

**ARLINGTON COUNTY, VIRGINIA
OFFICE OF THE PURCHASING AGENT
2100 CLARENDON BOULEVARD, SUITE 500
ARLINGTON, VA 22201**

RIDER AGREEMENT NO. 20-217-R

THIS AGREEMENT (hereinafter "Agreement") is made, on the date of its execution by the County, between Schwarze Industries, Inc. ("Contractor"), an Alabama corporation with a place of business at 1055 Jordan Road, Huntsville, Alabama 35811, authorized to transact business in the Commonwealth of Virginia, and the County Board of Arlington County, Virginia ("County"). The County and the Contractor, for the consideration specified herein or specified in a County Purchase Order referencing this Agreement, agree as follows:

1. CONTRACT DOCUMENTS

The Contract Documents consist of this Agreement and Exhibit A Sourcewell Contact #122017-SWZ, together with any exhibits and amendments issued or applicable thereto (collectively, "Contract Documents" or "Contract"). This Agreement rides a contract awarded to the Contractor by Sourcewell and extended by the Contractor to the County on the same terms and conditions as the Contractor's agreement with Sourcewell. Where the terms of this Agreement vary from the terms and conditions of the other Contract Documents, the terms and conditions of this Agreement shall prevail.

The Contract Documents set forth the entire agreement between the County and the Contractor. The County and the Contractor agree that no representative or agent of either of them has made any representation or promise with respect to the parties' agreement which is not contained in the Contract Documents.

2. CONTRACT TERM

The Contractor's provision of goods and services for the County ("Work") shall commence upon the execution of the Agreement by the County" and shall be completed no later than February 20, 2022 ("Contract Term"), subject to any modifications as provided for in the Contract Documents regarding the Contract Term. No aspect of the Work shall be deemed complete until it is accepted by the County's Project Officer.

4. PAYMENT

Payment will be made by the County to the Contractor within forty-five (45) days after receipt by the County Project Officer of an invoice detailing the Work provided by the Contractor and accepted by the County. Each invoice must certify that the invoice submitted is a true and accurate accounting of the work performed and goods and/or services provided and must be signed and attested to by the Contractor or authorized designee. The Project Officer will either approve the invoice or require corrections. The number of the County Purchase Order pursuant to which authority goods or services have been performed or delivered shall appear on all invoices.

5. SCOPE OF WORK

The Contractor agrees to perform the goods and/or services described in the Contract Documents (hereinafter "the Work"). The primary purpose of the Work is to furnish street sweeper equipment.

The Contract Documents set forth the minimum Work estimated by the County and the Contractor to be necessary to complete the Work. It shall be the Contractor's responsibility, at the Contractor's sole cost, to provide the specific Work set forth in the Contract Documents sufficient to fulfill the purposes of the Work. Nothing in the Contract Documents shall be construed to limit the Contractor's responsibility to manage the details and execution of the Work.

6. PROJECT OFFICER

The performance of the Contractor is subject to the review and approval of the County Project Officer ("Project Officer") who shall be appointed by the Director of the Arlington County department or agency which seeks to obtain the Work pursuant to this Contract. However, it shall be the responsibility of the Contractor to manage the details of the execution and performance of its Work pursuant to the Contract Documents.

7. COUNTY PURCHASE ORDER REQUIREMENT

County purchases are authorized only if a County Purchase Order is issued in advance of the transaction. A Purchase Order must indicate that the ordering agency has sufficient funds available to pay for the purchase. Such a Purchase Order is to be provided to the Contractor by the ordering agency. The County will not be liable for payment for any purchases made by its employees without appropriate purchase authorization issued by the County Purchasing Agent. If the Contractor provides goods or services without a signed County Purchase Order, it does so at its own risk and expense.

