included in the Proposal.	N/A
3	Identify all applicable assumed names or DBA names of the Proposer or Proposer's subsidiaries in Line 1 or Line 2 above.	N/A
4	Provide your CAGE code or Unique Entity Identifier (SAM):	11083
5	Proposer Physical Address:	5212 N O'Connor Blvd Ste. 1100, Irving, TX 75039
6	Proposer website address (or addresses):	<a href="https://www.caterpillar.com/">https://www.caterpillar.com/</a> , <a href="https://www.cat.com/en_US.html">https://www.cat.com/en_US.html</a>
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):	Authorized Rep: Jaime Mineart Title: Vice President & General Manager, Retail Electric Power Solutions Address: 5212 N O'Connor Blvd Ste. 1100, Irving, TX 75039 Email: Mineart_Jaime_M@cat.com Phone: (309) 208-8238
8	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Primary Contact: Nicole Warnstedt Title: Territory Sales Manager Address: 5212 N O'Connor Blvd Ste. 1100, Irving, TX 75039 Email: Warnstedt_nicole_a@cat.com Phone: (847) 212-8020
9	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Other Contact: Steve Turner Title: Americas Sales Manager, Retail Electric Power Solutions Address: 5212 N O'Connor Blvd Ste. 1100, Irving, TX 75039 Email: Turner_Stephen_M@cat.com Phone: (309) 208-8238

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

Line Item	Question	Response *
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<p>10</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>Caterpillar was founded in 1925 when two entrepreneurs merged their companies: Holt Manufacturing Company and C.L Best Tractor Company. The merger was a great success because the ethics of both men were focused on high quality products and the best customer support.</p> <p>The key to this satisfaction is two-fold: build the best products and empower our dealers to offer the best support. Through this combination, we are proud to prove that our products offer the best value to our customers regardless of where they are located.</p> <p>Caterpillar produced its first diesel engine in 1939. In 1953, Caterpillar created a division dedicated to the specific needs of a broad range of diesel engine customers, including power generation. In 2021, the Energy &amp; Transportation segment including all Power Generation divisions contributed more than \$20.2 Billion of revenue globally for Caterpillar Inc. with more than \$7.6 Billion in North America alone.</p> <p>Since the founding, Caterpillar Inc. has retained the culture of focusing on customer needs and supporting products after the sale. Our company culture is keenly focused on customer satisfaction and every employee realizes that a customer's experience using the product will determine whether he or she will purchase another one.</p> <p>Caterpillar has a robust Code of Conduct that can be found at Caterpillar   Code of Conduct   Caterpillar Values in Action. Here is a quote from Jim Umpleby, Caterpillar Chief Executive Officer, summarizing this code and its significance in Caterpillar culture. "We are proud that the people on our team come from across the globe, with diverse backgrounds, experiences, and perspectives. This diverse culture and character make us stronger. What unites us within this diversity is a common set of Values; that we are not just accountable for the work we do; we also care deeply about how we do it. Our Code of Conduct defines those Values in action –what we stand for and how we conduct ourselves with our customers, suppliers and one another. Its purpose is not to provide a set of rules that covers every situation or challenge we may face, but to guide us in living those values every day. The Code of Conduct explains what Integrity, Excellence, Teamwork, Commitment and Sustainability mean to us and how we use these Values to make sound, ethical decisions. Our Code of Conduct is one of the most important documents we produce at Caterpillar.</p> <p>We can prove measurable advantages in total owning and operating costs as well as tangible benefits in terms of standard safety features, telematic information sharing, and many training, and application support services offered by our dealers.</p>
<p>11</p>	<p>What are your company's expectations in the event of an award?</p>	<p>Caterpillar is honored to have served Sourcewell and its members who have purchased Cat construction equipment, work-tools, and electrical power generation products through Sourcewell since 2008. Furthermore, we are proud to have earned the Sourcewell Legacy Award in 2019. Caterpillar is the top contributor to generator sales in our current Power Generation and Services contract 120617-CAT. Together with the Machine contract, we look forward to the opportunity to further grow business and serve member needs together in this new Power Generation contract. With average 20-30% growth over the past 5 years, we will be dedicated to continuing with this annual growth.</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>Maintaining financial strength is a critical priority for Caterpillar. We receive debt ratings from the major credit rating agencies. Caterpillar is "mid-A" rated by S&amp;P and Fitch and has a "low-A" rating with a positive outlook from Moody's. Maintaining our "mid-A" credit rating is critical to our cash deployment priorities. Due to our prudent focus on financial strength, on a comparative basis Caterpillar has generally demonstrated higher profitability, lower leverage, and better liquidity than our competitor peer group. Our liquidity position is extremely strong with typically the highest percentage of cash as a percent of total assets on the balance sheet vs our competitors.</p> <p>Please see 2021 Investor Presentation which provides additional details about our financial position. The full text of the SEC filing documents can be found on our public website: <a href="https://investors.caterpillar.com/financials/sec-filings/default.aspx">https://investors.caterpillar.com/financials/sec-filings/default.aspx</a>.</p> <p>In 2021 full year sales and revenues were \$50.971B. Enterprise operating cash Flow was \$7.2B. During the year, the company paid dividends of \$2.33B and repurchased \$2.67B of Caterpillar common stock. Liquidity remained strong with an enterprise cash balance of \$9.25B at the end of 2021. After paying uninterrupted rising annual dividends for more than two decades, Caterpillar, Inc. (NYSE:CAT) reached the 27th consecutive year mark for inclusion in the elite group of companies designated as Dividend Aristocrats. In addition to a minimum of 25 consecutive years of dividend hikes, a company must be a component of the S&amp;P 500 index and must have a market capitalization of at least \$3B to qualify as a Dividend Aristocrat.</p>
13	<p>What is your US market share for the solutions that you are proposing?</p>	<p>Market share information beyond what is made publicly available through our annual reports is considered confidential. Market share data is not readily available within the industry. There are not many manufacturers offering products for the US and Canada that meet the required regulations. Caterpillar is a significant contributor to the overall Power Generation sector within the US and Canada.</p>
14	<p>What is your Canadian market share for the solutions that you are proposing?</p>	<p>Market share information beyond what is made publicly available through our annual reports is considered confidential. Market share data is not readily available within the industry. There are not many manufacturers offering products for the US and Canada that meet the required regulations. Caterpillar is a significant contributor to the overall Power Generation sector within the US and Canada.</p>
15	<p>Has your business ever petitioned for bankruptcy protection? If so, explain in detail.</p>	<p>No, Caterpillar has never filed for bankruptcy.</p>
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>Caterpillar is a world class manufacturer which distributes products through a vast and capable dealer network. Our dealers are strong independent companies and in North America alone they have a combined net worth of billions of dollars. Their large valuation is a competitive advantage because it allows them to have the infrastructure to support customers regardless of location, industry, fleet size, or application. We believe our dealers have the largest amount of service parts available in their inventory.</p> <p>Another advantage of independently owned dealers is that they know their customers and market well. They tailor their services specifically to their customers' needs. Caterpillar and each dealer have signed a sales and service agreement that outlines the specific expectations from both parties. In a broad overview, Caterpillar manufactures products and sells them to our dealers. The dealers then sell those products to customers. Caterpillar does not sell directly to state and local governments.</p> <p>Though we will sign this contract as a manufacturer, our dealers will be given the opportunity to avail themselves of the opportunity presented by the contract and will execute all the transactions with governmental customers as they do today. This includes but is not limited to consultation, quoting, accepting payment, delivery, warranty support, parts sales, and service. This is no different than sales occurring out the terms of this agreement.</p> <p>Caterpillar dealers heartily embrace the other Sourcewell contracts currently available to them (032119-CAT, 120617-CAT and 062320-CAT). They have all been trained on contract usage. In fact, the current Electric Power contract is leveraged by at least 75% of our dealers in North America. Caterpillar offers specific discounts to Sourcewell members. By using any Sourcewell Contract, our dealers agree to honor those discounts.</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>Caterpillar and its subsidiaries operate across the globe in a variety of markets that require Caterpillar to adhere to all locally mandated laws and regulations in order to do business. With regards to the territories covered by this RFP, Caterpillar will comply with applicable laws in order to do business in the territories described herein.</p>

