

STATE OF MICHIGAN
DEPARTMENT OF TECHNOLOGY MANAGEMENT AND BUDGET
PROCUREMENT & REAL ESTATE SERVICES ADMINISTRATION
 P.O. BOX 30026, LANSING, MI 48909
 OR
 530 W. ALLEGAN, LANSING, MI 48933

October 13, 2010

CHANGE NOTICE NO. 1
TO
CONTRACT NO. 071B0200055
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR		TELEPHONE (989) 781-5988
Weyand Bros., Inc. 10888 Swan Creek Road Saginaw, MI 48609-9119 karl@weyandbros.com		Karl Weyand
		BUYER/CA (517) 241-1218 Brandon Samuel
Contract Compliance Inspector: John Palmer (313) 456-4924 palmerj@michigan.gov Snow and Ice Removal Services - DELEG		
CONTRACT PERIOD:		From: November 18, 2009 To: December 1, 2010
TERMS	N/A	SHIPMENT N/A
F.O.B.	N/A	SHIPPED FROM N/A
MINIMUM DELIVERY REQUIREMENTS N/A		

NATURE OF CHANGE:

This contract is hereby **CANCELLED** effective 12/1/10. Snow & Ice Removal services have been included in the new lease agreement.

AUTHORITY/REASON:

Per vendor/agency request and DTMB/Procurement & Real Estate Services Administration approval.

TOTAL REVISED ESTIMATED CONTRACT VALUE: \$9,187.50

FOR THE CONTRACTOR:

Weyand Bros., Inc.
 Firm Name

 Authorized Agent Signature

 Authorized Agent (Print or Type)

 Date

FOR THE STATE:

 Signature

Brandon Samuel, Buyer Specialist
 Name/Title

Services Division, Purchasing Operations
 Division

 Date

STATE OF MICHIGAN
 DEPARTMENT OF MANAGEMENT AND BUDGET
 PURCHASING OPERATIONS
 P.O. BOX 30026, LANSING, MI 48909
 OR
 530 W. ALLEGAN, LANSING, MI 48933

November 24, 2009

**NOTICE
 TO
 CONTRACT NO. 071B0200055
 between
 THE STATE OF MICHIGAN
 and**

NAME & ADDRESS OF CONTRACTOR Weyand Bros., Inc. 10888 Swan Creek Road Saginaw, MI 48609-9119 karl@weyandbros.com	TELEPHONE (989) 781-5988 Karl Weyand
	BUYER/CA (517) 241-1218 Brandon Samuel
Contract Compliance Inspector: John Palmer (313) 456-4924 <p style="text-align: center;">Snow and Ice Removal Services - DELEG</p>	
CONTRACT PERIOD: From: November 18, 2009 To: September 30, 2012	
TERMS <p style="text-align: center;">N/A</p>	SHIPMENT <p style="text-align: center;">N/A</p>
F.O.B. <p style="text-align: center;">N/A</p>	SHIPPED FROM <p style="text-align: center;">N/A</p>
MINIMUM DELIVERY REQUIREMENTS <p style="text-align: center;">N/A</p>	

The terms and conditions of this Contract are those of ITB No. 07119200292, this Contract Agreement and the vendor's quote dated September 15, 2009. In the event of any conflicts between the specifications, and terms and conditions, indicated by the State and those indicated by the vendor, those of the State take precedence.

Current Authorized Spend Limit: **\$31,245.00**



**STATE OF MICHIGAN
Department of Management and Budget
Purchasing Operations
Contract No. 071B0200055**

Snow and Ice Removal Services

Awarded To:

Weyand Bros. Inc.
10888 Swan Creek Road
Saginaw, MI 48609-9119

Buyer Name: Brandon Samuel
Telephone Number: (517) 241-1218
E-Mail Address: samuelb@michigan.gov



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DEFINITIONS

“Days” means calendar days unless otherwise specified.

“24x7x365” means 24 hours a day, seven days a week, and 365 days a year (including the 366th day in a leap year).

“Additional Service” means any Services/Deliverables within the scope of this contract, but not specifically provided under any Statement of Work, that once added will result in the need to provide Contractor with additional consideration.

“Audit Period” has the meaning given in **Section 2.112**.

“Business Day,” whether capitalized or not, shall mean any day other than a Saturday, Sunday or State-recognized legal holiday (as identified in the Collective Bargaining Agreement for State employees) from 8:00am EST through 5:00pm EST unless otherwise stated.

“Blanket Purchase Order” is an alternate term for Contract and is used in the States computer system.

“Business Critical” means any function identified in any Statement of Work as Business Critical.

“Chronic Failure” is defined in any applicable Service Level Agreements.

“Deleted – Not Applicable” means that section is not applicable or included in this Contract. This is used as a placeholder to maintain consistent numbering.

“Deliverable” means physical goods and/or commodities as required or identified by a Statement of Work.

“DMB” means the Michigan Department of Management and Budget.

“Environmentally preferable products” means a product or service that has a lesser or reduced effect on human health and the environment when compared with competing products or services that serve the same purpose. Such products or services may include, but are not limited to, those which contain recycled content, minimize waste, conserve energy or water, and reduce the amount of toxics either disposed of or consumed.

“Excusable Failure” has the meaning given in **Section 2.244**.

“Hazardous material” means any material defined as hazardous under the latest version of federal Emergency Planning and Community Right-to-Know Act of 1986 (including revisions adopted during the term of this contract).

“Incident” means any interruption in Services.

“ITB” is a generic term used to describe an Invitation to Bid. The ITB serves as the document for transmitting the RFP to potential bidders.

“Key Personnel” means any Personnel designated in **Section 1.031** as Key Personnel.

“New Work” means any Services/Deliverables outside the scope of this contract and not specifically provided under any Statement of Work, that once added will result in the need to provide Contractor with additional consideration.

“Ozone-depleting substance” means any substance the Environmental Protection Agency designates in 40 CFR part 82 as: (1) Class I, including, but not limited to, chlorofluorocarbons, halons, carbon tetrachloride, and methyl chloroform; or (2) Class II, including, but not limited to, hydrochlorofluorocarbons.

“Post-Consumer Waste” means any product generated by a business or consumer which has served its intended end use, and which has been separated or diverted from solid waste for the purpose of recycling into a usable commodity or product, and which does not include post-industrial waste.

“Post-Industrial Waste” means industrial by-products which would otherwise go to disposal and wastes generated after completion of a manufacturing process, but does not include internally generated scrap commonly returned to industrial or manufacturing processes.



“Recycling” means the series of activities by which materials that are no longer useful to the generator are collected, sorted, processed, and converted into raw materials and used in the production of new products. This definition excludes the use of these materials as a fuel substitute or for energy production.

“Reuse” means using a product or component of municipal solid waste in its original form more than once.

“RFP” means a Request for Proposal designed to solicit proposals for services.

“Services” means any function performed for the benefit of the State.

“Source reduction” means any practice that reduces the amount of any hazardous substance, pollutant, or contaminant entering any waste stream or otherwise released into the environment prior to recycling, energy recovery, treatment, or disposal.

“State Location” means any physical location where the State performs work. State Location may include state-owned, leased, or rented space.

“Subcontractor” means a company Contractor delegates performance of a portion of the Services to, but does not include independent contractors engaged by Contractor solely in a staff augmentation role.

“Unauthorized Removal” means Contractor’s removal of Key Personnel without the prior written consent of the State.

“Waste prevention” means source reduction and reuse, but not recycling.

“Waste reduction”, or “pollution prevention” means the practice of minimizing the generation of waste at the source and, when wastes cannot be prevented, utilizing environmentally sound on-site or off-site reuse and recycling. The term includes equipment or technology modifications, process or procedure modifications, product reformulation or redesign, and raw material substitutions. Waste treatment, control, management, and disposal are not considered pollution prevention, per the definitions under Part 143, Waste Minimization, of the Natural Resources and Environmental Protection Act (NREPA), 1994 PA 451, as amended.

“Work in Progress” means a Deliverable that has been partially prepared, but has not been presented to the State for Approval.

“Work Product” refers to any data compilations, reports, and other media, materials, or other objects or works of authorship created or produced by Contractor as a result of an in furtherance of performing the services required by this Contract.

**Article 1 – Statement of Work (SOW)****1.010 Project Identification****1.011 Project**

This Contract is for snow and ice removal services for the Department of Energy, Labor and Economic Growth UIA Saginaw PRO office.

1.012 Background – Deleted – Not Applicable**1.020 Scope of Work and Deliverables****1.021 In Scope**

Contractor shall provide all personnel, equipment, tools, materials, supervision and other items and services necessary to perform the snow removal services as described in the LSS. The required objective is to maintain the facility(s) in such a manner that provides a clean, healthy and safe work environment for faculty, staff, students and visitors.

1.022 Work and Deliverable

Contractor must provide Deliverables/Services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

Contractor shall perform and provide the required snow plowing services and staff to complete the frequencies determined by the State and otherwise do all things necessary for, or incidental, to the performance of work. Compliance will be based on the State's overall evaluation and interpretation in accordance with method of performance, frequencies and method of performance, as set forth in this Contract.

Contractor shall provide all snow plowing services and related items and services necessary for, or incidental, to the performance of work in accordance with this Contract, including, but not limited to:

1. All personnel;
2. Equipment;
3. Tools;
4. Supplies;
5. Materials;
6. Training; and
7. Supervision of Staff.

Contractor shall provide services at the individual locations described on the specific Location Specification Sheet(s).

Definite Specifications - All commodities or services to be furnished hereunder shall conform to the specifications as noted herein (see the Location Specification Sheet for site specific details).

DESCRIPTION OF WORK**1. SNOW REMOVAL/PLOWING – PARKING LOTS/SIDEWALK AREAS**

Contractor shall only provide snow plowing services for snowfalls of two inches (2") or more for all designated parking lots and sidewalk areas (or as described in the location specification sheet).

The actual time of plowing will be mutually agreed upon between the facility manager, or designate, and Contractor. Contractor must use equipment of sufficient size and type to ensure snow plowing/shoveling is done in a timely and efficient manner. Duration of snow removal **MUST NOT** exceed eight (8) hours. Equipment must be of appropriate size to complete job within allotted time.

Contractor must plow snow from all parking lots so that all parking spaces are continuously available whenever possible.



Contractor shall remove snow (via shovel or snow blower) from sidewalk areas as specified in the location specification sheet.

Contractor must have equipment and staff to adequately perform the specified services, and in the event of mechanical breakdown of trucks or equipment, will be expected to provide backup service so that snow plowing/removal will be performed as requested.

Any and all damage to parking lot, office building, curbs, pavements, shrubs, fences, etc. caused by snow plowing services will be repaired and/or replaced the following spring by Contractor.

Parking curbs or bumper blocks located in parking areas must not be moved or damaged. Upon completion of the plowing season, if these curbs have been moved or damaged, Contractor will be responsible for returning them to their original positions or replacing the damaged ones.

When there is an accumulation of six inches (6") or more of snow, duration of snow removal must not exceed eight (8) hours. Equipment must be appropriate size to complete job within allotted time.

Contractor will provide spreading of de-icing (or other de-icing material which is site specific) when a snowfall occurs and/or icy conditions exist. Contractor must utilize best judgment when providing spreading of rock salt services in order to prevent slip and falls, assuring that the safety and security of the public and employees are taken into consideration at all times.

NOTE: Spreading of rock salt* will be required on a frequent basis, and as often as necessary, and as requested by the facility manager. Contractor and the facility manager should discuss spreading of rock salt prior to start of snow removal season *(or other de-icing material, which is site specific, as rock salt can not be used on concrete).

Contractor shall be provided with an alternate list of contacts authorized to approve snow removal activities. The facility manager will provide this list.

