



Komatsu America

Heavy Construction Equipment

#032119-KOM

Maturity Date: 05/13/2023

Products & Services 

Products & Services

Sourcewell contract 032119-KOM gives access to the following types of goods and services:

- Articulated dump trucks
- Compact hydraulic excavators
- Crawler dozers
- Intelligent machine control crawler dozers
- Motor graders
- Hydraulic excavators
- Hybrid hydraulic excavators
- Intelligent machine control excavators
- Wheel loaders

Form C

**EXCEPTIONS TO PROPOSAL, TERMS, CONDITIONS,
AND SOLUTIONS REQUEST**



Company Name: Komatsu America Corp.

Any exceptions to the terms, conditions, specifications, or proposal forms contained in this RFP must be noted in writing and included with the Proposer's response. The Proposer acknowledges that the exceptions listed may or may not be accepted by Sourcewell or included in the final contract. Sourcewell will make reasonable efforts to accommodate the listed exceptions and may clarify the exceptions in the appropriate section below.

Section/page	Term, Condition, or Specification	Exception	Sourcewell ACCEPTS
Section 6.26 / Page 23 Subcontractors	Vendors' certificate(s) must include all subcontractors as additional insureds under its policies, or the Vendor must furnish to Sourcewell separate certificates for each subcontractor. All coverage for subcontractors are be subject to the minimum requirements identified above.	Komatsu distributors, identified as subcontractors in this RFP, maintain their own insurance policies. Upon being awarded the contract, Komatsu America Corp. will supply separate certificates for each distributor.	Sourcewell accepts
Section 7.5 / Page 26 Performance Bonds	At the request of the Member, a Vendor will provide all performance bonds typically, and customarily required in their industry.	Performance bonds are not a part of our daily business process. If a request is made, Komatsu will make every effort to comply but cannot guarantee that a performance bond can be supplied.	Sourcewell accepts
FEMA Terms & Conditions Certification Part (E)	During the term of an award for this contract by Sourcewell, all rights to inventions and/or discoveries that arise or are developed, in the course of or under this request for proposal and contract award, shall belong to the Sourcewell Member and be disposed of in accordance with their policy. Sourcewell and Sourcewell members, at its own discretion, may file for patents in connection with all rights to any such inventions and/or discoveries.	All Intellectual Property rights in products supplied by Komatsu belong to Komatsu. If while using Komatsu Equipment under a federal grant or contract funded by FEMA, there is an invention or discovery made by a Sourcewell member not related to the Komatsu Equipment, the rights to that invention or discovery belong to the Sourcewell member.	Sourcewell accepts

Proposer's Signature: _____

Date: 03/18/2019

Sourcewell's clarification on exceptions listed above:



Contract Award
RFP #032119



FORM D

Formal Offering of Proposal
(To be completed only by the Proposer)

HEAVY CONSTRUCTION EQUIPMENT WITH RELATED ACCESSORIES, ATTACHMENTS, AND SUPPLIES

In compliance with the Request for Proposal (RFP) for HEAVY CONSTRUCTION EQUIPMENT WITH RELATED ACCESSORIES, ATTACHMENTS, AND SUPPLIES, the undersigned warrants that the Proposer has examined this RFP and, being familiar with all of the instructions, terms and conditions, general and technical specifications, sales and service expectations, and any special terms, agrees to furnish the defined products and related services in full compliance with all terms and conditions of this RFP, any applicable amendments of this RFP, and all Proposer's response documentation. The Proposer further understands that it accepts the full responsibility as the sole source of solutions proposed in this RFP response and that the Proposer accepts responsibility for any subcontractors used to fulfill this proposal.

Company Name: Komatsu America Corp. Date: March 18, 2019

Company Address: 1701 Golf Road, Suite 1-100

City: Rolling Meadows State: IL Zip: 60008

CAGE Code/DUNS: 69-054-1560

Contact Person: Doug Morris Title: Director, Sales and Marketing

Authorized Signature:  Douglas R Morris
(Name printed or typed)

FORM E
CONTRACT ACCEPTANCE AND AWARD



(Top portion of this form will be completed by Sourcewell if the vendor is awarded a contract. The vendor should complete the vendor authorized signatures as part of the RFP response.)

