Form C

EXCEPTIONS TO PROPOSAL, TERMS, CONDITIONS, AND SOLUTIONS REQUEST

Company Name: Batts 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 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
N/A	N/A	No Exceptions	
N/A	N/A	No Exceptions	
N/A	N/A	No Exceptions	
N/A	N/A	No Exceptions	
N/A	N/A	No Exceptions	
N/A	N/A	No Exceptions	
N/A	N/A	No Exceptions	
N/A	N/A	No Exceptions	

Proposer's Signature: Josh A. Batts **Date:** 2-27-19

Sourcewell's clarification on exceptions listed above:

LEGAL
HCP
Initials
April 20, 2019
Date

Contract Award
RFP #030619

FORM D

Formal Offering of Proposal

(To be completed only by the Proposer)

AIRPORT RUNWAY AND EMERGENCY EQUIPMENT WITH RELATED ACCESSORIES

In compliance with the Request for Proposal (RFP) for AIRPORT RUNWAY AND EMERGENCY EQUIPMENT WITH RELATED ACCESSORIES, 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: Batts Inc. Date: 2-27-19

Company Address: 108 S. Main St.

City: Advance State: IN Zip: 46102

CAGE Code/DUNS: 0ETV3/08-425-5165

Contact Person: Josh Batts Title: General Manager

Authorized Signature: Josh M Batts Josh Batts
(Name printed or typed)

DocuSign Envelope ID: E1A1249E-11D0-4C3F-A54B-9D0273CA441A

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 #: 030619-BAT

Proposer's full legal name: Batts Incorporated

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 of 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 3, 2019 and will expire on May 3, 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
C0ED2A139D06489...
SOURCEWELL DIRECTOR OF OPERATIONS AND PROCUREMENT/CPO SIGNATURE

Jeremy Schwartz
(NAME PRINTED OR TYPED)

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

Chad Coauette
(NAME PRINTED OR TYPED)

Awarded on April 29, 2019

Sourcewell Contract # 030619-BAT

Vendor Authorized Signatures:

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

Vendor Name Batts Inc.

Authorized Signatory's Title General Manager

John R. Batts
VENDOR AUTHORIZED SIGNATURE

Josh Batts
(NAME PRINTED OR TYPED)

Executed on May 3rd, 2019

Sourcewell Contract # 030619-BAT

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: Batts Inc.

Address: 108 S. Main St.

City/State/Zip: Advance, IN 46102

Telephone Number: 1-765-676-5123

E-mail Address: Battsaccounting@battsinc.com

Authorized Signature: Josh A. Batts

Authorized Name (printed): Josh Batts

Title: General Manager

Date: 2-27-19

Notarized

Subscribed and sworn to before me this 27th day of February, 2019

Notary Public in and for the County of Boone State of IN.

My commission expires: 7-30-22

Signature: Emily A. Beattie

STATE OF INDIANA NOTARY SEAL

EMILY A. BEATTIE
Notary Public, State of Indiana
Boone County
Commission # NP0656265
My Commission Expires
July 30, 2022

Form P

PROPOSER QUESTIONNAIRE

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

Proposer Name: Batts Inc.

Questionnaire completed by: Josh Batts

Payment Terms and Financing Options

1) What are your payment terms (e.g., net 10, net 30)?

   Batts Inc. payment terms are Net 30 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?

   No, Batts Inc. does not provided financing or leasing options.

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.

   Batts Inc. will strive to make the ordering process clear and transparent to Sourcewell members and our dealer's sales teams. When a Sourcewell member contacts either Batts Inc. directly or one of our dealer representatives, they will be speaking with someone familiar to the process and the requirements that are necessary to maintain a streamlined ordering process. If we are working with a dealer representative, they will be included in every step of the process including the delivery and acceptance of the equipment or services ordered. Batts Inc. will handle all of the order processing to maintain a clear and transparent paper trail for every Sourcewell order. After successful completion of the transactions, Batts Inc. will provide all necessary paperwork to ensure the dealer representative has record of the information and paperwork that was created throughout the ordering process. Batts Inc. will be responsible for all important information related to the sale of the equipment or services and will report on a quarterly basis any and all sales made to Sourcewell members.

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?

   No, due to the high dollar value of our orders, the use of a P-card would not be a practical means of payment.