When invoicing, Contractor must furnish the date(s) of services rendered, the number of hours to perform the services, and include if the services were for a complete or partial plowing of the complex, showing a complete and detailed breakdown of each parking area plowed and all services performed. Invoices are to be submitted listing only the exact services performed and Contractor must contact the facility manager, or designate, for verifications of services or payment may not be authorized.

Contractor will be provided a list of the parking lots where snow removal activities shall be performed. (CCI will provide a map for their respective locations).

The exact number of occasions for snow plowing, shoveling of sidewalks, applications of rock salt and/or ice melt, and snow removal services required are unknown. Contractor will be responsible to provide these services as described and/or requested. The State is not obligated to purchase these services in the stated quantities or any other amounts.

On holidays, snow plowing, shoveling of sidewalks and/or deicing is to be done prior to 6:00 a.m. the next working day following the holiday (see LSS for complete instructions).

Any, and all, damage to parking lot, office building, curbs, pavements, shrubs, etc. caused by snow plowing will be repaired and/or replaced the following spring by Contractor.

Contractor must use continuous care and caution at all times while performing snow plowing, snow shoveling, deicing and snow removal services. Especially when operating heavy machinery near parked vehicles and pedestrians in order to avoid damages to private property, State Property and personal bodily injury.



2. HOURS

All snow plowing, shoveling of sidewalk areas, applications of rock salt and/or ice melt, and snow removal services shall be performed between the hours of 6:00 p.m. and 6:00 a.m. on state working days (unless specified or requested by the facility manager). All Parking lots shall be cleared free of snow to the satisfaction of the facility manager by 6:00 a.m. Some loading and transporting of snow for removal to a dumping site may be performed after 6:00 a.m. with prior approval from the facility manager.

Contractor must be available to perform services 24 hours per day, seven days per week. The response time of one (1) hour shall apply at all times at the State's discretion.

Contractor shall respond to the site with the necessary snow removal equipment to perform the specified duties within one (1) hour of the facility manager's initial contact.

3. REMOVAL OF EXCESS SNOW

Once snow removal activities are conducted as specified above, Contractor shall, at the discretion of the facility manager, haul away all excess snow for stock piling. Excess snow shall be stock piled in the designated location, if applicable.

4. DEICING

Upon the request of the facility manager, Contractor shall apply rock salt or other ice melting compounds to all parking lot surfaces and specified sidewalk areas to ensure employee and public safety on state property. Applications, as they are requested, shall be conducted prior to 6:00 a.m.

Additional applications of de-icer may occur during normal business hours (8:00 a.m. through 5:00 p.m.) at the request of the facility manager. Contractor must respond to the site within one (1) hour of the facility manager's initial contact when salting services are requested.

Contractor shall guarantee a non-state source for the de-icing material should the facility manager request such application be made. The state will NOT provide ice-melting products to be applied by Contractor. All rock salt and/or ice melt will be provided by Contractor as part of this Contract.

The cost indicated on the attached pricing sheet for the application of ice melting products includes the cost of the rock salt or specified product.

5. APPLICATION OF SAND

Only when requested by the Contract Compliance Inspector (CCI), or his/her designee, Contractor shall apply sand to the parking lot and driveway surfaces to allow for vehicle traction.

The cost indicated on the attached pricing sheet for the application of sand shall include the cost of the sand.

6. EQUIPMENT

Contractor must have equipment and staff necessary to perform the specified services and, in the event of mechanical breakdown of trucks and/or equipment, will be expected to provide backup service so that snowplowing and snow removal services will be performed, as required, according to these Contract specifications (a pre-award meeting with the CCI will determine if equipment meets specifications prior to any work being started).

7. SUPPLIES

Contractor must supply all materials that are specified in the LSS. Use only such materials that are recommended and approved by this CCI, or their designee.



Contractor shall submit a complete list, by brand names and product numbers (if applicable), of all supplies to be used in fulfilling this Contract, and shall submit a Materials Safety Data Sheet (MSDS) prior to starting any work.

The right is reserved by the State to accept or reject any items listed on the MSDS. Contractor must immediately furnish an acceptable substitute for any item rejected by the State.

Contractor shall provide a list of the snow removal supplies that it will utilize for this project, including manufacturer's name and proposed annual estimated quantities. (Section 4.201 & LSS)

LOCATION(S)

Refer to Location Specification Sheet (LSS) for additional information relating to Description of Work for the specific location.

1.030 Roles and Responsibilities

1.031 Contractor Staff, Roles, and Responsibilities

A. PERSONNEL

1. Contractor shall identify personnel by number and skill including names and who would be employed in this Contract. See Attachment C
2. The State reserves the right to approve personnel for this Contract and to require replacement of personnel found to be unacceptable at any time during this Contract. (See §2.040).
3. Contractor shall be responsible for repair, replacement or cleanup, as necessary, due to carelessness or negligence on the part of Contractor and its personnel.

B. SUPERVISION

Contractor shall provide all supervision, as necessary, to oversee its personnel:

1. Contractor shall exercise all supervisory control and general control over all day-to-day operations of his/her employees, including control over all workers duties. At the conclusion of each service, Contractor shall inspect the facility for completion and performance quality of the required services. Contractor shall also be responsible for payment of all wages to employees, taxes and fringe benefits, sick leave, pension benefits, vacations, medical benefits, life insurance, or unemployment compensation or the like. Contractor shall discipline his/her employees, as needed, including firing and hiring. (See Attached Safety Policy)
2. Contractor must maintain a secure environment while servicing the facility. Contractor shall comply with all security regulations and special working conditions as required by the agency:
 - No one is allowed into the facility other than those individuals responsible for performing services.
 - In locations that include a security alarm system, Contractor must also properly set the security alarm when leaving (if applicable).
 - Failure to maintain a secure environment and set the security alarm (where applicable) will result in issuance of a complaint and possible cancellation of this Contract.
 - Any cost incurred from a security service or local police for false alarms caused by failure of the Contractor to properly set the security alarm will be the responsibility of Contractor (See Attached Safety Policy)
3. In addition, should this Contract be cancelled for failure to lock the building, or properly set the security alarm, the cost of changing the building locks and re-coding the security alarm, if applicable, will be charged to Contractor. These costs may be deducted from the monthly payment due Contractor.
4. The agency CCI may require that Contractor immediately remove any contractual employee(s) from the agency's premises for just cause. Contractor will assume any, and all, responsibilities relating to this removal. Any employee so removed may not be placed in another state agency.



5. The agency CCI shall make final determination of a contractual employee's suitability for assignment to a specific location. Problems of this nature will be addressed with Contractor's management.

1.040 Project Plan

1.041 Project Plan Management

- A. Contractor will carry out this Contract under the direction and control of the specified CCI.
- B. Contractor shall meet with the CCI, and other agency or departmental project-leads, on an as needed basis, to be established by CCI and Contractor.
- C. Contractor's Work Plan, which must be approved prior to commencement of work, must include the following:
 1. EQUIPMENT LIST - indicating description, age, manufacturer, model and serial number of each piece. Equipment must meet or exceed all requirements defined under "Equipment Requirements" in this Contract. All equipment must be in Contractor's possession, available for use and fully operational, prior to the start of this Contract.
 2. SCHEDULE OF OPERATIONS - personnel expected to complete work on this Contract.
 3. Name(s) of supervisors – 24-hour contact telephone numbers and best contact times.
 4. Equipment failure **WILL NOT** constitute an acceptable reason for not performing snow plowing/removal.
 5. Proof of Insurance as defined in the Standard Terms and Conditions must be provided to the buyer in Purchasing Operations prior to the implementation of this Contract.
 7. Any misrepresentation by Contractor of its ability to perform the work described in this Contract will be grounds for immediate termination. In such case, this Contract will be awarded to the next best value bidder who can demonstrate the ability to perform the work.
- D. Annual Service Review and/or Seasonal Meeting
 1. Contractor and CCI shall meet prior to the start of the season (Fall) to review any changes for the coming season, identify any personnel changes, equipment changes and any other important information.
 2. This CCI may request an audit of the services provided each year under the specifications, terms and conditions of this Contract. The audit will be a joint activity between the State Agency and Purchasing Operations.
 3. An unsatisfactory audit will result in cancellation of this Contract under the terms of the Cancellation Clause in this Contract. Further, should this Contract be cancelled for cause, Contractor so cancelled will not be allowed to participate in request(s) for continuation of this service.
 4. The audit will consist of an evaluation of the total service quality, including responsiveness, timeliness of required reporting, and any other specifics as required under the terms of this Contract. The results of the audit, along with this Contract recommendation, will be published by Purchasing Operations and distributed to the respective Agency(s).
 5. Should Contractor desire, a meeting will be arranged between all concerned parties within ten (10) calendar days of the date Contractor received, or could have reasonably been expected to receive, his/her copy of the audit. This meeting will provide an opportunity for Contractor to present his/her reactions to audit recommendations.

**1.042 Reports – Deleted – Not Applicable****1.050 Acceptance****1.051 Criteria**

The following criteria will be used by the State to determine Acceptance of the Services or Deliverables provided under this SOW:

Acceptance is based upon Contractor performance of timely removal of snow from locations associated with this Contract.

1.052 Final Acceptance – Deleted – Not Applicable**1.060 Pricing****1.061 Pricing**

For authorized Services and Price List, see Attachment A.

1.062 Price Term

Prices quoted are the maximum for a period of 365 days from the date this Contract becomes effective.

Prices are subject to change at the end of each 365-day period. Such changes shall be based on changes in actual costs incurred. Documentation of such changes must be provided with the request for price change in order to substantiate any requested change. Purchasing Operations reserves the right to consider various pertinent information sources to evaluate price increase requests (such as the CPI and PPI, US City Average, as published by the US Department of Labor, Bureau of Labor Statistics). Purchasing Operations also reserves the right to consider other information related to special economic and/or industry circumstances, when evaluating a price change request. Changes may be either increases or decreases, and may be requested by either party. Approved changes shall be firm for the remainder of this contract period unless further revised at the end of the next 365-day period. Requests for price changes shall be RECEIVED IN WRITING AT LEAST 10 DAYS PRIOR TO THEIR EFFECTIVE DATE, and are subject to written acceptance before becoming effective. In the event new prices are not acceptable, this contract may be cancelled. **Contractor remains responsible for performing according to this Contract terms at this contract price for all orders received before price revisions are approved or before this contract is cancelled.**

1.063 Tax Excluded from Price

(a) Sales Tax: For purchases made directly by the State, the State is exempt from State and Local Sales Tax. Prices must not include the taxes. Exemption Certificates for State Sales Tax will be furnished upon request.

(b) Federal Excise Tax: The State may be exempt from Federal Excise Tax, or the taxes may be reimbursable, if articles purchased under any resulting Contract are used for the State's exclusive use. Certificates showing exclusive use for the purposes of substantiating a tax-free, or tax-reimbursable sale will be sent upon request. If a sale is tax exempt or tax reimbursable under the Internal Revenue Code, prices must not include the Federal Excise Tax.

1.064 Holdback – Deleted – Not Applicable**1.070 Additional Requirements****1.071 Additional Terms and Conditions specific to this Contract - Deleted – Not Applicable**

**Article 2, Terms and Conditions****2.000 Contract Structure and Term****2.001 Contract Term**

This Contract is for a period of thirty five months beginning November 18, 2009 through September 30, 2012. All outstanding Purchase Orders must also expire upon the termination (cancellation for any of the reasons listed in **Section 2.150**) of this Contract, unless otherwise extended under this Contract. Absent an early termination for any reason, Purchase Orders issued but not expired, by the end of this Contract's stated term, will remain in effect for the balance of the fiscal year for which they were issued.

2.002 Options to Renew

This Contract may be renewed in writing by mutual agreement of the parties not less than 30 days before its expiration. This Contract may be renewed for up to two additional one year periods.