8. NON-APPROPRIATION

All funds for payments by the County to the Contractor pursuant to this Contract are subject to the availability of an annual appropriation for this purpose by the County Board of Arlington County, Virginia. In the event of non-appropriation of funds by the County Board of Arlington County, Virginia for the goods or services provided under this Contract or substitutes for such goods or services which are as advanced or more advanced in their technology, the County will terminate the Contract, without termination charge or other liability to the County, on the last day of the then current fiscal year or when the appropriation made for the then current year for the services covered by this Contract is spent, whichever event occurs first. If funds are not appropriated at any time for the continuation of this Contract, cancellation will be accepted by the Contractor on thirty (30) days prior written notice, but failure to give such notice shall be of no effect and the County shall not be obligated under this Contract beyond the date of termination specified in the County's written notice.

9. APPLICABLE LAW, FORUM, VENUE AND JURISDICTION

This Contract and the work performed hereunder shall be governed in all respects by the laws of the Commonwealth of Virginia, and the jurisdiction, forum, and venue for any litigation with respect thereto shall be in the Circuit Court for Arlington County, Virginia, and in no other court. In performing its Work pursuant to this Contract, the Contractor shall comply with applicable federal, state, and local laws, ordinances and regulations.

10. NOTICES

Unless otherwise provided herein, all notices and other communications required by this Contract shall be deemed to have been given when made in writing and either (a) delivered in person, (b) delivered by an agent, such as an overnight or similar delivery service, or (c) deposited in the United States mail, postage prepaid, certified or registered, addressed as follows:

Contact Information for the Contractor:

T. Gardner
1055 Jordan Road
Huntsville, Alabama 35811

Contact Information for the Department (DES – Equipment Bureau)

Cristian Matthew Davila, Project Officer
2701 South Taylor Street
Arlington, Virginia 22206

Contact Information for Arlington County (Legal Authorization):

Office of the Purchasing Agent
2100 Clarendon Boulevard, Suite 500
Arlington, VA 22201

11. ARLINGTON COUNTY BUSINESS LICENSES

The Contractor must comply with the provisions of Chapter 11 (“Licenses”) of the Arlington County Code, if applicable. For information on the provisions of that Chapter and its applicability to this Contract, the Contractor must contact the Arlington County Business License Division, Office of the Commissioner of the Revenue, 2100 Clarendon Blvd., Suite 200, Arlington, Virginia, 22201, telephone number (703) 228-3060.

12. COUNTERPARTS

This Agreement may be executed in one or more counterparts and all of such counterparts shall together constitute one and the same instrument. Original signatures transmitted and received via facsimile or other electronic transmission, (e.g., PDF or similar format) are true and valid signatures for all purposes hereunder and shall be effective as delivery of a manually executed original counterpart.

WITNESS these signatures:

THE COUNTY BOARD OF ARLINGTON
COUNTY, VIRGINIA

SCHWARZE INDUSTRIES, INC.

AUTHORIZED
SIGNATURE: Lucas Alexander

AUTHORIZED
SIGNATURE: 

NAME: LUCAS ALEXANDER
TITLE: PROCUREMENT OFFICER

NAME AND
TITLE: Joe Hendrickson
Director of Sales Operations

DATE: 4/3/2020

DATE: 3/27/2020

Form C

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



Company Name: Schwarze Industries, Inc.

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 NJPA or included in the final contract. NJPA 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	NJPA ACCEPTS
		NO EXCEPTIONS TAKEN	

Proposer's Signature: M. J. Dupree's Date: 12/12/17

NJPA's clarification on exceptions listed above:

Review and Approved: [Signature] 2/6/18
NJPA Legal Department

SEWER VACUUM, HYDRO-EXCAVATION, AND STREET SWEEPER EQUIPMENT, WITH RELATED ACCESSORIES AND SUPPLIES

In compliance with the Request for Proposal (RFP) for SEWER VACUUM, HYDRO-EXCAVATION, AND STREET SWEEPER EQUIPMENT, WITH RELATED ACCESSORIES 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: SCHWARZE INDUSTRIES, INC. Date: 12/11/17

Company Address: 1055 Jordan Road

City: Huntsville, State: AL Zip: 35811

CAGE Code/Duns & Bradstreet Number: 07-208-9664

Contact Person: MJ DUBOIS Title: CONTRACT ADMINISTRATOR

Authorized Signature:  
(Name printed or typed)

FORM E
CONTRACT ACCEPTANCE AND AWARD



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

NJPA Contract #: 122017-SWZ

Proposer's full legal name: Schwarze Industries, Inc.