Sourcewell Contract #: 032119-KOM

Proposer's full legal name: Komatsu America Corp.

Based on Sourcewell's evaluation of your proposal, you have been awarded a contract. As an awarded vendor, you agree to provide the products and services contained in your proposal and to meet all the terms and conditions set forth in this RFP, in any amendments to this RFP, and in any exceptions that are accepted by Sourcewell.

The effective date of the Contract will be May 13, 2019 and will expire on May 13, 2023 (no later than the later of four years from the expiration date of the currently awarded contract or four years from the date that the Sourcewell Chief Procurement Officer awards the Contract). This Contract may be extended for a fifth year at Sourcewell's discretion.

Sourcewell Authorized Signatures:

DocuSigned by:
Jeremy Schwartz
C0FD2A139D06489
SOURCEWELL DIRECTOR OF OPERATIONS AND
PROCUREMENT/CPO SIGNATURE

Jeremy Schwartz
(NAME PRINTED OR TYPED)

DocuSigned by:
Chad Coquette
7E42B8F817A64CC
SOURCEWELL EXECUTIVE DIRECTOR/CEO SIGNATURE

Chad Coquette
(NAME PRINTED OR TYPED)

Awarded on May 10, 2019

Sourcewell Contract # 032119-KOM

Vendor Authorized Signatures:

The Vendor hereby accepts this Contract award, including all accepted exceptions and amendments.

Vendor Name KOMATSU AMERICA CORP.

Authorized Signatory's Title DIRECTOR, SALES AND MARKETING

[Signature]
VENDOR AUTHORIZED SIGNATURE

Douglas B Morris
(NAME PRINTED OR TYPED)

Executed on MAY 10, 2019

Sourcewell Contract # 032119-KOM



Form F

PROPOSER ASSURANCE OF COMPLIANCE

Proposal Affidavit Signature Page

PROPOSER'S AFFIDAVIT

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

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

[The rest of this page has been left intentionally blank. Signature page below]

By signing below, Proposer is acknowledging that he or she has read, understands, and agrees to comply with the terms and conditions specified above.

Company Name: Komatsu America Corp.

Address: 1701 Golf Road, Suite 1-100

City/State/Zip: Rolling Meadows, IL, 60008

Telephone Number: (847) 437-4361

E-mail Address: drmorris@komatsuna.com

Authorized Signature: 

Authorized Name (printed): Douglas R Morris

Title: Director, Sales and Marketing

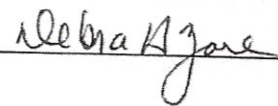
Date: March 18, 2019

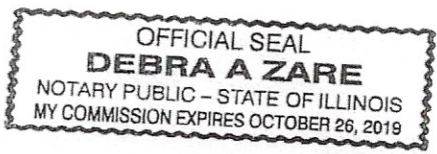
Notarized

Subscribed and sworn to before me this 18th day of MARCH, 20 19

Notary Public in and for the County of Cook State of ILLINOIS

My commission expires: 10-26-19

Signature: 





Form P

PROPOSER QUESTIONNAIRE

Payment Terms, Warranty, Products and Services, Pricing and Delivery, and Industry-Specific Questions

Proposer Name: Komatsu America Corp.

Questionnaire completed by: Doug Morris and Victor Gasbarre

Payment Terms and Financing Options

- 1) **What are your payment terms (e.g., net 10, net 30)?**
As part of this proposal, the payment terms will be Net 45 Days.
- 2) **Do you provide leasing or financing options, especially those options that schools and governmental entities may need to use in order to make certain acquisitions?**

We are not offering a financing option as part of this proposal; however, we will offer a competitive lease option through Komatsu Finance, subject to credit approval for the Sourcewell member. The buying agency will need to contact their local Komatsu distributor to discuss this lease option.