2.003 Legal Effect

Contractor shall show acceptance of this Contract by signing two copies of this Contract and returning them to the Contract Administrator. Contractor shall not proceed with the performance of the work to be done under this Contract, including the purchase of necessary materials, until both parties have signed this Contract to show acceptance of its terms, and Contractor receives a contract release/purchase order that authorizes and defines specific performance requirements.

Except as otherwise agreed in writing by the parties, the State assumes no liability for costs incurred by Contractor or payment under this Contract, until Contractor is notified in writing that this Contract (or Change Order) has been approved by the State Administrative Board (if required), approved and signed by all the parties, and a Purchase Order against this Contract has been issued.

2.004 Attachments & Exhibits

All Attachments and Exhibits affixed to any and all Statement(s) of Work, or appended to or referencing this Contract, are incorporated in their entirety and form part of this Contract.

2.005 Ordering

The State will issue a written Purchase Order, Blanket Purchase Order, Direct Voucher or Procurement Card Order, which must be approved by the Contract Administrator or the Contract Administrator's designee, to order any Services/Deliverables under this Contract. All orders are subject to the terms and conditions of this Contract. No additional terms and conditions contained on either a Purchase Order or Blanket Purchase Order apply unless they are also specifically contained in that Purchase Order's or Blanket Purchase Order's accompanying Statement of Work. Exact quantities to be purchased are unknown, however, Contractor will be required to furnish all such materials and services as may be ordered during this contract period. Quantities specified, if any, are estimates based on prior purchases, and the State is not obligated to purchase in these or any other quantities.

2.006 Order of Precedence

(a) This Contract, including any Statements of Work and Exhibits, to the extent not contrary to this Contract, each of which is incorporated for all purposes, constitutes the entire agreement between the parties with respect to the subject matter and supersedes all prior agreements, whether written or oral, with respect to the subject matter and as additional terms and conditions on the purchase order must apply as limited by **Section 2.005**.

(b) In the event of any inconsistency between the terms of this Contract and a Statement of Work, the terms of the Statement of Work will take precedence (as to that Statement of Work only); provided, however, that a Statement of Work may not modify or amend the terms of this Contract, which may be modified or amended only by a formal Contract amendment.

2.007 Headings

Captions and headings used in this Contract are for information and organization purposes. Captions and headings, including inaccurate references, do not, in any way, define or limit the requirements or terms and conditions of this Contract.

**2.008 Form, Function & Utility**

If this Contract is for use of more than one State agency and if the Deliverable/Service does not meet the form, function, and utility required by that State agency, that agency may, subject to State purchasing policies, procure the Deliverable/Service from another source.

2.009 Reformation and Severability

Each provision of this Contract is severable from all other provisions of this Contract and, if one or more of the provisions of this Contract is declared invalid, the remaining provisions of this Contract remain in full force and effect.

2.010 Consents and Approvals

Except as expressly provided otherwise in this Contract, if either party requires the consent or approval of the other party for the taking of any action under this Contract, the consent or approval must be in writing and must not be unreasonably withheld or delayed.

2.011 No Waiver of Default

If a party fails to insist upon strict adherence to any term of this Contract then the party has not waived the right to later insist upon strict adherence to that term, or any other term, of this Contract.

2.012 Survival

Any provisions of this Contract that impose continuing obligations on the parties, including without limitation the parties' respective warranty, indemnity and confidentiality obligations, survive the expiration or termination of this Contract for any reason. Specific references to survival in this Contract are solely for identification purposes and not meant to limit or prevent the survival of any other section.

2.020 Contract Administration**2.021 Issuing Office**

This Contract is issued by the Department of Management and Budget, Purchasing Operations and the Department of Management and Budget (collectively, including all other relevant State of Michigan departments and agencies, the "State"). Purchasing Operations is the sole point of contact in the State with regard to all procurement and contractual matters relating to this Contract. Purchasing Operations **is the only State office authorized to change, modify, amend, alter or clarify the prices, specifications, terms and conditions of this Contract.** The contractor Administrator within Purchasing Operations for this Contract is:

Brandon Samuel
Purchasing Operations
Department of Management and Budget
Mason Bldg, 2nd Floor
PO Box 30026
Lansing, MI 48909
Email: samuelb@michigan.gov
Phone: (517) 241-1218

2.022 Contract Compliance Inspector (CCI)

After DMB-Purchasing Operations receives the properly executed Contract, it is anticipated that the Director of Purchasing Operations, in consultation with the Department of Management and Budget will direct the person named below, or any other person so designated, to monitor and coordinate the activities for this Contract on a day-to-day basis during its term. However, monitoring of this Contract implies **no authority to change, modify, clarify, amend, or otherwise alter the prices, terms, conditions and specifications of this Contract as that authority is retained by DMB Purchasing Operations.** The CCI for this Contract is:

John Palmer
Dept. of Energy, Labor & Economic Growth - UIA
33523 W. Eight Mile Road, Livonia, MI 48152
PalmerJohnS@michigan.gov
(313) 456-4924

2.023 Project Manager - Deleted – Not Applicable

**2.024 Change Requests**

The State reserves the right to request from time to time any changes to the requirements and specifications of this Contract and the work to be performed by Contractor under this contract. During the course of ordinary business, it may become necessary for the State to discontinue certain business practices or create Additional Services/Deliverables. At a minimum, to the extent applicable, the State would like the contractor to provide a detailed outline of all work to be done, including tasks necessary to accomplish the services/deliverables, timeframes, listing of key personnel assigned, estimated hours for each individual per task, and a complete and detailed cost justification.

If Contractor does not so notify the State, Contractor has no right to claim thereafter that it is entitled to additional compensation for performing that service or providing that deliverable.

Change Requests:

- (a) By giving Contractor written notice within a reasonable time, the State must be entitled to accept a Contractor proposal for Change, to reject it, or to reach another agreement with Contractor. Should the parties agree on carrying out a Change, a written Contract Change Notice must be prepared and issued under this Contract, describing the Change and its effects on the Services and any affected components of this Contract (a "Contract Change Notice").
- (b) No proposed Change may be performed until the proposed Change has been specified in a duly executed Contract Change Notice issued by the Department of Management and Budget, Purchasing Operations.
- (c) If the State requests or directs Contractor to perform any activities that Contractor believes constitute a Change, Contractor must notify the State that it believes the requested activities are a Change before beginning to work on the requested activities. If Contractor fails to notify the State before beginning to work on the requested activities, then Contractor waives any right to assert any claim for additional compensation or time for performing the requested activities. If Contractor commences performing work outside the scope of this Contract and then ceases performing that work, Contractor must, at the request of the State, retract any out-of-scope work that would adversely affect this Contract.

2.025 Notices

Any notice given to a party under this Contract must be deemed effective, if addressed to the party as addressed below, upon: (i) delivery, if hand delivered; (ii) receipt of a confirmed transmission by facsimile if a copy of the notice is sent by another means specified in this Section; (iii) the third Business Day after being sent by U.S. mail, postage pre-paid, return receipt requested; or (iv) the next Business Day after being sent by a nationally recognized overnight express courier with a reliable tracking system.

State:

State of Michigan
Purchasing Operations
Attention: Samuel Brandon
PO Box 30026
530 West Allegan
Lansing, Michigan 48909

- Contractor
Weyand Bros. Inc.
Karl Weyand
10888 Swan Creek Rd
Saginaw, MI 48609-9119

Either party may change its address where notices are to be sent by giving notice according to this Section.

**2.026 Binding Commitments**

Representatives of Contractor must have the authority to make binding commitments on Contractor's behalf within the bounds set forth in this Contract. Contractor may change the representatives from time to time upon written notice.

2.027 Relationship of the Parties

The relationship between the State and Contractor is that of client and independent contractor. No agent, employee, or servant of Contractor must be or must be deemed to be an employee, agent or servant of the State for any reason. Contractor will be solely and entirely responsible for its acts and the acts of its agents, employees, servants during the performance of this Contract.

2.028 Covenant of Good Faith

Each party must act reasonably and in good faith. Unless stated otherwise in this Contract, the parties will not unreasonably delay, condition or withhold the giving of any consent, decision or approval that is either requested or reasonably required of them in order for the other party to perform its responsibilities under this Contract.

2.029 Assignments

(a) Neither party may assign this contract, or assign or delegate any of its duties or obligations under this contract, to any other party (whether by operation of law or otherwise), without the prior written consent of the other party; provided, however, that the State may assign this contract to any other State agency, department, division or department without the prior consent of Contractor and Contractor may assign this contract to an affiliate so long as the affiliate is adequately capitalized and can provide adequate assurances that the affiliate can perform this contract. The State may withhold consent from proposed assignments, subcontracts, or novations when the transfer of responsibility would operate to decrease the State's likelihood of receiving performance on this contract or the State's ability to recover damages.

(b) Contractor may not, without the prior written approval of the State, assign its right to receive payments due under this contract. If the State permits an assignment, Contractor is not relieved of its responsibility to perform any of its contractual duties, and the requirement under this contract that all payments must be made to one entity continues.

(c) If Contractor intends to assign this Contract or any of contractor's rights or duties under this Contract, Contractor must notify the State in writing at least 90 days before the assignment. Contractor also must provide the State with adequate information about the assignee within a reasonable amount of time before the assignment for the State to determine whether to approve the assignment.

2.030 General Provisions**2.031 Media Releases**

News releases (including promotional literature and commercial advertisements) pertaining to the Contract or project to which it relates shall not be made without prior written State approval, and then only in accordance with the explicit written instructions from the State. No results of the activities associated with the Contract are to be released without prior written approval of the State and then only to persons designated.

2.032 Contract Distribution

Purchasing Operations retains the sole right of Contract distribution to all State agencies and local units of government unless other arrangements are authorized by Purchasing Operations.

2.033 Permits

Contractor must obtain and pay any associated costs for all required governmental permits, licenses and approvals for the delivery, installation and performance of the Services. The State must pay for all costs and expenses incurred in obtaining and maintaining any necessary easements or right of way.

2.034 Website Incorporation

The State is not bound by any content on Contractor's website, even if Contractor's documentation specifically referenced that content and attempts to incorporate it into any other communication, unless the State has actual knowledge of the content and has expressly agreed to be bound by it in a writing that has been manually signed by an authorized representative of the State.

**2.035 Future Bidding Preclusion**

Contractor acknowledges that, to the extent this Contract involves the creation, research, investigation or generation of a future RFP, it may be precluded from bidding on the subsequent RFP. The State reserves the right to disqualify any bidder if the State determines that the bidder has used its position (whether as an incumbent Contractor, or as a Contractor hired to assist with the RFP development, or as a Vendor offering free assistance) to gain a competitive advantage on the RFP.

2.036 Freedom of Information

All information in any proposal submitted to the State by Contractor and this Contract is subject to the provisions of the Michigan Freedom of Information Act, 1976 Public Act No. 442, as amended, MCL 15.231, et seq (the "FOIA").

2.037 Disaster Recovery

Contractor and the State recognize that the State provides essential services in times of natural or man-made disasters. Therefore, except as so mandated by Federal disaster response requirements, Contractor personnel dedicated to providing Services/Deliverables under this Contract will provide the State with priority service for repair and work around in the event of a natural or man-made disaster.

2.040 Financial Provisions**2.041 Fixed Prices for Services/Deliverables**

Each Statement of Work or Purchase Order issued under this Contract shall specify (or indicate by reference to the appropriate Contract Exhibit) the firm, fixed prices for all Services/Deliverables, and the associated payment milestones and payment amounts. The State may make progress payments to Contractor when requested as work progresses, but not more frequently than monthly, in amounts approved by the Contract Administrator, after negotiation. Contractor must show verification of measurable progress at the time of requesting progress payments.