18	Provide all "Suspension or Debarment" information that has applied to your organization during the past ten years.	Caterpillar has not been suspended or disbarred in trading history.	*
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**Table 3: Industry Recognition & Marketplace Success**

Line Item	Question	Response *	
19	Describe any relevant industry awards or recognition that your company has received in the past five years	<p>Please note: To list all the awards received in the past 5 years would unnecessarily lengthen our response. For brevity, we are highlighting some recognition received in 2020, 2021 and 2022. Also note there are many global awards.</p> <p>Fortune Magazine #78 on the Fortune 500 2021  Fortune Magazine World's Most Admired Companies  World &amp; North America Dow Jones Sustainability Index  Forbes Best Employers for diversity 2020 and 2021  #82 Best Global Brands- Interbrand 2021  The Wall Street Journal Best Managed Companies in 2020 and 2021  The Wall Street Journal World's Most Sustainably Managed Companies  Human Rights Campaign Foundation Corporate Equality Index  Dow Jones Sustainability Index (World and North America) 21 years World's Most Sustainably Managed Companies – The Wall Street Journal United Way World Wide's Global Corporate Leadership Program  U.S. President's Volunteer Service Award from Junior Achievement  Corporate Equality Index – Human Rights Campaign Foundation  CSR China Top 100 – the 4th CSR China Education Award (China) China CSR Excellence Award – China Philanthropy Times (China)  Corporate Social Responsibility Research Center of Southern Weekly (China)  Outstanding Contribution to Poverty Alleviation – China Foundation for Poverty Alleviation (China)  2020 Global 500 – Fortune Magazine  America's Most Responsible Companies 2020, 2021 &amp; 2022 – Newsweek  Best-Managed Companies of 2020 &amp; 2021 – The Wall Street Journal  Top Companies for Customer Satisfaction – The Wall Street Journal  The CEO Leaderboard: COVID-19 Reputation Rankings – SJR All-America Executive Team – Institutional Investor  Top 150 Global Licensors – Global License Best Global Brands Top 100 – Interbrand World's Most Valuable Brands 2020 – Forbes  2020 Best Places to Work for Disability Inclusion – Disability Equality Index  World's Best Employers 2020 – Forbes  Best Employers for Women 2020 – Forbes  America's Best Employers by State 2020 – Forbes  America's Best Employers for Diversity 2020 – Forbes  Best Employers for New Grads 2020 – Forbes  Global 2000 – Forbes 2020, 2021 &amp; 2022  Best Employers for Veterans 2020 and 2021– Forbes  Top Veteran-Friendly Company – U.S. Veterans Magazine  #1 Great Place to Work – Great Place to Work Institute (Brazil)  #1 Great Place to Work in the Ag Business - Great Place to Work Institute (Brazil)  Chile's 20 Best Places in 2020 to Work for LGBTQ Equality, pwc Human Rights Campaign  Top of Mind Company "Industry category" (Piracicaba, Brazil)  Certification on Promoting Work-Life Balance in Hyogo Prefecture – Hyogo Work and Life Center (Japan)  Hyogo's Women's Success in Business Promotion Company – Hyogo Women Empowerment &amp; Promotion Center (Japan)  Hanada Award for WIN Akashi – Hyogo Women and Future Association (Japan)  Hyogo Childcare Supporting Company Award (Japan)  Science &amp; Technology Industry Summit: Outstanding Contribution – The Economic Observer (China)  2020 China Good Companies: Industry Leadership – Jiemian.com (China)  Cat® G3520 Fast-Response, Natural Gas Generator Set Earns Gold Award in Consulting-Specifying Engineer's 2021 Product of the Year Competition</p>	*
20	What percentage of your sales are to the governmental sector in the past three years	<p>The governmental and educational sector is extremely important to Caterpillar. We do not track government and education separately. However, it is safe to assume that the bulk of these sales is to state, county, municipal and special districts. We have a dedicated team to ensure success in this market. Overall, the percentage of our sales to non-federal government agencies varies between 7% and 15%.</p>	*