Based on NJPA'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 of the terms and conditions set forth in this RFP, in any amendments to this RFP, and in any exceptions that are accepted by NJPA.

The effective date of the Contract will be February 20, 2018 and will expire on February 20, 2022 (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 NJPA Chief Procurement Officer awards the Contract). This Contract may be extended for a fifth year at NJPA's discretion.

NJPA Authorized Signatures:



NJPA DIRECTOR OF COOPERATIVE CONTRACTS
AND PROCUREMENT/CFO SIGNATURE

Jeremy Schwartz
(NAME PRINTED OR TYPED)



NJPA EXECUTIVE DIRECTOR/CEO SIGNATURE

Chad Coquette
(NAME PRINTED OR TYPED)

Awarded on February 19, 2018

NJPA Contract # 122017-SWZ

Vendor Authorized Signatures:

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

Vendor Name Schwarze Industries

Authorized Signatory's Title Contract Administrator



VENDOR AUTHORIZED SIGNATURE

M J DuBois
(NAME PRINTED OR TYPED)

Executed on February 21, 2018

NJPA Contract # 122017-SWZ

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 NJPA 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 NJPA, or any person, firm, or corporation under contract with NJPA, 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 NJPA 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 NJPA Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to NJPA 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 NJPA 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 NJPA for reasonable measures that NJPA takes to uphold such a data designation.

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

Company Name: _____

**SCHWARZE
INDUSTRIES, INC.**

Address: 1055 Jordan Road

City/State/Zip: Huntsville, AL 35811

Telephone Number: 800-879-7933

E-mail Address: mjdubois@ducolle.com or njpa@schwarze.com

Authorized Signature: _____

Margherita Dubois

Authorized Name (printed): MJ DUBOIS

Title: Contract Administrator

Date: 12/11/17

Notarized

Subscribed and sworn to before me this 14th day of December, 20 17

Notary Public in and for the County of Dorchester State of MD

My commission expires: 06/06/2021

Signature: _____

Jam Reader



Form P

PROPOSER QUESTIONNAIRE

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

Proposer Name: SCHWARZE INDUSTRIES INC.

Questionnaire completed by: MJ DUBOIS

Payment Terms and Financing Options

- 1) What are your payment terms (e.g., net 10, net 30)? **Terms for all items are Net 30. The Certificate of Origin for truck mounted equipment will be transferred to the customer after receipt of payment in full.**
- 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 do have municipal and non-profit leasing available thru a third party vendor if there is Member interest. We are not quoting rates or terms for leasing, however it should be known to Members that we have this service available to them. We will also work with any leasing agency of Member's choice.
- 3) Briefly describe your proposed order process. Please include enough detail to support your ability to report quarterly sales to NJPA. For example, indicate whether your dealer network is included in your response and whether each dealer (or some other entity) will process the NJPA Members' purchase orders. **. The customer or dealer will contact M.J. DuBois, for initial information, contract questions, and ordering item/s. MJ DuBois will provide the customer/dealer with a quotation meeting the NJPA Contract requirements, Schwarze Industries will receive the customer Purchase Order, fill the order, ship the order to the local dealer for pre-delivery inspection and test, the local dealer will then deliver the unit, train on the unit and Schwarze Industries will invoice for the item/s to the customer. The local dealer will receive the proceeds of a sale in their prospective territory; this encourages contract participation. MJ DuBois will be the single source "quarterback" for the NJPA Contract sale and reporting sales to NJPA.**
- 4) Do you accept the P-card procurement and payment process? If so, is there any additional cost to NJPA Members for using this process? **We do not accept the P-card procurement for the purchase of items proposed in this contract.**