2.042 Adjustments for Reductions in Scope of Services/Deliverables

If the scope of the Services/Deliverables under any Statement of Work issued under this Contract is subsequently reduced by the State, the parties shall negotiate an equitable reduction in Contractor's charges under such Statement of Work commensurate with the reduction in scope.

2.043 Services/Deliverables Covered

For all Services/Deliverables to be provided by Contractor under this Contract, the State shall not be obligated to pay any amounts in addition to the charges specified in this Contract.

2.044 Invoicing and Payment – In General

(a) Each Statement of Work issued under this Contract shall list (or indicate by reference to the appropriate Contract Exhibit) the prices for all Services/Deliverables, equipment and commodities to be provided, and the associated payment milestones and payment amounts.

(b) Each Contractor invoice will show details as to charges by Service/Deliverable component and location at a level of detail reasonably necessary to satisfy the State's accounting and charge-back requirements. Invoices for Services performed on a time and materials basis will show, for each individual, the number of hours of Services performed during the billing period, the billable skill/labor category for such person and the applicable hourly billing rate. Prompt payment by the State is contingent on Contractor's invoices showing the amount owed by the State minus any holdback amount to be retained by the State in accordance with **Section 1.064**.

(c) Correct invoices will be due and payable by the State, in accordance with the State's standard payment procedure as specified in 1984 Public Act No. 279, MCL 17.51 et seq., within 45 days after receipt, provided the State determines that the invoice was properly rendered.

(d) All invoices should reflect actual work done. Specific details of invoices and payments will be agreed upon between this contract Administrator and Contractor after the proposed Contract Agreement has been signed and accepted by both Contractor and the Director of Purchasing Operations, Department of Management & Budget. This activity will occur only upon the specific written direction from Purchasing Operations.



The specific payment schedule for any Contract(s) entered into, as the State and Contractor(s) will mutually agree upon. The schedule should show payment amount and should reflect actual work done by the payment dates, less any penalty cost charges accrued by those dates. As a general policy statements shall be forwarded to the designated representative by the 15th day of the following month.

The State may make progress payments to Contractor when requested as work progresses, but not more frequently than monthly, in amounts approved by the Contract Administrator, after negotiation. Contractor must show verification of measurable progress at the time of requesting progress payments.

2.045 Pro-ration

To the extent there are any Services that are to be paid for on a monthly basis, the cost of such Services shall be pro-rated for any partial month.

2.046 Antitrust Assignment

Contractor assigns to the State any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to Contractor, toward fulfillment of this Contract.

2.047 Final Payment

The making of final payment by the State to Contractor does not constitute a waiver by either party of any rights or other claims as to the other party's continuing obligations under this Contract, nor will it constitute a waiver of any claims by one party against the other arising from unsettled claims or failure by a party to comply with this Contract, including claims for Services and Deliverables not reasonably known until after acceptance to be defective or substandard. Contractor's acceptance of final payment by the State under this Contract shall constitute a waiver of all claims by Contractor against the State for payment under this Contract, other than those claims previously filed in writing on a timely basis and still unsettled.

2.048 Electronic Payment Requirement

Electronic transfer of funds is required for payments on State Contracts. Contractors are required to register with the State electronically at <http://www.cpexpress.state.mi.us>. As stated in Public Act 431 of 1984, all contracts that the State enters into for the purchase of goods and services shall provide that payment will be made by electronic fund transfer (EFT).

2.050 Taxes

2.051 Employment Taxes

Contractors are expected to collect and pay all applicable federal, state, and local employment taxes, including the taxes.

2.052 Sales and Use Taxes

Contractors are required to be registered and to remit sales and use taxes on taxable sales of tangible personal property or services delivered into the State. Contractors that lack sufficient presence in Michigan to be required to register and pay tax must do so as a volunteer. This requirement extends to: (1) all members of any controlled group as defined in § 1563(a) of the Internal Revenue Code and applicable regulations of which the company is a member, and (2) all organizations under common control as defined in § 414(c) of the Internal Revenue Code and applicable regulations of which the company is a member that make sales at retail for delivery into the State are registered with the State for the collection and remittance of sales and use taxes. In applying treasury regulations defining "two or more trades or businesses under common control" the term "organization" means sole proprietorship, a partnership (as defined in § 701(a)(2) of the Internal Revenue Code), a trust, an estate, a corporation, or a limited liability company.

2.060 Contract Management

2.061 Contractor Personnel Qualifications

All persons assigned by Contractor to the performance of Services under this Contract must be employees of Contractor or its majority-owned (directly or indirectly, at any tier) subsidiaries and must be fully qualified to perform the work assigned to them.

**2.062 Contractor Key Personnel**

(a) Contractor must provide the CCI with the names of the Key Personnel.

(b) Key Personnel must be dedicated as defined in the Statement of Work to the Project for its duration in the applicable Statement of Work with respect to other individuals designated as Key Personnel for that Statement of Work.

2.063 Re-assignment of Personnel at the State's Request

The State reserves the right to require the removal from the Project of Contractor personnel found, in the judgment of the State, to be unacceptable. The State's request must be written with reasonable detail outlining the reasons for the removal request. Additionally, the State's request must be based on legitimate, good-faith reasons. Replacement personnel for the removed person must be fully qualified for the position. If the State exercises this right, and Contractor cannot immediately replace the removed personnel, the State agrees to an equitable adjustment in schedule or other terms that may be affected by the State's required removal. If any incident with removed personnel results in delay not reasonably anticipatable under the circumstances and which is attributable to the State, the applicable SLAs for the affected Service will not be counted for a time as agreed to by the parties.

2.064 Contractor Personnel Location – Deleted – Not Applicable**2.065 Contractor Identification**

Contractor employees are required to clearly identify themselves and the company they work for whenever making contact with State personnel by telephone or other means.

2.066 Cooperation with Third Parties

Contractor agrees to cause its personnel to cooperate with the State and its agents and other contractors including the State's Quality Assurance personnel. As reasonably requested by the State in writing, Contractor will provide to the State's agents and other contractors reasonable access to Contractor's Project personnel, systems and facilities to the extent the access relates to activities specifically associated with this Contract and will not interfere or jeopardize the safety or operation of the systems or facilities. The State acknowledges that Contractor's time schedule for this Contract is very specific and agrees not to unnecessarily or unreasonably interfere with, delay or otherwise impeded Contractor's performance under this Contract with the requests for access.

2.067 Contractor Return of State Equipment/Resources – Deleted – Not Applicable**2.068 Contract Management Responsibilities**

Contractor will be required to assume responsibility for all contractual activities, whether or not that Contractor performs them. Further, the State will consider Contractor to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the anticipated Contract.

2.070 Subcontracting by Contractor

Sub-Contracting is not authorized for this Contract

2.071 Contractor Full Responsibility – Deleted – Not Applicable

Contractor shall have full responsibility for the successful performance and completion of all of the Services and Deliverables. The State will consider Contractor to be the sole point of contact with regard to all contractual matters under this Contract, including payment of any and all charges for Services and Deliverables.

2.072 State Consent to Delegation - Deleted – Not Applicable**2.073 Subcontractor Bound to Contract - Deleted – Not Applicable****2.074 Flow Down - Deleted – Not Applicable****2.075 Competitive Selection- Deleted – Not Applicable**



2.080 State Responsibilities

2.081 Equipment

The State will provide only the equipment and resources identified in the Statements of Work and other Contract Exhibits.

2.082 Facilities – Deleted – Not Applicable

2.090 Security

2.091 Background Checks

On a case-by-case basis, the State may investigate Contractor's personnel before they may have access to State facilities and systems. The scope of the background check is at the discretion of the State and the results will be used to determine Contractor personnel eligibility for working within State facilities and systems. The investigations will include Michigan State Police Background checks (ICHAT) and may include the National Crime Information Center (NCIC) Finger Prints. Proposed Contractor personnel may be required to complete and submit an RI-8 Fingerprint Card for the NCIC Finger Print Check. Any request for background checks will be initiated by the State and will be reasonably related to the type of work requested.

All Contractor personnel will also be expected to comply with the State's security and acceptable use policies for State IT equipment and resources. See <http://www.michigan.gov/dit>. Furthermore, Contractor personnel will be expected to agree to the State's security and acceptable use policies before Contractor personnel will be accepted as a resource to perform work for the State. It is expected Contractor will present these documents to the prospective employee before Contractor presents the individual to the State as a proposed resource. Contractor staff will be expected to comply with all Physical Security procedures in place within the facilities where they are working.

2.092 Security Breach Notification

If Contractor breaches this Section, Contractor must (i) promptly cure any deficiencies and (ii) comply with any applicable federal and state laws and regulations pertaining to unauthorized disclosures. Contractor and the State will cooperate to mitigate, to the extent practicable, the effects of any breach, intrusion, or unauthorized use or disclosure. Contractor must report to the State in writing any use or disclosure of Confidential Information, whether suspected or actual, other than as provided for by this Contract within 10 days of becoming aware of the use or disclosure or the shorter time period as is reasonable under the circumstances.

2.093 PCI Data Security Requirements – Deleted – Not Applicable

2.100 Confidentiality

2.101 Confidentiality

Contractor and the State each acknowledge that the other possesses and will continue to possess confidential information that has been developed or received by it. As used in this Section, "Confidential Information" of Contractor must mean all non-public proprietary information of Contractor (other than Confidential Information of the State as defined below) which is marked confidential, restricted, proprietary or with a similar designation. "Confidential Information" of the State must mean any information which is retained in confidence by the State (or otherwise required to be held in confidence by the State under applicable federal, state and local laws and regulations) or which, in the case of tangible materials provided to Contractor by the State under its performance under this Contract, is marked as confidential, proprietary or with a similar designation by the State. "Confidential Information" excludes any information (including this Contract) that is publicly available under the Michigan FOIA.

2.102 Protection and Destruction of Confidential Information

The State and Contractor will each use at least the same degree of care to prevent disclosing to third parties the Confidential Information of the other as it employs to avoid unauthorized disclosure, publication or dissemination of its own confidential information of like character, but in no event less than reasonable care. Neither Contractor nor the State will (i) make any use of the Confidential Information of the other except as contemplated by this Contract, (ii) acquire any right in or assert any lien against the Confidential Information of the other, or (iii) if requested to do so, refuse for any reason to promptly return the other party's Confidential Information to the other party. Each party will limit disclosure of the other party's Confidential Information to employees who must have access to fulfill the purposes of this Contract.



Promptly upon termination or cancellation of this Contract for any reason, Contractor must certify to the State that Contractor has destroyed all State Confidential Information.

2.103 Exclusions

Notwithstanding the foregoing, the provisions of **Section 2.100** will not apply to any particular information which the State or Contractor can demonstrate (i) was, at the time of disclosure to it, in the public domain; (ii) after disclosure to it, is published or otherwise becomes part of the public domain through no fault of the receiving party; (iii) was in the possession of the receiving party at the time of disclosure to it without an obligation of confidentiality; (iv) was received after disclosure to it from a third party who had a lawful right to disclose the information to it without any obligation to restrict its further disclosure; or (v) was independently developed by the receiving party without reference to Confidential Information of the furnishing party. Further, the provisions of **Section 2.100** will not apply to any particular Confidential Information to the extent the receiving party is required by law to disclose the Confidential Information, provided that the receiving party (i) promptly provides the furnishing party with notice of the legal request, and (ii) assists the furnishing party in resisting or limiting the scope of the disclosure as reasonably requested by the furnishing party.

2.104 No Implied Rights

Nothing contained in this Section must be construed as obligating a party to disclose any particular Confidential Information to the other party, or as granting to or conferring on a party, expressly or impliedly, any right or license to the Confidential Information of the other party.

2.105 Respective Obligations

The parties' respective obligations under this Section must survive the termination or expiration of this Contract for any reason.