21	What percentage of your sales are to the education sector in the past three years	The governmental and educational sector is extremely important to Caterpillar. We do not track government and education separately. However, it is safe to assume that the bulk of these sales is to state, county, municipal and special districts. We have a dedicated team to ensure success in this market. Overall, the percentage of our sales to non-federal government agencies varies between 7% and 15%.	*
22	List any state, provincial, or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	Cat dealers typically hold contracts with states and provinces. Additionally, we are contract holders with OMNIA. Just as we would never share Sourcewell transaction information with other cooperatives, we feel it is inappropriate to share volumes with those contracts.	*
23	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	Listed below are the current Power Generation GSA contracts that Caterpillar holds: SIN 335999 Power Distribution Equipment: 2020=\$736,134 2021=\$1,353,905 2022 = as of today \$285,951 Contract Number: GS07F5666R (Future sales will be under new contract: GS30F0018U)	*

**Table 4: References/Testimonials**

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

Entity Name *	Contact Name *	Phone Number *	
City of Ogden	Monica Kapp	801-430-2308	*
United Water Conservation District	Chris Hendricks	805-415-1554	*
Renewable Water Resources	Brent Rhymer	864-299-4000	*

**Table 5: Top Five Government or Education Customers**

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

Entity Name	Entity Type *	State / Province *	Scope of Work *	Size of Transactions *	Dollar Volume Past Three Years *	
City of Charlotte	Government	North Carolina - NC	A city local to North Carolina	Purchased 16 units (specific to EP products)	\$2,545,112	*
Manatee County	Government	Florida - FL	A county local to Florida	Purchased 9 units (specific to EP products)	\$1,463,479	*
Bonita Springs Utilities	Government	Florida - FL	A city local to Florida	Purchased 2 units (specific to EP products)	\$1,388,444	*
University of Florida	Government	Florida - FL	College in Gainesville, Florida	Purchased 3 units (specific to EP products)	\$1,199,583	*
City of Raleigh Public Utilities	Government	North Carolina - NC	Water and sanitary sewer services	Purchased one unit (specific to EP products)	\$1,034,177	*

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

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

Line Item	Question	Response *

26	Sales force.	<p>The Cat dealer salesforce is the most capable and highly trained in the industry. The Cat dealer salespeople are consultants to their customers and advise their customers on the best solutions for their application and job. As a manufacturer we request our dealers to follow strict training protocols to ensure our sales force remains current on all product updates. Specifically, as it relates to governmental sales, each dealer has one or more people named to be a key liaison between us as manufacturer and their dealer sales team. This person is offered additional in-depth training on Sourcewell and ensures that all contract terms are followed. In addition, dealers also have electric power specialists located in house to work with customers on all aspects of their power generation business.</p> <p>In North America, our dealers employ more than 53,000 people across the machine, energy, parts and service divisions. The dealer sales teams are supported by a network of Caterpillar professionals. Each dealer has in territory support of 5-8 Caterpillar sales/marketing employees. It is the responsibility of these people to ensure that the dealer and Caterpillar are working well together to constantly improve and to adapt to marketplace changes. Beyond the territory experts, the sales and marketing department at Caterpillar is staffed by more than 600 people whose mission is to focus on customer satisfaction. Even more are employed "behind-the-scenes" to ensure industry leading product design, up to date product information, and maintaining the ease of doing business in an increasingly connected marketplace.</p>
27	Dealer network or other distribution methods.	<p>The Cat dealer network is key to the success of our company. Within Canada and the United States, we have more than 800 dealer owned locations that sell and rent equipment. Please refer to our directory listing of Cat dealer locations and locations map in the attached "Cat Dealer Directory". Cat dealers are independently owned and many cover an entire state or province. In some cases, dealers cross state/provincial boundaries, and in other cases, more than one dealer will be located in a state). Each dealer has multiple branches and a mobile service fleet that can serve customers regardless of location. These are full physical locations our governmental customers can use.</p> <p>Because of the size of Cat dealers, they are exceptionally capable to serve governmental customers and customers in the governmental industry. Dealers have trained specialists that cover many industries. Many of our dealer sales reps sell more than 50% of their sales through Sourcewell. To support these dealers and specialists in the field, Caterpillar has an electric power division with 30+ dedicated electric power territory managers dedicated to training and focused on the electric power industry. To help with Sourcewell sales, we have a dedicated sales rep, Nicole Warnstedt, who is expert on co-operative purchasing for the power generation group as well as an intern to assist with day to day tasks. Caterpillar also pulls together the electric power specialists into a Dealer Advisory group to have a continuous feedback loop on industry trends and to collaborate on future new product introductions.</p> <p>Collectively, Cat dealers' large net worth permits them to stock a high volume of replacement parts - allowing governmental customers the fastest turnaround on parts availability and repair time. Cat dealers recognize the importance of governmental business to their overall success and their product support sales reps are well versed in working with government entities.</p> <p>Please refer to the Cat dealer locations list and map included in "Additional Documents".</p>