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. (Please see attached Warranty Statement)

   - Do your warranties cover all products, parts, and labor?

   Yes, Batts Inc. does provide warranty coverage on all parts and equipment it supplies. Subsequently, Batts Inc. will cover all labor for the installation of said parts. Batts Inc. will not warranty any parts damaged due to misuse, operator error, or neglect.

   - Do your warranties impose usage restrictions or other limitations that adversely affect coverage?

   Batts Inc. will cover any parts and labor under its 1-year manufacturer's warranty but will not warranty parts and labor for issues caused by misuse, operator error, or neglect.

- Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?

Yes, Batts Inc. will cover all travel expenses related to warranty repairs unless the repair falls outside of the scope of the warranty terms.

- 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?

No, Batts Inc. will provide warranty repairs and service to anywhere it has sold a piece of equipment. Sourcewell members will contact Batts Inc. directly or through one of its dealer representatives to create a warranty claim. Batts Inc. will then pass this warranty claim to one of its service personnel for resolution within a time line that is beneficial to the Sourcewell member. Batts Inc. is fully committed to the timely service and support of our customers. Batts Inc. prides itself on quality customer service and satisfaction.

- 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?

Yes, as an OE manufacturer, all parts used in the construction of our equipment will be covered under our manufacturer's warranty and will be handled by Batts Inc. directly.

- What are your proposed exchange and return programs and policies?

Batts Inc. does not offer a return or exchange policy. All sales are final.

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

Batts Inc. does provide service contracts customized to the specific equipment and location. These can be negotiated before or after the sale if deemed necessary. These options include annual training and preventative maintenance services.

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.

Batts Inc. provides a variety of high-quality de-icing/anti-icing solutions in various configurations. As an MTO manufacturer Batts Inc. can offer a variety of custom solutions to meet the budgetary limitations of the customer. Our equipment can be installed on new or existing chassis and towing equipment or can be a modular design that allows for storage of the equipment in the off season. This allows the flexibility of not having to dedicate a specific vehicle for a singular airfield operation. Batts Inc. also offers a full line of FOD*BOSS runway sweepers, parts, and related services. These sweepers control **FOD** (Foreign Object Damage) such as nuts, bolts, washers, rivets, stones, loose baggage hardware, sand, empty drink containers, and more. Keeping these objects off of the runway is an important step in ensuring the safety of people and aircraft.

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 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. (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.)

As a manufacturer Batts Inc. uses the total of all goods, equipment, services, and labor to calculate the total cost of manufacturing said products. Batts Inc. then takes its cost and adds a percentage to create its list pricing. Sourcewell members will receive an additional discount from our list pricing.

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.

Sourcewell members will receive a 7% discount on average from the Batts Inc. list price.

10) The pricing offered in this proposal is

_____a. the same as the Proposer typically offers to an individual municipality, university, or school district.

____X__ 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.

Batts Inc. does not offer additional discounts on equipment or the parts used in the construction of said equipment. The total discount would depend on the total quantity ordered and the logistics of delivery. These terms and discounts can be negotiated at the time of sale and will be on an individual basis.

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.

Batts Inc. will provide all products and services encompassed within our product line. Any solutions that would include "Sourced goods" or "Non-standard options" will be supplied at cost plus an additional percentage of 10%-15% to cover additional shipping and handling. The standard Sourcewell discount will apply to any "open market" items.

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

Batts Inc. has submitted pricing to reflect all costs of acquisition, except for the cost of shipping. The pricing includes all required installation, training, and after delivery inspections regardless of the dealer representative involved.

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.

Batts Inc. does not include the cost of freight in its pricing and delivery program. Due to the size and nature of our equipment, shipping is priced on a per-purchase basis. All equipment will be quoted as FOB Batts Inc. Advance, IN. Batts Inc. considers all shipping scenarios and cost-effective methods for the shipping of parts and equipment. This ensures the best rate for that particular piece of equipment on that specific date.

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

Batts Inc. has several methods of completing shipments of goods and services to Alaska, Hawaii, Canada or any foreign entity. Batts Inc. works in conjunction with international brokers and freight forwarders to ensure all shipments meet the requirements for non-continental U.S. shipping. With the assistance of the end user, Batts Inc. can facilitate shipments to most places around the world. With the cooperation of the Sourcewell members involved in the transaction, we can ensure the equipment arrives safely, in a cost effective and timely manner. The cost of travel and shipping will be subject to the type of order and the size of the shipment. Batts Inc. will ensure that the customer receives the best pricing possible for any after purchase expenses such a shipping. Batts Inc. puts the responsibility of duty and taxes solely on the Sourcewell member in shipping situations like these.