2.110 Records and Inspections

2.111 Inspection of Work Performed

The State's authorized representatives must at all reasonable times and with 10 days prior written request, have the right to enter Contractor's premises, or any other places, where the Services are being performed, and must have access, upon reasonable request, to interim drafts of Deliverables or work-in-progress. Upon 10 Days prior written notice and at all reasonable times, the State's representatives must be allowed to inspect, monitor, or otherwise evaluate the work being performed and to the extent that the access will not reasonably interfere or jeopardize the safety or operation of the systems or facilities. Contractor must provide all reasonable facilities and assistance for the State's representatives.

2.112 Examination of Records

For seven years after Contractor provides any work under this Contract (the "Audit Period"), the State may examine and copy any of Contractor's books, records, documents and papers pertinent to establishing Contractor's compliance with this Contract and with applicable laws and rules. The State must notify Contractor 20 days before examining Contractor's books and records. The State does not have the right to review any information deemed confidential by Contractor to the extent access would require the confidential information to become publicly available. This provision also applies to the books, records, accounts, documents and papers, in print or electronic form, of any parent, affiliated or subsidiary organization of Contractor performing services in connection with this Contract.

2.113 Retention of Records

Contractor must maintain at least until the end of the Audit Period all pertinent financial and accounting records (including time sheets and payroll records, and information pertaining to this Contract and to the Services, equipment, and commodities provided under this Contract) pertaining to this Contract according to generally accepted accounting principles and other procedures specified in this Section. Financial and accounting records must be made available, upon request, to the State at any time during the Audit Period. If an audit, litigation, or other action involving Contractor's records is initiated before the end of the Audit Period, the records must be retained until all issues arising out of the audit, litigation, or other action are resolved or until the end of the Audit Period, whichever is later.

2.114 Audit Resolution

If necessary, Contractor and the State will meet to review each audit report promptly after issuance. Contractor will respond to each audit report in writing within 30 days from receipt of the report, unless a shorter response time is specified in the report. Contractor and the State must develop, agree upon and monitor an action plan to promptly address and resolve any deficiencies, concerns, and/or recommendations in the audit report.

**2.115 Errors**

(a) If the audit demonstrates any errors in the documents provided to the State, then the amount in error must be reflected as a credit or debit on the next invoice and in subsequent invoices until the amount is paid or refunded in full. However, a credit or debit may not be carried for more than four invoices. If a balance remains after four invoices, then the remaining amount will be due as a payment or refund within 45 days of the last quarterly invoice that the balance appeared on or termination of this Contract, whichever is earlier.

(b) In addition to other available remedies, the difference between the payment received and the correct payment amount is greater than 10%, then Contractor must pay all of the reasonable costs of the audit.

2.120 Warranties

2.121 Warranties and Representations – Deleted – Not Applicable

2.122 Warranty of Merchantability – Deleted – Not Applicable

2.123 Warranty of Fitness for a Particular Purpose – Deleted – Not Applicable

2.124 Warranty of Title – Deleted – Not Applicable

2.125 Equipment Warranty – Deleted – Not Applicable

2.126 Equipment to be New – Deleted – Not Applicable

2.127 Prohibited Products – Deleted – Not Applicable

2.128 Consequences For Breach – Deleted – Not Applicable

2.130 Insurance**2.131 Liability Insurance**

Contractor must provide proof of the minimum levels of insurance coverage as indicated below. The insurance must protect the State from claims which may arise out of or result from Contractor's performance of services under the terms of this Contract, whether the services are performed by Contractor, or by anyone directly or indirectly employed by any of them, or by anyone for whose acts they may be liable.

Contractor waives all rights against the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents for recovery of damages to the extent these damages are covered by the insurance policies Contractor is required to maintain under this Contract.

All insurance coverage's provided relative to this Contract/Purchase Order are PRIMARY and NON-CONTRIBUTING to any comparable liability insurance (including self-insurances) carried by the State.

The insurance must be written for not less than any minimum coverage specified in this Contract or required by law, whichever is greater.

The insurers selected by Contractor must have an A.M. Best rating of A or better, or as otherwise approved in writing by the State, or if the ratings are no longer available, with a comparable rating from a recognized insurance rating agency. All policies of insurance required in this Contract must be issued by companies that have been approved to do business in the State.

See www.michigan.gov/dleg.

Where specific limits are shown, they are the minimum acceptable limits. If Contractor's policy contains higher limits, the State must be entitled to coverage to the extent of the higher limits.



Contractor is required to pay for and provide the type and amount of insurance checked below:

1. Commercial General Liability with the following minimum coverage:
- \$2,000,000 General Aggregate Limit other than Products/Completed Operations
 - \$2,000,000 Products/Completed Operations Aggregate Limit
 - \$1,000,000 Personal & Advertising Injury Limit
 - \$1,000,000 Each Occurrence Limit

Contractor must list the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents as ADDITIONAL INSURED(S) on the Commercial General Liability certificate. Contractor also agrees to provide evidence that insurance policies contain a waiver of subrogation by the insurance company.

2. If a motor vehicle is used to provide services or products under this Contract, Contractor must have vehicle liability insurance on any auto including owned, hired and non-owned vehicles used in Contractor's business for bodily injury and property damage as required by law.

Contractor must list the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents as ADDITIONAL INSURED(S) on the vehicle liability certificate. Contractor also agrees to provide evidence that insurance policies contain a waiver of subrogation by the insurance company.

3. Workers' compensation coverage must be provided according to applicable laws governing the employees and employers work activities in the state of Contractor's domicile. If the applicable coverage is provided by a self-insurer, proof must be provided of approved self-insured authority by the jurisdiction of domicile. For employees working outside of the state of qualification, Contractor must provide appropriate certificates of insurance proving mandated coverage levels for the jurisdictions where the employees' activities occur.

Any certificates of insurance received must also provide a list of states where the coverage is applicable.

Contractor also agrees to provide evidence that insurance policies contain a waiver of subrogation by the insurance company. This provision must not be applicable where prohibited or limited by the laws of the jurisdiction in which the work is to be performed.

4. Employers liability insurance with the following minimum limits:
- \$100,000 each accident
 - \$100,000 each employee by disease
 - \$500,000 aggregate disease

2.132 Subcontractor Insurance Coverage – Deleted – Not Applicable

2.133 Certificates of Insurance and Other Requirements

Contractor must furnish to DMB-Purchasing Operations, certificate(s) of insurance verifying insurance coverage or providing satisfactory evidence of self-insurance as required in this Section (the "Certificates"). The Certificate must be on the standard "accord" form or equivalent. **THIS CONTRACT OR PURCHASE ORDER NO. MUST BE SHOWN ON THE CERTIFICATE OF INSURANCE TO ASSURE CORRECT FILING.** All Certificate(s) are to be prepared and submitted by the Insurance Provider. All Certificate(s) must contain a provision indicating that coverages afforded under the policies WILL NOT BE CANCELLED, MATERIALLY CHANGED, OR NOT RENEWED without 30 days prior written notice, except for 10 days for non-payment of premium, having been given to the Director of Purchasing Operations, Department of Management and Budget. The notice must include this Contract or Purchase Order number affected. Before this Contract is signed, and not less than 20 days before the insurance expiration date every year thereafter, Contractor must provide evidence that the State and its agents, officers and employees are listed as additional insureds under each commercial general liability and commercial automobile liability policy. In the event the State approves the representation of the State by the insurer's attorney, the attorney may be required to be designated as a Special Assistant Attorney General by the Attorney General of the State of Michigan.



Contractor must maintain all required insurance coverage throughout the term of this Contract and any extensions and, in the case of claims-made Commercial General Liability policies, must secure tail coverage for at least three years following the expiration or termination for any reason of this Contract. The minimum limits of coverage specified above are not intended, and must not be construed, to limit any liability or indemnity of Contractor under this Contract to any indemnified party or other persons. Contractor is responsible for all deductibles with regard to the insurance. If Contractor fails to pay any premium for required insurance as specified in this Contract, or if any insurer cancels or significantly reduces any required insurance as specified in this Contract without the State's written consent, then the State may, after the State has given Contractor at least 30 days written notice, pay the premium or procure similar insurance coverage from another company or companies. The State may deduct any part of the cost from any payment due Contractor, or Contractor must pay that cost upon demand by the State.

2.140 Indemnification

2.141 General Indemnification

To the extent permitted by law, Contractor must indemnify, defend and hold harmless the State from liability, including all claims and losses, and all related costs and expenses (including reasonable attorneys' fees and costs of investigation, litigation, settlement, judgments, interest and penalties), accruing or resulting to any person, firm or corporation that may be injured or damaged by Contractor in the performance of this Contract and that are attributable to the negligence or tortious acts of Contractor, or by anyone else for whose acts any of them may be liable.

2.142 Code Indemnification

To the extent permitted by law, Contractor shall indemnify, defend and hold harmless the State from any claim, loss, or expense arising from Contractor's breach of the No Surreptitious Code Warranty.

2.143 Employee Indemnification

In any claims against the State of Michigan, its departments, divisions, agencies, sections, commissions, officers, employees and agents, by any employee of Contractor, the indemnification obligation under this Contract must not be limited in any way by the amount or type of damages, compensation or benefits payable by or for Contractor under worker's disability compensation acts, disability benefit acts or other employee benefit acts. This indemnification clause is intended to be comprehensive. Any overlap in provisions, or the fact that greater specificity is provided as to some categories of risk, is not intended to limit the scope of indemnification under any other provisions.

2.144 Patent/Copyright Infringement Indemnification

To the extent permitted by law, Contractor must indemnify, defend and hold harmless the State from and against all losses, liabilities, damages (including taxes), and all related costs and expenses (including reasonable attorneys' fees and costs of investigation, litigation, settlement, judgments, interest and penalties) incurred in connection with any action or proceeding threatened or brought against the State to the extent that the action or proceeding is based on a claim that any piece of equipment, software, commodity or service supplied by Contractor, or the operation of the equipment, software, commodity or service, or the use or reproduction of any documentation provided with the equipment, software, commodity or service infringes any United States patent, copyright, trademark or trade secret of any person or entity, which is enforceable under the laws of the United States.

In addition, should the equipment, software, commodity, or service, or its operation, become or in the State's or Contractor's opinion be likely to become the subject of a claim of infringement, Contractor must at Contractor's sole expense (i) procure for the State the right to continue using the equipment, software, commodity or service or, if the option is not reasonably available to Contractor, (ii) replace or modify to the State's satisfaction the same with equipment, software, commodity or service of equivalent function and performance so that it becomes non-infringing, or, if the option is not reasonably available to Contractor, (iii) accept its return by the State with appropriate credits to the State against Contractor's charges and reimburse the State for any losses or costs incurred as a consequence of the State ceasing its use and returning it.

Notwithstanding the foregoing, Contractor has no obligation to indemnify or defend the State for, or to pay any costs, damages or attorneys' fees related to, any claim based upon (i) equipment developed based on written specifications of the State; (ii) use of the equipment in a configuration other than implemented or approved in writing by Contractor, including, but not limited to, any modification of the equipment by the State; or (iii) the combination, operation, or use of the equipment with equipment or software not supplied by Contractor under this Contract.

**2.145 Continuation of Indemnification Obligations**

Contractor's duty to indemnify under this Section continues in full force and effect, notwithstanding the expiration or early cancellation of this Contract, with respect to any claims based on facts or conditions that occurred before expiration or cancellation.

2.146 Indemnification Procedures

The procedures set forth below must apply to all indemnity obligations under this Contract.

(a) After the State receives notice of the action or proceeding involving a claim for which it will seek indemnification, the State must promptly notify Contractor of the claim in writing and take or assist Contractor in taking, as the case may be, any reasonable action to avoid the imposition of a default judgment against Contractor. No failure to notify Contractor relieves Contractor of its indemnification obligations except to the extent that Contractor can prove damages attributable to the failure. Within 10 days following receipt of written notice from the State relating to any claim, Contractor must notify the State in writing whether Contractor agrees to assume control of the defense and settlement of that claim (a "Notice of Election"). After notifying Contractor of a claim and before the State receiving Contractor's Notice of Election, the State is entitled to defend against the claim, at Contractor's expense, and Contractor will be responsible for any reasonable costs incurred by the State in defending against the claim during that period.