<p>28</p>	<p>Service force.</p>	<p>At Caterpillar we are very proud of the saying "The sales department sells the first machine; the service department sells every one after that." The Cat dealer network in North America collectively employs more than 20,000 factory trained technicians, parts experts, product support managers and other service-oriented staff. These people are supported by the best repair shop equipment and materials. As machines and engines are constantly updated, so too are our service experts. We conduct product-specific training every week of the year. Technician shortage is an industry-wide concern, but because Cat dealers are large, long established companies, they can offer strong compensation and benefit packages that encourage the best people to seek employment and to retain them once hired. Caterpillar works very closely with dealers and through a program called "Think Big", we are able to keep the pipeline of high quality employees full.</p> <p>In addition to the technicians and mechanics that work on the generators directly, each dealer has a service support staff that includes customer-facing consultants who are responsible for working with customers to set up maintenance and repair schedules to ensure the best possible up-time. Collectively, service support staff makes up the bulk of each dealers' staff. Roughly half of their personnel investment goes to ensuring customer success via product support.</p> <p>The dealer service teams are supported by a network of Caterpillar professionals. Each dealer has in territory support of 5-8 Caterpillar parts/service employees. It is the responsibility of these people to ensure that the dealer and Caterpillar are working well together to constantly improve and to adapt to marketplace changes. Beyond the territory experts, the service and support groups at Caterpillar are staffed by thousands of people whose mission is to focus on post-sale customer satisfaction. Even more are employed "behind-the-scenes" to ensure technical literature is up to date, service standards are adhere to and repair questions are answered quickly. Historically, we have exceeded our 95% 2-hour response rate target in responding to dealer service inquiries.</p>
<p>29</p>	<p>Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others.</p>	<p>Our simple order process has been and will continue to be well appreciated by Sourcewell and Sourcewell members:</p> <ol style="list-style-type: none"> <li>1) When a member decides to purchase a new Cat Generator, they include the contract number and their Sourcewell member number on the Purchase Order they issue to the Cat dealer.</li> <li>2) The Cat dealer then accepts the PO, issues the invoice, accepts payment and delivers the generator.</li> <li>3) After the generator has been delivered, the dealer, as part of their normal process, includes the member number when filing their sales claims with Caterpillar.</li> <li>4) At month end, Caterpillar aggregates these reports and sends the sales information quarterly to Sourcewell along with the administrative fee.</li> </ol> <p>IMPORTANT NOTE: Should a member wish to include additional terms and conditions to this contract, or to otherwise request a Participating Addendum, that agreement / PA should be executed between the member and Cat dealer directly.</p>



30	Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.	<p>We are proud that our reputation stands on having the best customer support in the industry. In fact, our capabilities are industry leading. Should a customer ever have a problem or issue with a generator, their Cat dealer is empowered to resolve that issue locally. If the problem is a result of a defect in material or workmanship, Caterpillar has a standard warranty to address. Every Cat dealer has a common detailed service process in place. Caterpillar supports and verifies that all the dealer service technicians are supplied with the tools and equipment needed to repair all Cat products.</p> <p>With an abundance of Caterpillar Network service locations (over 468 locations) including an estimated sales and service team of 53,000, 8,000 service bays, and 8,500 field service trucks, our highly skilled/trained Caterpillar dealer technicians are in close proximity to Sourcewell customers within the US and Canada. The Caterpillar network provides unmatched service capabilities to meet customer servicing requirements.</p> <p>Technicians have access to an electronic library of technical information including Service Letters, Technical Information Bulletins, System Operations, Troubleshooting and Disassembly and Assembly manuals. These manuals are provided for every Cat product. Each dealer also has one or more "Technical Communicators" who are dedicated to supporting the service technicians by acting as a liaison between the shop personnel and Caterpillar.</p> <p>The service technicians also have a dealer support network (DSN) system with direct access to Caterpillar's Service Engineers. Caterpillar responds to more than 95% of all high priority tickets within one hour.</p> <p>Depending on a customer's needs, they may choose to handle service issues themselves, in conjunction with their dealer, or they may ask their dealer to handle them entirely. To meet the varying desires of each customer, Caterpillar offers a wide range of service programs:</p> <ul style="list-style-type: none"> <li>-Cat Inspect</li> <li>-Condition Monitoring</li> <li>-Customer Support Agreements</li> <li>-S-O-S Services (fluid analysis)</li> </ul>
31	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in the United States.	We are happy to serve all geographic areas and all Sourcewell member sectors with in the United States with our complete product and service offerings. Caterpillar has successfully utilized Sourcewell to sell generators in all states.
32	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	We are happy to serve all geographic areas and all Sourcewell member sectors within Canada with our complete product and service offerings. In fact, we see the Canadian market as a significant growth opportunity for Sourcewell use and are actively encouraging its use. Caterpillar currently has Canada Sourcewell growth in our Canada Dealer's 2023 Growth Plans. We have gained momentum with our current contract 120617-CAT in Canada.
33	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	We are happy to serve all geographic areas of the United States and Canada.
34	Identify any Sourcewell participating entity sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract?	<p>We are happy to serve all Sourcewell Member sectors within the United States and Canada with our complete product and service offering through Sourcewell.</p> <p>Caterpillar's cooperative purchasing contracts are non-exclusive; i.e. none of them restrict Caterpillar from promoting any other cooperative purchasing contracts.</p>
35	Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	There are no restrictions or limitations for sales to members in Hawaii, Alaska or U.S. Territories.