- 3) **Briefly describe your proposed order process. Please include enough detail to support your ability to report quarterly sales to Sourcewell. For example, indicate whether your dealer network is included in your response and whether each dealer (or some other entity) will process the Sourcewell Members' purchase orders.**

Each Komatsu distributor will be provided the Sourcewell "billing rates" for this contract. When a Sourcewell member requests a quote, they will contact their local Komatsu distributor for assistance. The distributor will quote the machine and eligible options using the Sourcewell billing rates. The distributor will add non-contracted costs to the quote, including freight, assembly, or sourced goods and will also communicate the lead time of the product and options. If accepted, the Sourcewell member will issue the PO directly to the distributor who will process the order. The PO should note the Sourcewell contract number. If the buying agency wants to add terms or conditions to the PO, the agency will need to discuss these with the distributor who takes responsibility for agreeing with the terms. The distributor will ship the machine to the buying agency and will invoice upon receipt. Komatsu dealers are responsible to report sales to Komatsu monthly in accordance with our standard reporting process for national account customers.

- 4) **Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell Members for using this process?**

Komatsu America Corp. does not accept the P-card procurement and payment process. We recommend that the Sourcewell member contact their local distributor directly to determine if that distributor does accept the P-card process and whether any fees would apply.

Warranty

- 5) **Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may include in your response a copy of your warranties, but at a minimum please also answer the following questions.**

All warranty work is completed by an authorized Komatsu distributor. Sourcewell members should contact their dealer when repair work is needed. The enclosed flash drive contains additional information regarding the warranty process and procedure.

- All Komatsu products come with a Standard Product Warranty for 12 months / unlimited hours, covering against defect in materials and workmanship. See attached "Product Warranty Certificate Form".

- All products with Tier 4 engines come with an Emission Control Warranty, covering defects in workmanship or materials which would cause the products not to meet emission regulations. If an engine is first placed in California, a separate California Emission Warranty also applies. See attached "Product Warranty Certificate Form".
 - Four of the compact excavator models in this proposal (PC30MR-5, PC35MR-5, PC45MR-5, PC55MR-5) come with complimentary Extended Powertrain Coverage. See attached "Advantage Brochure".
 - Intelligent Machine Control (IMC) products have additional IMC Component Coverage.
 - The Hybrid Excavator products have Hybrid Component Coverage. See attached "Hybrid Warranty" document.
 - **Do your warranties cover all products, parts, and labor?**
 - ❖ The Standard Product and Emission Control Warranties cover parts and labor. See attached "Product Warranty Certificate Form".
 - ❖ The Extended Powertrain Coverage for the compact excavator models covers parts and labor.
 - ❖ The IMC Component Warranty covers the IMC monitor panel, iMC receiver, cylinder stroke sensors, GNSS antenna, the inertia measuring unit, and up to 8 hours for troubleshooting.
 - ❖ The Hybrid Component Warranty covers the inverter, capacitor, motor-generator, and swing motor. No labor is included with this coverage offering.
 - **Do your warranties impose usage restrictions or other limitations that adversely affect coverage?**
 - ❖ The Standard Product Warranty is 12 months / unlimited hours
 - ❖ The Emission Warranty is 5 years / 3,000 hours
 - ❖ Compact Excavator Extended Powertrain Coverage is 3 years / 3,000 hours
 - ❖ IMC Component Coverage is 4 years / 4,000 hours
 - ❖ Hybrid Component Coverage is 7 years / 10,000 hours
 - ❖ As defined in Section 6 of the Product Warranty Certificate Form, there are limitations which include, but are not limited to, misuse or unauthorized modifications to the products. Please see the Certificate Form for all limitations.
 - **Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?**
 - ❖ The Product, Emissions, and Extended Powertrain Warranties cover mileage but exclude travel time.
 - ❖ The IMC and Hybrid Component Warranties exclude travel time and mileage.
 - ❖ We recommend customers return the product to the distributor from which it was purchased, however machines can be taken to the most convenient authorized Komatsu distributor contracted to service the product.
 - **Are there any geographic regions of the United States for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell Members in these regions be provided service for warranty repair?**
 - ❖ All geographic regions of the United States are assigned to a Komatsu distributor, each of which is equipped with technicians that are factory trained and certified to conduct warranty or repair work.
 - **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?**
 - ❖ Some products within this proposal offer options supplied by what Komatsu calls "Allied" vendors (buckets, couplers, etc.). Allied vendors offer their own specific warranties. For warranty on these options, the buying agency will contact the local distributor for the repair work. The distributor will process warranty claims directly back to the Allied vendor.
 - **What are your proposed exchange and return programs and policies?**
 - ❖ Komatsu America Corp. does not offer any exchange or return programs for machinery.
- 6) **Describe any service contract options for the items included in your proposal.**
 As described in Form A #31, Tier 4 Final machines come standard with Komatsu Care, an industry exclusive program that offers complimentary maintenance for 3 years / 2,000 hours as well as a complimentary KDPF exchange program for machines equipped with this engine technology. Four of the compact excavator models in this proposal do not have the Komatsu Care program, however come with extended powertrain coverage.