(b) If Contractor delivers a Notice of Election relating to any claim: (i) the State is entitled to participate in the defense of the claim and to employ counsel at its own expense to assist in the handling of the claim and to monitor and advise the State about the status and progress of the defense; (ii) Contractor must, at the request of the State, demonstrate to the reasonable satisfaction of the State, Contractor's financial ability to carry out its defense and indemnity obligations under this Contract; (iii) Contractor must periodically advise the State about the status and progress of the defense and must obtain the prior written approval of the State before entering into any settlement of the claim or ceasing to defend against the claim and (iv) to the extent that any principles of Michigan governmental or public law may be involved or challenged, the State has the right, at its own expense, to control the defense of that portion of the claim involving the principles of Michigan governmental or public law. But the State may retain control of the defense and settlement of a claim by notifying Contractor in writing within 10 days after the State's receipt of Contractor's information requested by the State under clause (ii) of this paragraph if the State determines that Contractor has failed to demonstrate to the reasonable satisfaction of the State Contractor's financial ability to carry out its defense and indemnity obligations under this Section. Any litigation activity on behalf of the State, or any of its subdivisions under this Section, must be coordinated with the Department of Attorney General. In the event the insurer's attorney represents the State under this Section, the insurer's attorney may be required to be designated as a Special Assistant Attorney General by the Attorney General of the State of Michigan.

(c) If Contractor does not deliver a Notice of Election relating to any claim of which it is notified by the State as provided above, the State may defend the claim in the manner as it may deem appropriate, at the cost and expense of Contractor. If it is determined that the claim was one against which Contractor was required to indemnify the State, upon request of the State, Contractor must promptly reimburse the State for all the reasonable costs and expenses.

2.150 Termination/Cancellation**2.151 Notice and Right to Cure**

If Contractor breaches this Contract, and the State in its sole discretion determines that the breach is curable, then the State will provide Contractor with written notice of the breach and a time period (not less than 30 days) to cure the Breach. The notice of breach and opportunity to cure is inapplicable for successive or repeated breaches or if the State determines in its sole discretion that the breach poses a serious and imminent threat to the health or safety of any person or the imminent loss, damage, or destruction of any real or tangible personal property.

2.152 Termination for Cause

(a) The State may terminate this Contract, for cause, by notifying Contractor in writing, if Contractor (i) breaches any of its material duties or obligations under this Contract (including a Chronic Failure to meet any particular SLA), or (ii) fails to cure a breach within the time period specified in the written notice of breach provided by the State



(b) If this Contract is terminated for cause, Contractor must pay all costs incurred by the State in terminating this Contract, including but not limited to, State administrative costs, reasonable attorneys' fees and court costs, and any reasonable additional costs the State may incur to procure the Services/Deliverables required by this Contract from other sources. Re-procurement costs are not consequential, indirect or incidental damages, and cannot be excluded by any other terms otherwise included in this Contract, provided the costs are not in excess of 50% more than the prices for the Service/Deliverables provided under this Contract.

(c) If the State chooses to partially terminate this Contract for cause, charges payable under this Contract will be equitably adjusted to reflect those Services/Deliverables that are terminated and the State must pay for all Services/Deliverables for which Final Acceptance has been granted provided up to the termination date. Services and related provisions of this Contract that are terminated for cause must cease on the effective date of the termination.

(d) If the State terminates this Contract for cause under this Section, and it is determined, for any reason, that Contractor was not in breach of Contract under the provisions of this section, that termination for cause must be deemed to have been a termination for convenience, effective as of the same date, and the rights and obligations of the parties must be limited to that otherwise provided in this Contract for a termination for convenience.

2.153 Termination for Convenience

The State may terminate this Contract for its convenience, in whole or part, if the State determines that a termination is in the State's best interest. Reasons for the termination must be left to the sole discretion of the State and may include, but not necessarily be limited to (a) the State no longer needs the Services or products specified in this contract, (b) relocation of office, program changes, changes in laws, rules, or regulations make implementation of the Services no longer practical or feasible, (c) unacceptable prices for Additional Services or New Work requested by the State, or (d) falsification or misrepresentation, by inclusion or non-inclusion, of information material to a response to any RFP issued by the State. The State may terminate this Contract for its convenience, in whole or in part, by giving Contractor written notice at least 30 days before the date of termination. If the State chooses to terminate this Contract in part, the charges payable under this Contract must be equitably adjusted to reflect those Services/Deliverables that are terminated. Services and related provisions of this Contract that are terminated for cause must cease on the effective date of the termination.

2.154 Termination for Non-Appropriation

(a) Contractor acknowledges that, if this Contract extends for several fiscal years, continuation of this Contract is subject to appropriation or availability of funds for this Contract. If funds to enable the State to effect continued payment under this Contract are not appropriated or otherwise made available, the State must terminate this Contract and all affected Statements of Work, in whole or in part, at the end of the last period for which funds have been appropriated or otherwise made available by giving written notice of termination to Contractor. The State must give Contractor at least 30 days advance written notice of termination for non-appropriation or unavailability (or the time as is available if the State receives notice of the final decision less than 30 days before the funding cutoff).

(b) If funding for this Contract is reduced by law, or funds to pay Contractor for the agreed-to level of the Services or production of Deliverables to be provided by Contractor are not appropriated or otherwise unavailable, the State may, upon 30 days written notice to Contractor, reduce the level of the Services or the change the production of Deliverables in the manner and for the periods of time as the State may elect. The charges payable under this Contract will be equitably adjusted to reflect any equipment, services or commodities not provided by reason of the reduction.

(c) If the State terminates this Contract, eliminates certain Deliverables, or reduces the level of Services to be provided by Contractor under this Section, the State must pay Contractor for all Work-in-Process performed through the effective date of the termination or reduction in level, as the case may be and as determined by the State, to the extent funds are available. This Section will not preclude Contractor from reducing or stopping Services/Deliverables or raising against the State in a court of competent jurisdiction, any claim for a shortfall in payment for Services performed or Deliverables finally accepted before the effective date of termination.

2.155 Termination for Criminal Conviction

The State may terminate this Contract immediately and without further liability or penalty in the event Contractor, an officer of Contractor, or an owner of a 25% or greater share of Contractor is convicted of a criminal offense related to a State, public or private Contract.

**2.156 Termination for Approvals Rescinded**

The State may terminate this Contract if any final administrative or judicial decision or adjudication disapproves a previously approved request for purchase of personal services under Constitution 1963, Article 11, § 5, and Civil Service Rule 7-1. In that case, the State will pay Contractor for only the work completed to that point under this contract. Termination may be in whole or in part and may be immediate as of the date of the written notice to Contractor or may be effective as of the date stated in the written notice.

2.157 Rights and Obligations upon Termination

(a) If the State terminates this Contract for any reason, Contractor must (a) stop all work as specified in the notice of termination, (b) take any action that may be necessary, or that the State may direct, for preservation and protection of Deliverables or other property derived or resulting from this Contract that may be in Contractor's possession, (c) return all materials and property provided directly or indirectly to Contractor by any entity, agent or employee of the State, (d) transfer title in, and deliver to, the State, unless otherwise directed, all Deliverables intended to be transferred to the State at the termination of this Contract and which are resulting from this Contract (which must be provided to the State on an "As-Is" basis except to the extent the amounts paid by the State in respect of the items included compensation to Contractor for the provision of warranty services in respect of the materials), and (e) take any action to mitigate and limit any potential damages, or requests for Contractor adjustment or termination settlement costs, to the maximum practical extent, including terminating or limiting as otherwise applicable those subcontracts and outstanding orders for material and supplies resulting from the terminated Contract.

(b) If the State terminates this Contract before its expiration for its own convenience, the State must pay Contractor for all charges due for Services provided before the date of termination and, if applicable, as a separate item of payment under this Contract, for Work In Process, on a percentage of completion basis at the level of completion determined by the State. All completed or partially completed Deliverables prepared by Contractor under this Contract, at the option of the State, becomes the State's property, and Contractor is entitled to receive equitable fair compensation for the Deliverables. Regardless of the basis for the termination, the State is not obligated to pay, or otherwise compensate, Contractor for any lost expected future profits, costs or expenses incurred with respect to Services not actually performed for the State.

(c) Upon a good faith termination, the State may assume, at its option, any agreements for services and deliverables provided under this Contract, and may further pursue completion of the Services/Deliverables under this Contract by replacement contract or otherwise as the State may in its sole judgment deem expedient.

2.158 Reservation of Rights

Any termination of this Contract or any Statement of Work issued under it by a party must be with full reservation of, and without prejudice to, any rights or remedies otherwise available to the party with respect to any claims arising before or as a result of the termination.

2.160 Termination by Contractor**2.161 Termination by Contractor**

If the State breaches this Contract, and Contractor in its sole discretion determines that the breach is curable, then Contractor will provide the State with written notice of the breach and a time period (not less than 30 days) to cure the breach. The Notice of Breach and opportunity to cure is inapplicable for successive and repeated breaches.

Contractor may terminate this Contract if the State (i) materially breaches its obligation to pay Contractor undisputed amounts due and owing under this Contract, (ii) breaches its other obligations under this Contract to an extent that makes it impossible or commercially impractical for Contractor to perform the Services, or (iii) does not cure the breach within the time period specified in a written notice of breach. But Contractor must discharge its obligations under **Section 2.190** before it terminates this Contract.



2.170 Transition Responsibilities

2.171 Contractor Transition Responsibilities

If the State terminates this Contract, for convenience or cause, or if this Contract is otherwise dissolved, voided, rescinded, nullified, expires or rendered unenforceable, Contractor agrees to comply with direction provided by the State to assist in the orderly transition of equipment, services, software, leases, etc. to the State or a third party designated by the State. If this Contract expires or terminates, Contractor agrees to make all reasonable efforts to effect an orderly transition of services within a reasonable period of time that in no event will exceed 90 days. These efforts must include, but are not limited to, those listed in **Sections 2.171, 2.172, 2.173, 2.174, and 2.175.**

2.172 Contractor Personnel Transition – Deleted – Not Applicable

2.173 Contractor Information Transition – Deleted – Not Applicable

2.174 Contractor Software Transition – Deleted – Not Applicable

2.175 Transition Payments

If the transition results from a termination for any reason, reimbursement must be governed by the termination provisions of this Contract. If the transition results from expiration, Contractor will be reimbursed for all reasonable transition costs (i.e. costs incurred within the agreed period after Contract expiration that result from transition operations) at the rates agreed upon by the State. Contractor will prepare an accurate accounting from which the State and Contractor may reconcile all outstanding accounts.

2.176 State Transition Responsibilities

In the event that this Contract is terminated, dissolved, voided, rescinded, nullified, or otherwise rendered unenforceable, the State agrees to perform the following obligations, and any others upon which the State and Contractor agree:

- (a) Reconciling all accounts between the State and Contractor;
- (b) Completing any pending post-project reviews.

2.180 Stop Work

2.181 Stop Work Orders

The State may, at any time, by written stop work order to Contractor, require that Contractor stop all, or any part, of the work called for by This contract for a period of up to 90 calendar days after the stop work order is delivered to Contractor, and for any further period to which the parties may agree. The stop work order must be identified as a stop work order and must indicate that it is issued under this **Section 2.180**. Upon receipt of the stop work order, Contractor must immediately comply with its terms and take all reasonable steps to minimize incurring costs allocable to the work covered by the stop work order during the period of work stoppage. Within the period of the stop work order, the State must either: (a) cancel the stop work order; or (b) terminate the work covered by the stop work order as provided in **Section 2.150**.