**Table 7: Marketing Plan**

Line Item	Question	Response *
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36	Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	<p>Caterpillar is committed to cooperating with Sourcewell to fully and continually train our 53,000+ management and sales staff within the dealer network to ensure maximum awareness and embracement of our Sourcewell contract. To show our commitment, we have engaged to deploy the proven ability of the Government Solutions Team, LLC (GST) of Lebanon, Tennessee to train and further support our sales management and dealer network in the event of a contract award in this RFP process. GST's extensive knowledge and understanding of the Sourcewell statues, history and processes will be our continual priority in the support and education of our distribution channel. GST builds Sourcewell awareness and enthusiasm within our dealer network. Consistent remote and on-site dealer training at regional and national dealer meetings will continue to lead to exemplary sales growth of our proposed Sourcewell contract. GST also staffs a Dealer Support Specialist who is dedicated to assisting sales reps with their questions and needs. Caterpillar is also listed as a strategic supplier partner for National Cooperative Purchasing Partners (NCP), the professional association for cooperative procurement.</p> <p>Documentation and training regarding Sourcewell projects are available on our internal dealer website. Caterpillar also does onsite and virtual training for dealers to educate and drive Sourcewell growth.</p> <p>Our current marketing strategy with Sourcewell contract 120617-CAT proves to be effective with year-over-year sales growth. Since inception of Caterpillar's Sourcewell contracts, 3,015 Caterpillar generators have been sold leveraging the Sourcewell contract. Should we be fortunate enough to be awarded a contract for Energy Generation in response to RFP #092222, we will proudly announce the award publicly through our multiple customer-facing touchpoints to include but not limited to:</p> <ol style="list-style-type: none"> <li>1) Press Release</li> <li>2) Announcement in monthly Electric Power customer e-newsletter:</li> <li>3) Feature on cat.com cooperative purchasing focused webpage: <a href="https://www.cat.com/en_US/articles/electric-power/sourcewell-cooperative-purchasing.html">https://www.cat.com/en_US/articles/electric-power/sourcewell-cooperative-purchasing.html</a></li> <li>4) Announcement on Cat Electric Power social media channels (FB, LinkedIn, Twitter)</li> <li>5) Sourcewell promotion at industry events we attend where the audience includes non-profits and government within the SLED market including schools, landfill, and water/sewer treatment applications. Examples of 2022 events where GST representatives attended in support of Caterpillar and Sourcewell included American Public Works Association (PW), Wastecon, WasteExpo, Water Environment Federation's Technical Exhibition and Conference (WEFTEC), Government Fleet Expo (GFX), National Institute of Government Procurement (NIGP), California Association of Public Procurement Officials (CAPPO), National Association of County Engineers (NACE) and American Public Works Association (APWA) Snow Conference.</li> <li>6) Update promotional literature</li> <li>7) Dealer awareness promotional events</li> </ol>
37	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	<p>Caterpillar and the Cat dealer network are leaders in using emerging technologies to reach our customers. We manage several social media platforms and can target governmental segments. We also look at past purchase history and financing information to recognize in advance when customers may be considering replacing machines they own.</p> <p>Caterpillar has teams of people who handle leads from Cat.com to grow and enhance online presence. Cat Electric Power has an online portal that has ability for customers to size a unit and view inventory. Our dealers have resources for lead generation from third party databases to understand which opportunities are coming in the governmental and non-profit section. Our dealers utilize these resources plus Caterpillar Inc. resources to focus and drive and understand pipeline of opportunity that we can promote the Sourcewell solution through.</p>
38	In your view, what is Sourcewell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcewell-awarded contract into your sales process?	<p>Sourcewell is a well-respected contracting agency within the public procurement industry. It is important, in the event of an award, that our products and logos be included in Sourcewell marketing and website. We believe that the most important role that Sourcewell can play in marketing our contract and products, is to market themselves and promote contract purchasing across the industry.</p> <p>In the event of an award, Caterpillar will put high priority in building awareness and enthusiasm within our dealer network and customer base to leverage the Sourcewell contract as our go to market strategy.</p>

39	Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	<p>We do offer a e-procurement ordering process for parts via parts.cat.com. We can also integrate into a variety of procurement systems for high volume customers.</p> <p>We enable customers to size and configure our less complex products, view available inventory, and engage dealers online at power.cat.com. Our larger products are complex and often custom-configured. A consultative salesperson is integral to ensuring that generator sets are configured and built to perform well in their expected duties. For this reason, we only include our less complex products online. We encourage our independent dealers to offer options beyond those from Caterpillar. Sourcwell members are free to use those options.</p>	*
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**Table 8: Value-Added Attributes**

Line Item	Question	Response *	
40	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>All dealers offer basic operation, safety, and maintenance training with every sale. All Caterpillar operation and maintenance manuals provided with our equipment have instructions for safe operation of our equipment. Should a customer desire more advanced training, such as productivity improvement or advanced repairs, each of our dealers can supply that training. Often there is a cost associated with that specific training and if would be negotiated between the dealer and the customer.</p> <p>Caterpillar also offers training programs directly to customers in three areas - operation, safety, and service. Members may access courses online, via CD's, or through instructor-led classes leading to operator certifications. The fees for these services vary depending on the depth of training desired. These high-level instruct-led courses can be conducted at one of our dedicated training facilities in the US or on a customer's local site using their own equipment.</p>	*

41	Describe any technological advances that your proposed products or services offer.	<p>Technology is a key product differentiator for Caterpillar. To describe each of them in detail would expand the length of this response beyond a reasonable level. For brevity, key technologies specific to products in this RFP are listed below. More details are available on our product pages on <a href="http://www.cat.com">www.cat.com</a>.</p> <ol style="list-style-type: none"> <li>1. Cat Remote Asset Monitoring and telematics are available on every generator. Generators smaller than C32 come equipped with Product Link devices which allow ease of setup for monitoring. This allows customers and dealers to monitor generator health and operation with the intent of early issue detection. Through our proprietary fleet monitoring software, we are leaders in using technology to prevent unexpected downtime.</li> <li>2. Caterpillar has invested in controller technology for generators, offering our EMCP 4.4 control panel for most generator offerings. This controller has an easy-to-use interface and allows for paralleling of multiple units, creating redundancies and allowing customers even more protection against outages.</li> <li>3. Caterpillar equips every Tier 4 Interim/Stage IIIB engine with ACERT™ technology with an ideal combination of electronic, fuel, air and aftertreatment components, based on engine size, the type of application and the geographic location in which it will work. Applying technologies systematically and strategically optimizes them to meet our customers' high expectations for productivity, fuel efficiency, reliability, and service life. The right technology fine-tuned for the right application results in improved fuel efficiency, boosted power and performance across applications, no additional space requirements, and reduced emissions with up to 90 percent reduction in particulate matter (pm) and 50 percent reduction in oxides of nitrogen (NOx).</li> <li>4. As the global climate changes, more companies are turning to sustainable solutions to help lower their carbon footprint. Renewable hydrogen and hydrogen blends are among several alternative fuels customers are considering achieving their sustainability goals. Leveraging 35 years of expertise in hydrogen technologies across multiple end markets, Caterpillar continues to improve the performance of hydrogen-fueled power technologies with minimal impacts on maintenance costs and schedules, availability, and operations.</li> <li>5. Caterpillar offers a full range of Cat® Microgrid projects from 10kW to 100MW through our global dealer network. The projects would include an integrated or standalone solution using solar, energy storage and/or diesel/gas generator sets. We can also offer monitoring services for our projects. The solutions are all module and scalable. Our CAT dealers can offer product upgrades, financing services, warranties, service agreements, and parts availability. We will customize our microgrid technologies to meet your business and industry needs.</li> <li>6. In 2022, Caterpillar acquired Tangent Energy Solutions, an Energy-as-a-service company. Tangent provides customers with turnkey solutions for reducing energy costs, increasing energy efficiency, reducing emissions, monetizing electric grid support and providing resiliency for customer operations. Tangent Energy's proprietary software solutions monitor patterns from grid and client facilities, analyze opportunities in energy markets, and then dispatch resources to maximize return without disrupting normal business operations.</li> </ol>
42	Describe any "green" initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each.	<p>At Caterpillar, sustainability is an important commitment to building a better world. Sustainability is part of who we are and what we do every day - it is one of Caterpillar's core values. We recognize progress involves a balance of environmental stewardship, social responsibility, and economic growth.</p> <p>We consider this as we work toward a vision of a world in which people's basic needs - such as shelter, clean water, education, and reliable energy - are fulfilled. We provide work environments, products, services, and solutions that make productive and efficient use of resources as we strive to achieve our vision. We believe this commitment supports the enduring success of our customers, stockholders, dealers, and our people. Caterpillar is a proud 20-year member of the Dow Jones Sustainability Indices, including both the World and North America Indices. The annuals DJSI process follows a best-in-class approach, evaluating numerous corporate economic, environmental, and social performance factors. For more on sustainability at Caterpillar, please visit our 2021 Sustainability Report found at <a href="#">Caterpillar   2021 Sustainability Report</a>.</p> <p>Caterpillar has recently acquired Tangent Energy Solutions. Tangent is an energy-as-a-service company that provides expertise to customers in structuring and developing projects that monetize their power generation assets. This capability increases a customer's financial rationale for new installations and, at the same time, increases power reliability and supports their ESG (Environmental, Social and Governance) initiatives. This investment increases our ability to participate in the growing utility sector and sell more electric power products. Electrification and Decarbonization are major growing trends in our energy space. Tangent can help with the reliability of power that customers are looking for while simplifying the power systems as we move forward through this Energy Transition</p>