Komatsu America Corp. is not offering any other service contract options beyond Komatsu Care as part of this proposal, however Sourcewell members can discuss other options with their distributor such as extended maintenance programs or extended warranty. These would be quoted and managed through the Komatsu distributor.

Pricing, Delivery, Audits, and Administrative Fee

7) Provide a general narrative description of the equipment/products and related services you are offering in your proposal.

As part of this RFP response, Komatsu America Corp. is offering 52 models across 9 product groups to Sourcewell members. The individual model designations are included in the attached "Sourcewell Contract Billing Rates" Excel file provided on the flash drive submitted with this proposal. The product lines included in this response are:

- | | |
|----------------------------|--------------------------------|
| 1) Articulated Dump Trucks | 6) Hydraulic Excavators |
| 2) Compact Excavators | 7) Hybrid Hydraulic Excavators |
| 3) Crawler Dozers | 8) IMC Hydraulic Excavators |
| 4) IMC Crawler Dozers | 9) Wheel Loaders |
| 5) Motor Graders | |

8) 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 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. (Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract. See the body of the RFP and the Price and Product Change Request Form for more detail.)

Included with this submission are the price lists for products offered in this proposal. Within each price list are the list prices of the base machine as well as all options that are available (identified by sales codes). The price lists also identify items that are standard equipment or included in the base machine price. Some price lists contain options supplied by "Allied", or non-Komatsu vendors. Komatsu has provided billing rates for every model. The billing rates when multiplied by the List Price represents the Sourcewell member price, FOB the factory or stockyard. This also includes PDI (see additional details in Form P #13). The billing rate will only be applied to the base machine, factory options, or Allied options listed in the price list, which we consider contracted items. Any Sourced Good that a buying agency requests to be quoted that is not included within the Komatsu price list will be negotiated directly with the local distributor and added to the Komatsu purchase price. Included in the enclosed flash drive is a sample price build up for a WA270-8 wheel loader.

9) Please quantify the discount range presented in this response. For example, indicate that the pricing in your response represents is a 50% percent discount from the MSRP or your published list.

The Sourcewell member discount range is between 33.0% and 55.5% off List Price, depending on the model.

10) The pricing offered in this proposal is

- a. the same as the Proposer typically offers to an individual municipality, university, or school district.
- b. the same as the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.
- c. better than the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.
- d. other than what the Proposer typically offers (please describe).

11) Describe any quantity or volume discounts or rebate programs that you offer.

Komatsu does not have set volume discounts or rebate programs as part of this proposal, however if the buying agency is purchasing more than 3 units on the same purchase order, the distributor will contact Komatsu to receive additional incentives for volume purchases. Because Komatsu will review all volume purchases, any additional discounting will be consistent across North America.

- 12) 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.

Komatsu considers “sourced” products as non-contract items, or items that are not included in the price list for a model. Komatsu distributors are capable and authorized to supply non-contact items to Sourcewell members. If requested, sourced products will be quoted and negotiated directly to the Sourcewell member by the Komatsu distributor. This process is separate from the pricing methodology outlined in the response to Form P #8.

- 13) Identify any total cost of acquisition costs that are **NOT** included in the pricing submitted with your response. This cost includes all additional charges that are not directly identified as freight or shipping charges. For example, list costs for items like installation, set up, mandatory training, or initial/pre-delivery inspection. Identify any parties that impose such costs and their relationship to the Proposer.

All machine pricing within this proposal is FOB the factory or stockyard and includes PDI. On the enclosed flash drive you will find product specific PDI details that the dealer is responsible to complete prior to delivery at no additional charge to the customer. The dealer is responsible to ensure the machine has proper fluid levels, system pressures, and is operating to Komatsu’s standard specification, all included with the price of the machine from the factory.