2.182 Cancellation or Expiration of Stop Work Order

Contractor must resume work if the State cancels a Stop Work Order or if it expires. The parties will agree upon an equitable adjustment in the delivery schedule, Contract price, or both, and this Contract must be modified, in writing, accordingly, if: (a) the stop work order results in an increase in the time required for, or in Contractor's costs properly allocable to, the performance of any part of this Contract; and (b) Contractor asserts its right to an equitable adjustment within 30 calendar days after the end of the period of work stoppage; provided that, if the State decides the facts justify the action, the State may receive and act upon a Contractor proposal submitted at any time before final payment under this Contract. Any adjustment will conform to the requirements of **Section 2.024**.

2.183 Allowance of Contractor Costs

If the stop work order is not canceled and the work covered by the stop work order is terminated for reasons other than material breach, the termination must be deemed to be a termination for convenience under **Section 2.150**, and the State will pay reasonable costs resulting from the stop work order in arriving at the termination settlement. For the avoidance of doubt, the State is not to be liable to Contractor for loss of profits because of a stop work order issued under this **Section 2.180**.



2.190 Dispute Resolution

2.191 In General

Any claim, counterclaim, or dispute between the State and Contractor arising out of or relating to this Contract or any Statement of Work must be resolved as follows. For all Contractor claims seeking an increase in the amounts payable to Contractor under this Contract, or the time for Contractor's performance, Contractor must submit a letter, together with all data supporting the claims, executed by Contractor's Contract Administrator or the Contract Administrator's designee certifying that (a) the claim is made in good faith, (b) the amount claimed accurately reflects the adjustments in the amounts payable to Contractor or the time for Contractor's performance for which Contractor believes the State is liable and covers all costs of every type to which Contractor is entitled from the occurrence of the claimed event, and (c) the claim and the supporting data are current and complete to Contractor's best knowledge and belief.

2.192 Informal Dispute Resolution

(a) All disputes between the parties must be resolved under the contract Management procedures in this Contract. If the parties are unable to resolve any disputes after compliance with the processes, the parties must meet with the Director of Purchasing Operations, DMB, or designee, for the purpose of attempting to resolve the dispute without the need for formal legal proceedings, as follows:

- (i) The representatives of Contractor and the State must meet as often as the parties reasonably deem necessary to gather and furnish to each other all information with respect to the matter in issue which the parties believe to be appropriate and germane in connection with its resolution. The representatives must discuss the problem and negotiate in good faith in an effort to resolve the dispute without the necessity of any formal proceeding.
- (ii) During the course of negotiations, all reasonable requests made by one party to another for non-privileged information reasonably related to this Contract will be honored in order that each of the parties may be fully advised of the other's position.
- (iii) The specific format for the discussions will be left to the discretion of the designated State and Contractor representatives, but may include the preparation of agreed upon statements of fact or written statements of position.
- (iv) Following the completion of this process within 60 calendar days, the Director of Purchasing Operations, DMB, or designee, must issue a written opinion regarding the issue(s) in dispute within 30 calendar days. The opinion regarding the dispute must be considered the State's final action and the exhaustion of administrative remedies.

(b) This Section will not be construed to prevent either party from instituting, and a party is authorized to institute, formal proceedings earlier to avoid the expiration of any applicable limitations period, to preserve a superior position with respect to other creditors, or under **Section 2.193**.

(c) The State will not mediate disputes between Contractor and any other entity, except state agencies, concerning responsibility for performance of work under this Contract.

2.193 Injunctive Relief

The only circumstance in which disputes between the State and Contractor will not be subject to the provisions of **Section 2.192** is where a party makes a good faith determination that a breach of the terms of this Contract by the other party is the that the damages to the party resulting from the breach will be so immediate, so large or severe and so incapable of adequate redress after the fact that a temporary restraining order or other immediate injunctive relief is the only adequate remedy.

2.194 Continued Performance

Each party agrees to continue performing its obligations under this Contract while a dispute is being resolved except to the extent the issue in dispute precludes performance (dispute over payment must not be deemed to preclude performance) and without limiting either party's right to terminate this Contract as provided in **Section 2.150**, as the case may be.



2.200 Federal and State Contract Requirements

2.201 Nondiscrimination

In the performance of this Contract, Contractor agrees not to discriminate against any employee or applicant for employment, with respect to his or her hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, national origin, ancestry, age, sex, height, weight, marital status, physical or mental disability. This covenant is required under the Elliot Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, et seq., and the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, et seq., and any breach of this provision may be regarded as a material breach of this contract.

2.202 Unfair Labor Practices

Under 1980 PA 278, MCL 423.321, et seq., the State must not award a Contract or subcontract to an employer whose name appears in the current register of employers failing to correct an unfair labor practice compiled under Section 2 of the Act. This information is compiled by the United States National Labor Relations Board. A Contractor of the State, in relation to this Contract, must not enter into a contract with a manufacturer, or supplier whose name appears in this register. Under Section 4 of 1980 PA 278, MCL 423.324, the State may void any Contract if, after award of this Contract, the name of Contractor as an employer or the name of the manufacturer or supplier of Contractor appears in the register.

2.203 Workplace Safety and Discriminatory Harassment

In performing Services for the State, Contractor must comply with the Department of Civil Services Rule 2-20 regarding Workplace Safety and Rule 1-8.3 regarding Discriminatory Harassment. In addition, Contractor must comply with Civil Service regulations and any applicable agency rules provided to Contractor. For Civil Service Rules, see <http://www.mi.gov/mdcs/0,1607,7-147-6877---,00.html>.

2.204 Prevailing Wage – Deleted – Not Applicable

2.210 Governing Law

2.211 Governing Law

This Contract must in all respects be governed by, and construed according to, the substantive laws of the State of Michigan without regard to any Michigan choice of law rules that would apply the substantive law of any other jurisdiction to the extent not inconsistent with, or pre-empted by federal law.

2.212 Compliance with Laws

Contractor shall comply with all applicable state, federal and local laws and ordinances in providing the Services/Deliverables.

2.213 Jurisdiction

Any dispute arising from this Contract must be resolved in the State of Michigan. With respect to any claim between the parties, Contractor consents to venue in Ingham County, Michigan, and irrevocably waives any objections it may have to the jurisdiction on the grounds of lack of personal jurisdiction of the court or the laying of venue of the court or on the basis of forum non conveniens or otherwise. Contractor agrees to appoint agents in the State of Michigan to receive service of process.

2.220 Limitation of Liability

2.221 Limitation of Liability

Neither Contractor nor the State is liable to each other, regardless of the form of action, for consequential, incidental, indirect, or special damages. This limitation of liability does not apply to claims for infringement of United States patent, copyright, trademark or trade secrets; to claims for personal injury or damage to property caused by the gross negligence or willful misconduct of Contractor; to claims covered by other specific provisions of this Contract calling for liquidated damages; or to court costs or attorney's fees awarded by a court in addition to damages after litigation based on this Contract.

**2.230 Disclosure Responsibilities****2.231 Disclosure of Litigation**

(a) Disclosure. Contractor must disclose any material criminal litigation, investigations or proceedings involving Contractor or any of its officers or directors or any litigation, investigations or proceedings under the Sarbanes-Oxley Act. In addition, each Contractor must notify the State of any material civil litigation, arbitration or proceeding which arises during the term of this Contract and extensions, to which Contractor (or, to the extent Contractor is aware) is a party, and which involves: (i) disputes that might reasonably be expected to adversely affect the viability or financial stability of Contractor; or (ii) a claim or written allegation of fraud against Contractor or, to the extent Contractor is aware, by a governmental or public entity arising out of their business dealings with governmental or public entities. Contractor must disclose in writing to this contract Administrator any litigation, investigation, arbitration or other proceeding (collectively, "Proceeding") within 30 days of its occurrence. Details of settlements which are prevented from disclosure by the terms of the settlement may be annotated. Information provided to the State from Contractor's publicly filed documents referencing its material litigation will be deemed to satisfy the requirements of this Section.

(b) Assurances. If any Proceeding disclosed to the State under this Section, or of which the State otherwise becomes aware, during the term of this Contract would cause a reasonable party to be concerned about:

- (i) the ability of Contractor to continue to perform this Contract according to its terms and conditions, or
- (ii) whether Contractor in performing Services for the State is engaged in conduct which is similar in nature to conduct alleged in the Proceeding, which conduct would constitute a breach of this Contract or a violation of Michigan law, regulations or public policy, then Contractor must provide the State all reasonable assurances requested by the State to demonstrate that:
 - (a) Contractor will be able to continue to perform this Contract and any Statements of Work according to its terms and conditions, and
 - (b) Contractor have not and will not engage in conduct in performing the Services which is similar in nature to the conduct alleged in the Proceeding.

(c) Contractor must make the following notifications in writing:

- (1) Within 30 days of Contractor becoming aware that a change in its ownership or officers has occurred, or is certain to occur, or a change that could result in changes in the valuation of its capitalized assets in the accounting records, Contractor must notify DMB Purchasing Operations.
- (2) Contractor must also notify DMB Purchasing Operations within 30 days whenever changes to asset valuations or any other cost changes have occurred or are certain to occur as a result of a change in ownership or officers.
- (3) Contractor must also notify DMB Purchasing Operations within 30 days whenever changes to company affiliations occur.

2.232 Call Center Disclosure – Deleted – Not Applicable**2.233 Bankruptcy**

The State may, without prejudice to any other right or remedy, terminate this Contract, in whole or in part, and, at its option, may take possession of the "Work in Process" and finish the Works in Process by whatever appropriate method the State may deem expedient if:

- (a) Contractor files for protection under the bankruptcy laws;
- (b) an involuntary petition is filed against Contractor and not removed within 30 days;
- (c) Contractor becomes insolvent or if a receiver is appointed due to Contractor's insolvency;
- (d) Contractor makes a general assignment for the benefit of creditors; or
- (e) Contractor or its affiliates are unable to provide reasonable assurances that Contractor or its affiliates can deliver the services under this Contract.

Contractor will fix appropriate notices or labels on the Work in Process to indicate ownership by the State. To the extent reasonably possible, materials and Work in Process must be stored separately from other stock and marked conspicuously with labels indicating ownership by the State.



2.240 Performance

2.241 Time of Performance

(a) Contractor must use commercially reasonable efforts to provide the resources necessary to complete all Services and Deliverables according to the time schedules contained in the Statements of Work and other Exhibits governing the work, and with professional quality.

(b) Without limiting the generality of **Section 2.241(a)**, Contractor must notify the State in a timely manner upon becoming aware of any circumstances that may reasonably be expected to jeopardize the timely and successful completion of any Deliverables/Services on the scheduled due dates in the latest State-approved delivery schedule and must inform the State of the projected actual delivery date.

(c) Contractor believes that a delay in performance by the State has caused or will cause Contractor to be unable to perform its obligations according to specified Contract time periods, Contractor must notify the State in a timely manner and must use commercially reasonable efforts to perform its obligations according to this Contract time periods notwithstanding the State's failure. Contractor will not be in default for a delay in performance to the extent the delay is caused by the State.

2.242 Service Level Agreements (SLAs) – See Location Specification Sheets

2.243 Liquidated Damages - Deleted – Not Applicable

2.244 Excusable Failure

Neither party will be liable for any default, damage or delay in the performance of its obligations under this contract to the extent the default, damage or delay is caused by government regulations or requirements (executive, legislative, judicial, military or otherwise), power failure, electrical surges or current fluctuations, lightning, earthquake, war, water or other forces of nature or acts of God, delays or failures of transportation, equipment shortages, suppliers' failures, or acts or omissions of common carriers, fire; riots, civil disorders; strikes or other labor disputes, embargoes; injunctions (provided the injunction was not issued as a result of any fault or negligence of the party seeking to have its default or delay excused); or any other cause beyond the reasonable control of a party; provided the non-performing party is without fault in causing the default or delay, and the default or delay could not have been prevented by reasonable precautions and cannot reasonably be circumvented by the non-performing party through the use of alternate sources, workaround plans or other means, including disaster recovery plans.