43	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	<p>Plants certified with ISO 14001:2004 Environmental Management System include:</p> <ol style="list-style-type: none"> <li>1) Anchor Coupling - Goldsboro NC, ISO 14001:2004- Sept 2018</li> <li>2) Anchor Coupling - Menominee - ISO 14001: 2015 - Jan. 2021</li> <li>3) Mapleton - 14001:2004 self-certification issued Jan 2013</li> <li>4) Reman Services - Corinth MS - ISO 14001-2015- Sept. 2021</li> <li>5) Reman Services - Franklin - ISO 14001:2004-May 2017</li> </ol> <p>Certifications specific to EP product manufacturing:</p> <ol style="list-style-type: none"> <li>1) Lafayette, IN – ISO 9001: 2015- Nov 2020</li> <li>2) Griffin, GA – ISO 9001:2015 – Feb 2021</li> <li>3) Seguin, TX- ISO 9001:2015</li> </ol>
44	Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response.	<p>Two CAT dealers in NA are owned by women: Foley Equipment, with territory primarily in Kansas and Missouri; and Cashman Equipment based in Nevada. In addition to these two owners, there are 31 other women in our NA dealer network who hold the titles of President, Vice President or Director.</p> <p>One of the more recognized initiatives within Caterpillar’s Global Supply Network Division is the Caterpillar Inc. Proprietary Information Supplier Diversity Program which spurs economic growth by increasing business opportunities to minority-owned, women-owned, veteran and service disabled veteran-owned, small disadvantaged businesses and those certified in HUBZones, all while ensuring expectations are met with regards to quality, velocity, capacity, and cost. Currently more than 37% of our direct and indirect purchasing is conducted with suppliers in these categories.</p> <p>Caterpillar is a proud member of the National Minority Supplier Development Council (NMSDC). We also use the System for Award Management (SAM), SBA, and NMSDC databases to locate SDB, VOSB, SDVOSB and HUBZone suppliers.</p> <p>Supplier Diversity is discussed with Global Supply Network Division leadership during the Monthly Operating Results Review meetings. This in turn forces accountability for divers supplier inclusion by measuring drivers, such as the number of sourcing projects, which include Divers Suppliers and the values of the projects in which they participate. The goal is to create greater transparency to determine which teams are creating inclusive environments and which are not.</p> <p>A full report on Caterpillar Diversity and Inclusion can be found at Caterpillar   Caterpillar 2021 Diversity &amp; Inclusion Report Highlights Progress with Growth in Diverse Populations.</p>

45	<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><b>BEST OVERALL VALUE / LOWEST LIFE CYCLE COST:</b>  CAT products deliver the best value for the money. We are happy to demonstrate to customers that our generators offer the lowest overall owning and operating costs when factors such as fuel efficiency, repair frequency, productivity, and resale value are factored in. We believe that government agencies are tasked to be the best stewards of taxpayer funds and our products can prove that they are the best solution. Sourcewell members are in the best position to allow these discussions to take place in contrast to a local bid situation where the focus is often only on initial price.</p> <p><b>EXTENDED SERVICE COVERAGE</b>  To show the value that we place on this proposed contract, we will continue to offer a complimentary Gold and Platinum Extended Service Coverage on most models when purchased through the Sourcewell contract. Details on these offerings can be found in flyers included in Attachments.</p> <p><b>CAT SAFETY SERVICES / SAFETY FEATURES:</b>  In addition to the tangible, measurable aspects of the life cycle cost equation, we also bring our focus on safety to every product that we manufacture. Quantifying a human life or debilitating injury is impossible, but each generator has industry-leading features that strive to minimize the possibility for accidents. Some examples include:</p> <ul style="list-style-type: none"> <li>- UL2200 Certified – all units include guards over rotating compartments, safety shutdowns and alarms, and grounded wiring installations among many other safety features</li> <li>- Emergency Stop Button</li> <li>- Enclosures are lockable to allow human contact to be avoided</li> <li>- XQ Product has separated control panel to allow a member to not have to go in enclosure to make generator adjustments</li> <li>- XQ also has cover over customer connections and circuit breaker trips when opened.</li> <li>- NFPA 110 – Level 1 Life Safety saves lives of people who are in hospitals, nursing homes, etc. by requiring startup in X seconds.</li> <li>- IBC – certified against earthquakes</li> </ul> <p>All certifications on our products are listed here: AS1359, CSA C22.2 No100-04, UL142, UL489, UL869, UL2200, NFPA37, NFPA70, NFPA99, NFPA110, IBC, IEC60034-1, ISO3046, ISO8528, NEMA MG1-22, NEMA MG1-33, 2006/95/EC, 2006/42/EC, 2004/108/EC.</p> <p>Caterpillar Safety Services offers culture, jobsite and leadership assessments; safety and leadership training workshops; and a comprehensive continuous improvement process through consultative services. Services are facilitated by Safety Services consultants and training products can be purchased for self-implementation. Details on products and services are available at <a href="http://www.cat.com/safety">www.cat.com/safety</a>.</p> <p><b>DEALERSHIP ATTRIBUTES:</b>  Back up power is a critical asset of many Sourcewell members. Caterpillar dealers bring a unique solution to provide second to none service to our customers. Unlike competitors, our dealers own their own rental fleet and make available as needed. Even with stationary products, we have options to provide back up rentals to best serve Sourcewell's members when emergencies occur. Our vast dealer network with 800 locations is positioned to service both urban and rural areas throughout the US and Canada.</p> <p><b>PRODUCT ATTRIBUTES:</b>  Over the last five years, Caterpillar has invested in a product that is lower capex cost for the public and non-profit industry sector. This new line of generators, our GC models, involved a redesign of 15 of our current generator offerings, which created an average cost reduction of 10-15%. The cost savings is driven by offering fewer options on these models without sacrificing Caterpillar quality.</p>
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**Table 9: Warranty**