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

Batts Inc. uses various methods of shipping for our equipment and parts. Batts Inc. partners with UPS and FedEx to ensure that small and medium sized shipments are guaranteed the best pricing available. Batts Inc. uses several avenues for larger units and shipments. A variety of competing local carriers and shipping brokers ensures that the customer gets the best shipping rates possible. Batts Inc. also offers international shipping to anywhere in the world using freight forwarders and international brokers along with the assistance of the Sourcewell member that placed the order.

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.

Batts Inc. will continually update and re-evaluate our auditing process. We will ensure that all of our dealer representatives and internal team members are upholding the self-auditing process. Batts Inc. will make certain that Sourcewell and Batts Inc. are receiving the proper paperwork and that the proper audit expectations are met.

Batts Inc. will ensure that:

- Members' numbers are recorded on all documents
- Contract numbers are recorded on all documents and files
- Any dealer representative orders will accompany the Sourcewell member's order
- All Sourcewell sales will be flagged in accounting software and file systems to establish proper paper trials and to assure the correct administrative fees are paid on a quarterly basis.
- All users and dealer representatives will work from current and continually updated pricing sheets.
- Batts Inc. will provide an on-call member of its staff 24 hours a day working in conjunction with the Sourcewell contract manager to handle questions regarding sales and purchases.
- Batts Inc. will hold meetings regarding any and all updates/changes to assure our staff is properly trained and informed.
- Batts Inc. will verify that all pricing is current and up to date before ever sending an invoice to a Sourcewell member.

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.)

Batts Inc. would agree to pay Sourcewell an administrative fee of 3%. This would be 3% of the quarterly invoiced amount that was charged to the Sourcewell members, shipping will not be calculated into these dollar amounts.

Industry-Specific Questions

19) Specifically describe any manufacturing processes or material specification-related attributes that differentiate your offering from your competitors.

Batts Inc. builds a high-quality, custom de-icing unit. Some of the processes and specifications that differentiate us from our competition are:

- All stainless-steel pumping systems
- All stainless-steel tank mounting brackets
- All stainless-steel fenders
- All stainless-steel tank superstructure
- All stainless-steel boom plumbing
- Rate controlled delivery system used to mitigate the amount chemical necessary to protect runway surfaces
- Twin nozzle application system to ensure the best application regardless of the event
- Triangular boom construction used to ensure the strength and longevity of the equipment
- Nozzle and spray components are recessed into the boom structure for nozzle protection
- Breakaway clutch devices that decrease the chance of boom damage in the event of a collision
- Electronic valving that allows for in-cab boom section control

20) Are your products part of the AIP program (Airport Improvement Program)?

Yes, Batts Inc. has readily supplied equipment to airports using AIP funding.

21) Provide any market data or research supporting the longevity or reliability of your proposed solution

Batts Inc. has been providing commercial de-icing equipment since 1979. In our experience and according to in house service records, our equipment service life far exceeds the minimum expectation of 10 years set in place by the Federal Aviation Administration (FAA), city governments and municipalities. On average, the life expectancy for our equipment that has been properly maintained is in excess of 20 years. Many of our units have exceeded this 20-year life expectancy and are still being used on a regular basis to this day.

22) 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.

Batts Inc. already has a thorough system for keeping and evaluating sales from our GSA contract. Batts Inc. would implement these same procedures on any contract awarded by Sourcewell. Batts Inc. keeps all quotes and purchase orders in digital and physical formats, organized by customer number and location. These folders are divided into open quotes/P.O.s and closed quotes/P.O.s. On a quarterly basis all closed purchase orders are evaluated and totaled allowing Batts Inc. to accurately calculate the total administrative fee for that quarter. After a quarter has passed and the administrative fee has been processed, Batts Inc. will store these records for a period of no less than 5 years, organized by quarterly and annual files for future reference. These files allow us to compare one quarter to another as well evaluate the sales fluctuations from year to year.

Signature: John M. Batts Date: 2-27-19