Prep / Assembly Costs: If there are any prep or assembly costs associated with the product before delivery, such as but not limited to machine assembly, bucket / coupler installation, or Allied vendor product installation and setup, the dealer will quote these costs separately from the machine itself.

Fuel Charge: A dealer may elect to quote delivery of the machine with a full tank of fuel which would be identified as a separate cost item on the quote. A Sourcewell member may request the distributor not fill the fuel tank prior to delivery.

Sourced Goods: If a buying agency requests any sourced good items, such as but not limited to attachments or extended warranty / maintenance programs, these items will be quoted in addition to the price of the machine directly by the distributor.

- 14) If travel expense, delivery or shipping is an additional cost to the Sourcewell Member, describe in detail the complete travel expense, shipping and delivery program.

The Komatsu price (List Price x Billing Rate) will be FOB from the factory or stockyard. This will also apply to machines shipping to Alaska, Hawaii, and Canada. At the time of quote, the distributor will add the costs for inbound and outbound freight from the dealer branch location to the delivery point. A buying agency may also elect to pick up the machine which can be arranged directly with the distributor.

- 15) Specifically describe those travel expense, shipping and delivery programs for Alaska, Hawaii, Canada, or any offshore delivery.

The Komatsu price will be FOB from the factory or stockyard, and the dealer will be responsible to quote all freight and delivery charges directly to the Sourcewell member, including to locations in Alaska, Hawaii, and Canada. A buying agency may also elect to pick up the machine which can be arranged directly with the distributor.

- 16) Describe any unique distribution and/or delivery methods or options offered in your proposal.

There is nothing in this proposal that we would describe as unique distribution or delivery method options.

- 17) Please specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcewell. This process includes ensuring that Sourcewell Members obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcewell.

Komatsu America Corp. will manage the Sourcewell contract by using internal processes already utilized to manage existing national account contracts. At this time, every Komatsu distributor in North America has assigned a key point of contact to support the Sourcewell contract and its members. Each distributor will be provided with the Sourcewell billing rates and will always have the most up to date Komatsu price list. The distributor is responsible for pricing the products in accordance with the Sourcewell member discounts. Each distributor is responsible to report their quotations to Komatsu America Corp. which will employ a process to spot check quotes and verify accuracy. Corrective action will take place immediately if there are any mistakes or issues. Each key point of contact at the dealer is also responsible to report sales monthly. Komatsu will audit this data to confirm that 100% of sales to Sourcewell members are reported and the proper administrative fee is submitted to Sourcewell.

- 18) 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 RFP Section 6.29 and following for details.)

Komatsu America Corp. is proposing an administrative fee of 1.0% payable to Sourcewell for this contract.

Industry-Specific Questions

- 19) Describe any industry-specific quality management system certifications obtained by your organization.

Komatsu factories are ISO 9001:2015 certified for quality management.

- 20) Describe any environmental management system certifications obtained by your organization.

Komatsu factories are ISO 14001:2015 certified for environmental management systems.

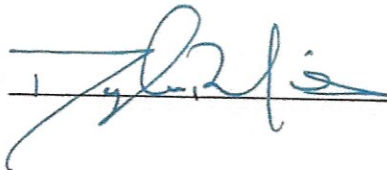
Komatsu factories are either ISO 45001 or OHSAS 18001 certified for occupational health and safety management systems.

- 21) Describe any preventive maintenance programs that your organization offers for the solutions you are proposing in your response.

Tier 4 Final machines come standard with Komatsu Care, an industry exclusive program that offers complimentary maintenance for 3 years / 2,000 hours as well as a complimentary DPF exchange program for machines equipped with this engine technology. Four of the compact excavator models in this proposal do not have the Komatsu Care program, however come with extended powertrain coverage.

Beyond the Komatsu Care program, Komatsu America Corp. is not offering any other preventative maintenance programs as part of this contract. If a buying agency requests an extended maintenance program beyond Komatsu Care, the Komatsu dealer can quote this as a "sourced good", or non-contract item directly to the customer.

Signature: _____



Douglas R Morris

Date: March 18, 2019