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

Line Item	Question	Response *	
46	Do your warranties cover all products, parts, and labor?	Yes. Caterpillar has the most extensive warranty coverage in the industry. We cover all products, parts and labor with fewer exclusions than our competitors. Please see our "EP Warranty Statement SELF5731-01."	*
47	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	We are pleased to say that our warranties cover defects in material and workmanship for the time specified in the policy when the equipment is used as per design intent.	*
48	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	Caterpillar warranties cover the cost of replacement parts and the labor to install them. They sometimes cover travel time and mileage. Dealer territories vary considerably from state to state as do their policies about travel time and mileage during the warranty period.	*
49	Are there any geographic regions of the United States or Canada (as applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell participating entities in these regions be provided service for warranty repair?	We have no geography restrictions on warranty repairs. One of our key differentiating strengths is our ability to service equipment regardless of where it is located.	*
50	Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?	Warranty service for generator ordered from a Caterpillar facility are generally provided by Caterpillar and performed by Cat dealers. Some items, such as battery chargers, are covered under their manufacturers' warranties	*
51	What are your proposed exchange and return programs and policies?	We warrant that upon delivery our products will be free from defects in material and workmanship and will operate as intended. If they are not, we will make any necessary corrections.	*
52	Describe any service contract options for the items included in your proposal.	<p>We have a large variety of service contract options which can all be customized according to customer needs and at least equal to local competition. More solutions are available and we encourage members and dealers to explore all options.</p> <p>Customer Value Agreements (CVA's):  A member may choose to enter an agreement with their Cat dealer to perform routine maintenance and/or repairs. These contracts are customizable based on member's situational and local needs, including some standard options as well. For instance, all units under 1250kW have standard parts kits available. Examples of options that can be included in a CVA are:</p> <ol style="list-style-type: none"> <li>1. Condition Monitoring</li> <li>2. Load Bank Testing</li> <li>3. Extended Service Coverages</li> </ol> <p>CVA's are a useful tool for members to better manage their budget. Most CVA's are bundled at the time of purchase; however, they may be added at any time.</p>	*



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

Line Item	Question	Response *	
53	Describe your payment terms and accepted payment methods.	Cat dealers are independently owned businesses. As such their payment terms vary, but all will be agreed upon at the PO level.	*
54	Describe any leasing or financing options available for use by educational or governmental entities.	Caterpillar's wholly owned subsidiary, Caterpillar Financial offers Sourcewell members leasing and finance products at below market interest rates. The total interest charged is normally less than the total cost of issuing a bond. Often these leasing/financing options may not require voter approval as with bond issuance. These products also let Sourcewell members cancel their contracts without penalty (on the last day of the appropriations period) if funding is not approved for the following year. Lending terms and conditions are transparent to all Sourcewell members upon quotation.	*
55	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.	Cat dealers are independently owned businesses. As such their standard transaction documents will vary.	*
56	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?	Because Cat dealers will be receiving payments directly from members, accepting P-card procurement will be at their discretion. Many dealers do accept this method without additional fees. Some have limitations on the amount that can be processed.	*

**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 *
57	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.	Our pricing model is simple. We offer a deep discount off the current generator list prices to all Sourcewell members.  Overall pricing from published list price is discounted up to 40% with an average of 27% overall. Specific discounts apply to each diesel or natural gas platform product line. Services, used products, rental agreements, and microgrid solutions are also included at different discounting levels. We have provided reference pricing in the document entitled "Caterpillar Gen Disc List RFP August 2022."
58	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.	The discounts are off of the current generator list prices. Our discount ranges varies between 10 - 40% off of the list price depending on the product family.
59	Describe any quantity or volume discounts or rebate programs that you offer.	Our dealers are empowered to consider purchase order volume, repeat purchases, member responsiveness, etc. They may offer members additional discounts and /or services at their discretion.
60	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.	Sourced goods / Open Market Items are available to members from our Cat dealers. The prices for these good or services will represent fair marketing value and will be determined between the member and the selling dealer. We encourage our dealers and members to use this option as it facilitates complimentary products and streamlines the procurement process. Customers and dealers are responsible for including their Sourcewell contract number and member numbers on all documentation related to these purchases. Caterpillar Inc. is not a party to these sales and is exempted from including them in quarterly reports. For audits, inclusion of a customer's Sourcewell member number on the PO and/or invoice shall be deemed sufficient.
61	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.	Generators are unique in their requirements, and often require specialized startup/installation which can be determined with the dealer at the PO level. When a dealer issues a quote for a generator, any additional costs will be itemized separately and are not subject to the Sourcewell discount.
62	If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program.	There is no additional cost to members who choose to pick up their generator from the Cat dealer. Freight and delivery charges will be determined and assessed at each project.
63	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	Just as for members in the 48 contiguous states, there is no additional cost to members who choose to pick up their generator from their Cat dealer. Freight and delivery charges will be determined and assessed at each project.
64	Describe any unique distribution and/or delivery methods or options offered in your proposal.	Generators are large purchases and if there are unique member requirements our dealers will be happy to discuss on a case by case basis.