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.
 - Do your warranties cover all products, parts, and labor?
Please see attached Warranty Certificate. Warranty covers all products, parts and labor against manufacturer defect.
 - Do your warranties impose usage restrictions or other limitations that adversely affect coverage?
Yes, warranties are limited to restrictions of time and usage. All warranties meet or exceed industry norm. Members, if required, must return defective parts and/or materials and will be directed individually. Limitations exist for normal wear and tear parts, vandalism, misuse, and lack of required maintenance. See Warranty Certificate for further details
 - Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?
Warranty coverage does not include travel time. The customer is responsible to bring in the equipment to a local dealer. The local dealer will then provide the parts and labor for warranty repair. If there is no local dealer available for repair or distance to the dealer is too great, the manufacturers will typically pay the current warranty hourly rate to the customer for doing an "in-house" repair. This type of repair must be authorized by the manufacturer or local dealer prior to approval. Parts will be provided directly to the customer in these circumstances and will be evaluated on a case by case basis.

- Are there any geographic regions of the United States for which you cannot provide a certified technician to perform warranty repairs? How will NJPA Members in these regions be provided service for warranty repair?
Most all of the United States and Canada are covered by local dealerships. We do not expect that there will be any geographic limitations to our coverages. If one does occur and there is no local dealer available for warranty repair, Schwarze will typically pay the current warranty rate directly to the customer to do an “in-house” repair. If the customer is unable to do the warranty repair, the manufacturer will send out a technician to the customer location to complete the repair. This will be evaluated on a case-by-case basis.
- 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?
Schwarze will represent their own product warranties. Schwarze will “quarterback” with the sub-contracted vendors to work thru warranty items to assist the NJPA Member.
- What are your proposed exchange and return programs and policies?
Because the products that we are offering in this proposal are “Built to Order”, there is no return or exchange policy. If we have not built a product to customer specification, we will replace or rebuild the item as required to make the product as specified. We strive for customer satisfaction upon delivery. We are willing to negotiate any issues or problems that exist on a case by case basis.

Describe any service contract options for the items included in your proposal.

NJPA Members can contact their local dealer for service contracts for their equipment. We are not offering any service type contracts at this time.

Pricing, Delivery, Audits, and Administrative Fee

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

With more parking lot, runway and street sweeper models to choose from than any other manufacturer, Schwarze Industries is dedicated to using a total performance team work concept to produce, maintain and market the finest, most durable, quality power sweeping equipment in the world. You will also see this high quality and durability continue in our safe, cost effective road patching and asphalt repair units (Roadpatchers).

- **Parking Lot Sweepers** - Units available in different sizes to fit individual jobs.
- **Regenerative Air Sweepers** - Units available in different sizes, different horse power and alternative fuel systems.
- **Mechanical Sweepers** - Units available in different sizes, and alternative fuel systems.
- **Runway Sweepers** - Units available with different horse power and alternative fuel systems.
- **Road Patchers** - units available truck or trailer mounted, and various sizes.

- 7) Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the NJPA discounted price) on all of the items that you want NJPA to consider as part of your RFP response. 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.)

It is our intent to offer a percentage discount from the manufacturer list price to the NJPA on all of the items being Proposed in this offer. Schwarze’s discount will be based on a percentage off of the profit making portion of this award.

- 8) 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.

DISCOUNT IS 5% OFF MSRP

- 9) 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.

X 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).

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

Our bid response is based on quantity and volume discounts. We have enjoyed the ability to sell to your Members for the last eight years thru Atlantic Machinery. We individually price each Member Quote based on option content and quantity.

We will offer additional discounts for volume purchases. We will offer an additional 3% discount off the base unit discounted price for a single Purchase Order and single delivery location for 3 or more units.

11) 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.

It is our intention to cover all items available from each manufacturer on our price lists. We do realize from time to time there may be individual requirements that will not be listed. We will provide any items “specific” to NJPA Members needs that we are able to. The pricing for such items will be discounted based on the same structure that is presented in our profit making products. Prior to accepting an order with Open Market items from an NJPA Member, we will discuss the availability of a specific request and price the item. Any documentation of cost that we can provide for these items will be presented on an individual basis.

12) 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 inspection. Identify any parties that impose such costs and their relationship to the Proposer.

There are several costs not included in the pricing submitted in this proposal. These costs are listed below:

Freight and Delivery: Freight costs will be pre-paid and added to the Members invoice. Small items will be, in most cases, delivered by UPS. Other freight carriers may be utilized in shipments, i.e. Federal Express, DHL and common carrier for truck freight. The actual cost of shipment will be passed thru to the customer. We will not mark up this item for profit. Minimal handling fees may be added where special packaging is required. The Member will be notified of these charges if applicable prior to order placement.

Federal Excise Tax: We are required by law to collect Federal Excise Tax on any truck mounted unit rated above 33,000 GVW. This tax will be added to the customer invoice as a separate line item. We will pay this tax directly to the Internal Revenue Service. The rate of tax is calculated at 12%. Most municipal and non-profit entities are exempt from this tax. If we are provided a Federal Excise Tax Exemption Certificate, we will not be required to collect this tax.

Mounting Fee: This fee is charged to the customer when ordering a truck mounted unit. Mounting fees cover the cost of the mounting of the body on the desired truck chassis.

Federally Mandated Items: The cost of any federally mandated items will be passed on to the Member. Our pricing includes any federally mandated items that are mandated at the time of this proposal. Should there be a Federal Mandate after the date of this proposal, any cost incurred to meet the requirements of this mandate will be passed on to the member. Any costs applicable will be provided to the Member prior to any Purchase Order being issued. This fee would typically be charged to meet any future EFP standards that may arise. An example of such costs would be in meeting Federal Emission Standards.

Local Dealer Pre-Delivery Inspection: This cost is charged by local dealers to inspect, test and in service the unit prior to delivery. This cost is a pass thru cost to the member.

13) If delivery or shipping is an additional cost to the NJPA Member, describe in detail the complete shipping and delivery program.

All freight charges are pre-paid and added to the Member quotation for convenience. Members always have the choice of picking up the units at the factory or retain a 3rd party of their choice to deliver the equipment. The freight charges we impose are at a pass thru price. The manufacturers represented have negotiated quantity discounted shipping rates and will pass those discounts on to the Members. Most offered items are custom built to customer specification. Anticipated delivery of items ordered on a stock chassis or customer supplied chassis is expect to be 45-90 days after receipt of order or customer chassis. Anticipated delivery of an item ordered on a “special order” chassis

is expected to be 120-180 days after receipt of order; however, this time can vary greatly depending upon chassis manufacturer back log.

Small shipments will be delivered by UPS. Other freight carriers may be utilized as well. The actual cost of the freight will be passed thru to the Member. Minimal handling fees may be added where special packaging is required.

Delivery of truck mounted units will be pre-paid and added to Member invoice. Both "Drive AWay" service and common carrier service will be used. At this time the negotiated rate for driveaway service is \$2.50 to \$3.50 per mile. The actual cost of the service will be passed thru to the customer.

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

The shipping and delivery charges for Canada, Alaska and Hawaii and any other off shore location are the same as the previously stated delivery programs for the contiguous US. The shipping charges to the port location will be calculated in the same manner. If the customer wishes us to deliver via ocean transport, we will pass on the negotiated shipping rates that we will pay to the ocean transport carrier to the Member. It has been our experience that the customers in these locations usually have their own negotiated rates with shipping carriers. If this is the case, we will provide the customer shipping to their desired port and provide the customer with the appropriate documentation required. We strive to provide the equipment as customer specified and to their satisfaction upon delivery.

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

As stated above, we do pass on negotiated, competitively bid freight pricing to our customers.

- 16) Please specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with NJPA. This process includes ensuring that NJPA 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 NJPA.