**Table 12: Pricing Offered**

Line Item	The Pricing Offered in this Proposal is: *	Comments
65	c. better than the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.	This proposed contract is priced to be our go-to-market strategy across the US and Canada. We have included a complimentary extended warranty for most models when purchased through our proposed Sourcewell contract.

**Table 13: Audit and Administrative Fee**

Line Item	Question	Response *
66	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>We plan to continue our very robust process to ensure reporting speed, accuracy, and contract compliance.</p> <p>Caterpillar and our Cat dealers have very close and trusting relationships. Our dealers are long-established, and the current process (under contract #120617-CAT) is working well.</p> <p>The Caterpillar Dealer Network will receive additional discounts from Caterpillar to help reach Sourcewell members purchasing prices per the Sourcewell contract. To qualify for the discounts, the selling Caterpillar Dealer must identify each applicable sale as a Sourcewell sale on their order and they must also fill out a report to the Caterpillar designated Sourcewell custodian, Nicole Warnstedt, including the product order number and Sourcewell member number. Reports are updated and reviewed on a quarterly basis to assist in providing payment to Sourcewell. To ensure correct pricing and auditing, Caterpillar has created a focus program that dealers can use on their quotes. This focus program automatically populates associated discount levels. The Caterpillar designated Sourcewell custodian, Nicole Warnstedt, has and will remain actively involved in the auditing process both with auditing Caterpillar Dealer pricing to Sourcewell members as well as the quarterly administration fee process.</p>
67	If you are awarded a contract, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the contract.	In the event of an award, we will continue to measure the percentage of sales that are sold through the Sourcewell contract, dealer participation with the contract, total number of gensets sold and program growth year over year.
68	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.)	We propose an administrative fee to Sourcewell of 1% of transaction price of any new Caterpillar generators sold through this contract. Caterpillar will pay this fee to Sourcewell and not impose related charges to our dealers or members.

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

Line Item	Question	Response *
69	Provide a detailed description of the equipment, products, and services that you are offering in your proposal.	<p>Caterpillar is proposing an extensive alternative energy solutions offering including: 1) a full line of diesel and natural gas packaged generator sets from 20 to 4000 kW 2) a line of price point configured diesel generator sets up to 1250 kW and 3) Microgrid solar and battery energy solutions.</p> <p>The following key Caterpillar product categories are included in this response:            Stationary Diesel Packaged Generator Sets            Stationary Natural Gas Packaged Generator Sets            Mobile Diesel Packaged Generator Sets (XQ Products with Trailers)            Control Panels            Switchgear            Automatic Transfer Switches            Microgrid Components            Leasing and Financing</p> <p>The Caterpillar Dealer Network can also offer custom shop work, installation, “turn-key” solutions, delivery/freight, training, custom enclosures, custom fuel tanks, custom automatic transfer switches, dealer labor, additional/custom parts, engineering, leasing, financing and general contracting labor. To further enhance the Sourcewell members’ product offering, the Caterpillar Dealer Network can also offer an expansive network of used equipment along with rental agreements and maintenance agreements.</p>
70	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	N/A

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

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

Line Item	Category or Type	Offered *	Comments
71	Stationary electrical generation systems, backup or standby generator sets, mobile and ground power units, and trailer mounted generators	<input checked="" type="radio"/> Yes <input type="radio"/> No	N/A
72	Parts and accessories, including enclosures, fuel tanks, automatic transfer switches, paralleling equipment, switch gears, connection boxes, controls, alarm modules, batteries, block heaters, and networking tools	<input checked="" type="radio"/> Yes <input type="radio"/> No	N/A
73	Related services, including design, customization, engineering, commissioning, installation, delivery, maintenance, repair, training and operation, service and maintenance agreements, decommissioning and repurposing, custom shop work, and rental services	<input checked="" type="radio"/> Yes <input type="radio"/> No	N/A

## Exceptions to Terms, Conditions, or Specifications Form

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

### Documents

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

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.
  2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.
  3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.
  4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as "Marketing Plan."
- [Pricing](#) - Caterpillar Gen Disc List RFP August 2022.xlsx - Tuesday September 20, 2022 15:56:47
  - [Financial Strength and Stability](#) - Financial Strength and Stability.zip - Tuesday September 20, 2022 15:58:41
  - [Marketing Plan/Samples](#) - Marketing Plan.zip - Tuesday September 20, 2022 15:59:03
  - WM8E/M8E/S8E or Related Certificates (optional)
  - [Warranty Information](#) - SELF5743-01\_.pdf - Tuesday September 20, 2022 15:57:54
  - [Standard Transaction Document Samples](#) - Standard Transaction Document Samples.zip - Tuesday September 20, 2022 15:59:30
  - [Upload Additional Document](#) - Additional.zip - Tuesday September 20, 2022 15:59:44

## 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. - Jaime Mineart, Vice President & General Manager, Caterpillar 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

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
<b>Addendum_4_Electrical_Energy_Power_Generation_Equipment_RFP_092222</b> Fri September 9 2022 09:10 AM	<input checked="" type="checkbox"/>	1
<b>Addendum_3_Electrical_Energy_Power_Generation_Equipment_RFP_092222</b> Tue September 6 2022 02:37 PM	<input checked="" type="checkbox"/>	1
<b>Addendum_2_Electrical_Energy_Power_Generation_Equipment_RFP_092222</b> Wed August 31 2022 07:52 AM	<input checked="" type="checkbox"/>	1
<b>Addendum_1_Electrical_Energy_Power_Generation_Equipment_RFP_092222</b> Wed August 10 2022 11:35 AM	<input checked="" type="checkbox"/>	1