Due to the unique nature of our proposed contract representation, we build in an automatic audit process. DuCo, LLC being the proposed Contract Administrator and single source for NJPA quotation, allows for this self-audit process. Schwarze will not have to rely on multiple reports from individual dealerships for an accurate accounting of sales. As in the previous NJPA Contract, MJ DuBois (DuCo) will have the ability to account for every sale at time of order. There is no after the fact gathering of information. DuCo prepares the quotation for the Member under the Contract guideline. Every NJPA Member quotation delineates the NJPA Contract Number. When a Purchase Order is received, Schwarze will require the Purchase Order to reference the contract. This process makes it clear for all personnel to recognize that it is an NJPA contract sale. The sale, when received, is booked and accounted for on our NJPA sales list. This makes the end of quarter reporting complete at the actual end of quarter.

As a secondary check, when Schwarze receives a payment for a unit, we verify the contract used in its purchase. This ensures the correct accounting for the sale on a second level.

- 17) Identify a proposed administrative fee that you will pay to NJPA for facilitating, managing, and promoting the NJPA 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.)

We propose an administrative fee of 1% due to the unique nature and makeup of the products that we intend to represent in this proposed NJPA contract. The components of the proposed products consist of items that are not added for profit and are provided for convenience to the customer. We provide these items at "pass thru cost" and no profit is added. These non-profitable items are already discounted to our customers because of quantity discounts we are able to obtain.

Industry-Specific Questions

18) Describe the top three market differentiators of your products/services relative to the industry.

- a. **Innovation** – Since 2013 we have reintroduced every Schwarze product, including the launch of a completely new product in the HyperVac Vacuum Sweeper, and have continued to raise the standard for sweeping performance, ease of operation, and reduced downtime for our customers.
- b. **Training Academy** – In 2013 we launched our dedicated training academy and have trained over 400 service Technicians from all over the world. In addition, we have not only trained dealer service techs, but contractors and municipal customers, as well as over dealer sales people and parts managers. We have 6 different curriculums that have been developed since its inception.
- c. **Overall Customer Service**- This starts internally with our call center and state of the art phone system that has driven us to fill rates averaging 99.5% on a consistent basis. Whether it be direct to contractors or through our dealer network, our excellent warranty service has driven our warranty costs down, made it easier to do business with us, and reduced downtime for our customers. Much of this is driven through our dealer organization that we feel is the strongest in the industry. We hold our dealers accountable through annual dealer agreements and annual business plans (with parts and sales goals), ensuring that all dealers stock parts, provide service, own demonstrator models, and have the proper number of sales people to cover their territory.

19) Identify how your products, services and supplies address the scope of this RFP.

- a. Schwarze Industries, Inc. has been successfully manufacturing for 43 years. We have a comprehensive product line that is able to meet almost any customer's needs related to parking lot sweeping, street sweeping, and velocity pothole patching. With the backing of the Alamo Group (ALG), we operate a financially sound business that puts the customer first. Our Product Management team is focused on understanding our customers' needs through VOC (Voice of Customer) and innovation. Our Parking Lot Sweeping category offers 4 core models that allows us to meet the needs of any light sweeping situation including, greenways, park & rec. facilities, parking lots, and low profile parking garages. Our Regenerative Air products set the standard for Performance and Productivity. With 5 main models in our lineup, including a High Dumping version as well as a Runway Sweeper. Our Mechanical Sweeper Category is a sweeper that offers a variety of configurations on a base platform, and is a proven performer in the toughest sweeping test. Available in Single Engine, or Twin Engine, Belt or Squeegee, Cabover or conventional, diesel or eng, the M6 Avalanche is the premiere option for customers needing a heavy-duty sweeper for spring cleanup, highway sweeping, paving jobs, etc. The Newly Released HyperVac model is Schwarze's introduction to the Vacuum Sweeping Market; Schwarze has introduced a design that is going to change the Vacuum Sweeping industry with several patents pending. In addition to our premium product line, the Schwarze dealer network and customer service structure ensures that our customers have access to local support and factory trained support throughout North America. We have invested in an industry leading training program to ensure our customers and dealers have access to continuous education about the Schwarze Product Line. Schwarze Industries, Inc. is the premier manufacturer of parking lot sweepers, street sweepers, and pothole Patchers. We value our partnership with NJPA in supporting its members with our products and exceptional service.

Signature: _____



Date: _____