If a party does not perform its contractual obligations for any of the reasons listed above, the non-performing party will be excused from any further performance of its affected obligation(s) for as long as the circumstances prevail. But the party must use commercially reasonable efforts to recommence performance whenever and to whatever extent possible without delay. A party must promptly notify the other party in writing immediately after the excusable failure occurs, and also when it abates or ends.

If any of the above-enumerated circumstances substantially prevent, hinder, or delay Contractor's performance of the Services/provision of Deliverables for more than 10 Business Days, and the State determines that performance is not likely to be resumed within a period of time that is satisfactory to the State in its reasonable discretion, then at the State's option: (a) the State may procure the affected Services/Deliverables from an alternate source, and the State is not be liable for payment for the unperformed Services/ Deliverables not provided under this Contract for so long as the delay in performance continues; (b) the State may terminate any portion of this Contract so affected and the charges payable will be equitably adjusted to reflect those Services/Deliverables terminated; or (c) the State may terminate the affected Statement of Work without liability to Contractor as of a date specified by the State in a written notice of termination to Contractor, except to the extent that the State must pay for Services/Deliverables provided through the date of termination.

Contractor will not have the right to any additional payments from the State as a result of any Excusable Failure occurrence or to payments for Services not rendered/Deliverables not provided as a result of the Excusable Failure condition.

**2.250 Approval of Deliverables**

- 2.251 Delivery Responsibilities – Deleted – Not Applicable**
- 2.252 Delivery of Deliverables – Deleted – Not Applicable**
- 2.253 Testing – Deleted – Not Applicable**
- 2.254 Approval of Deliverables, In General – Deleted – Not Applicable**
- 2.255 Process For Approval of Written Deliverables – Deleted – Not Applicable**

2.256 Process for Approval of Services

The State Review Period for approval of Services is governed by the applicable Statement of Work (and if the Statement of Work does not state the State Review Period, it is by default 30 Business Days for Services). The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Service is approved in the form delivered by Contractor or describing any deficiencies that must be corrected before approval of the Services (or at the State's election, after approval of the Service). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within 30 Business Days resubmit the Service in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon implementation of a corrected Service from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Service for conformity and that the identified deficiencies have been corrected.

- 2.257 Process for Approval of Physical Deliverables – Deleted – Not Applicable**
- 2.258 Final Acceptance – Deleted – Not Applicable**

2.260 Ownership

- 2.261 Ownership of Work Product by State – Deleted – Not Applicable**
- 2.262 Vesting of Rights– Deleted – Not Applicable**
- 2.263 Rights in Data – Deleted – Not Applicable**
- 2.264 Ownership of Materials – Deleted – Not Applicable**

2.270 State Standards

- 2.271 Existing Technology Standards – Deleted – Not Applicable**
- 2.272 Acceptable Use Policy – Deleted – Not Applicable**
- 2.273 Systems Changes – Deleted – Not Applicable**

2.280 Extended Purchasing

- 2.281 MIDEAL – Deleted – Not Applicable**
- 2.282 State Employee Purchases – Deleted – Not Applicable**



2.290 Environmental Provision

2.291 Environmental Provision-Deleted – Not Applicable

2.300 Other Provisions

2.311 Forced Labor, Convict Labor, or Indentured Servitude Made Materials

Contractor represents and certifies that, to the best of its knowledge and belief no foreign (outside of the U.S.) made equipment, materials, or supplies, will be furnished to the State under any resulting Contract, that have been produced in whole or in part by forced labor, convict labor, or indentured servitude.

2.321 Knowledge of Child Labor for Listed End Products – Deleted – Not Applicable



Attachment A, Price Proposal

**MAINTENANCE, REPAIR & OPERATIONS (MRO)
LOCATION SPECIFICATION SHEET (LSS) – SNOW REMOVAL
SERVICE**

PART I – PLACE OF SNOW REMOVAL SERVICE

CONTRACTOR NAME: WEYAND BROS. INC.

LOCATION

CONTRACT INFORMATION			
CONTRACT START DATE:	11/18/09	CONTRACT END DATE:	9/30/12
<i>PREVIOUS BPO #:</i>	071B6200400		
<i>NUMBER OF EXTENSION OPTIONS:</i>	Two One-Year Extension Options		
CONTRACTING AGENCY NAME:	DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH UNEMPLOYMENT INSURANCE AGENCY, SAGINAW PRO		
BUILDING NAME AND NUMBER:			
BUILDING ADDRESS:	614 Johnson Street, Saginaw, MI 48607		
REGION / COUNTY:	SAGINAW COUNTY		
PROCUREMENT CONTACT INFORMATION			
PROCUREMENT OFFICE NAME:	DELEG – Purchasing and Grant Services		
PROCUREMENT OFFICE CONTACT NAME:	Kerri L. Bielski	CONTACT PHONE #:	517-373-7791
PROCUREMENT OFFICE CONTACT E-MAIL:	BielskiK@michigan.gov	CONTACT FAX #:	517-373-2927
CONTRACT COMPLIANCE INSPECTOR (CCI) / FACILITY MANAGER (FM) NAME:	John Palmer	CONTACT PHONE #:	313-456-4924
CCI / FM CONTACT E-MAIL:	PalmerJohnS@michigan.gov	CONTACT FAX #:	313-456-4958
BUILDING LOCATION INFORMATION			
OFFICIAL WORKING DAYS OF BUILDING OCCUPANTS:	M – F	OFFICIAL WORKING HOURS OF BUILDING OCCUPANTS:	7:00 A.M. to 6:00 P.M.
ESTIMATE OF AREA TO BE PLOWED/DE-ICED: (SPECIFY UNIT OF MEASURE)	69,800 SF	ESTIMATE OF AREA TO BE SHOVELED/DE-ICED: (SPECIFY UNIT OF MEASURE)	5,900 SF
IDENTIFY DAYS OF SNOW REMOVAL SERVICE: [EXAMPLE: M/T/W/TH/F/SA/SU]	M/T/W/TH/F	IDENTIFY HOURS OF SNOW REMOVAL SERVICE: [EXAMPLE: 5:30 A.M. TO 5:30 P.M.] NOTE: PLEASE INCLUDE NIGHTTIME SERVICES, IF APPLICABLE, TO THIS LOCATION.	6:00 A.M. – 6:00 P.M.



PART II – PRICING SHEET SUMMARY

SNOW PLOW SERVICES*

CHECK ALL THAT APPLY	DESCRIPTION (More than one each for different snow accumulation ranges)	SNOW ACCUMULATION RANGE (ex: 2-6", 12+")	ESTIMATED SERVICES PER YEAR	PRICE PER OCCASION	ANNUAL (SEASON) PRICE
X	Parking lot(s)/spaces, entrances and driveways;.	2" – 6"	20	\$147.50	\$2,950.00
X	Parking lot(s)/spaces, entrances and driveways;.	7" – 12"	10	\$50.00	\$500.00
X	Parking lot(s)/spaces, entrances and driveways;.	13" and up	4	\$50.00	\$200.00
SUBTOTAL					\$3,650

SHOVELING SIDEWALKS

CHECK ALL THAT APPLY	DESCRIPTION	SNOW ACCUMULATION RANGE (ex: 2" to 6")	ESTIMATED SERVICES PER YEAR	PRICE PER OCCASION	ANNUAL (SEASON) PRICE
<input checked="" type="checkbox"/>	Sidewalks, steps, entrances and exits	2" – 6"	20	\$62.50	\$1,250.00
<input checked="" type="checkbox"/>	Sidewalks, steps, entrances and exits	7" – 12"	10	\$20.00	\$200.00
<input checked="" type="checkbox"/>	Sidewalks, steps, entrances and exits	13" AND UP	4	\$10.00	\$40.00
SUBTOTAL					\$1,490



DE-ICING

CHECK ALL THAT APPLY	DESCRIPTION	DE-ICING MATERIAL (ex: <u>Rock Salt</u> , Ice-Melt, Sand, etc.)	ESTIMATED SERVICES PER YEAR	PRICE PER OCCASION	ANNUAL (SEASON) PRICE
<input checked="" type="checkbox"/>	Parking lot(s)/spaces, entrances and driveways.	ROCK SALT	34	\$115.00	\$3,910.00
	Loading Docks			\$	\$
	Roadways/Private Driveways			\$	\$
<input checked="" type="checkbox"/>	Sidewalks, steps, entrances and exits	ICE MELT	34	\$35.00	\$1,190.00
	OTHER AREAS NOT LISTED:				
				\$	\$
SUBTOTAL					\$5,100.00

*Salt and/or Rock Salt (Sodium Chloride) can NOT be used on concrete surfaces. Vendor shall follow the instructions of the CCI or the on-call supervisor when spreading de-icing agents.

REMOVAL OF SNOW/ADD'L SERVICES

CHECK ALL THAT APPLY	DESCRIPTION	SPECIFY LOCATION (ex: offsite, behind bldg X, no preference, etc.)	ESTIMATED SERVICES PER YEAR	PRICE PER HOUR	ANNUAL (SEASON) PRICE
<input checked="" type="checkbox"/>	Snow Removal from area/premises (Loading of Snow—by the hour)		1	\$175.00 (BREAKOUT BELOW)	\$175.00
	Snow Removal from area/premises (Hauling of Snow—by the round trip)			\$	\$
	Indicate What Equipment Will Be Used For the Hourly Services	Capacity of Equipment	Price/Hour		
	Dump (15 yd)	15	75		
	Front End Loader-4 yd bucket	4	100		
SUBTOTAL					\$175.00
ANNUAL TOTAL					\$10,415.00
THREE (3) YEAR TOTAL					\$31,245.00

A job ticket detailing all services provided within a 24 hour period must be faxed within 48 hours to the CCI (see cover sheet for contact information). Failure to provide timely job tickets may result in payment delays or disputes.



EQUIPMENT

EQUIPMENT	MAKE/MODEL/ CAPACITY	MANUFACTURER	APPROXIMATE AGE OF EQUIPMENT & OWNED OR RENTED
1. ¾ TON PICK-UPS W/ Boss V-BLADES (8.5' THRU 12' BLADES)	CHEVY CREW CABS	CHEVROLET	1999 – 2009 (12 TOTAL)
2. 2 TON AND LARGER (10' THRU 14' BLADES)	CHEVY / FORD / INTERNATIONAL	CHEVROLET; FORD	1999 – 2000 (7 TOTAL)
3. SKIDSTER (1 YARD BUCKETS / TILT BLADES / BOX SCOPES)	CASE	CASE	1999 – 2009 (6 TOTAL)
4. FRONT END LOADERS (4 YARD BUCKETS)	CAT / JOHN DEERE	CAT / JOHN DEERE	1985 – 2006 (3 TOTAL)
5. SPREADER UNITS (3- 12 YARD HOPPER SYS)	MONROE / WESTERN 800 LBS – 1 TON	MONROE / WESTERN	2000- 2005 (3 TOTAL)



Attachment (C)

Employee Crudentials: List below is subject to change depending upon schedule work requirement. The following is the core of WBI work force that is current and scheduled at this time.

- (1) Avila, Agustin
12 plus years CDL Class A
Type: Pickup w/ Plow, Large Truck w/ Plow, Front End Loader,
Skidster, Salt Spreading, and misc. Equipment
- (2) Bennet, Robert
35 plus years CDL Class A
Type: Pickup w/ Plow, Large Truck w/ Plow, Front End Loader,
Skidster, Salt Spreading, and misc. Equipment
- (3) Braeutigan, Brady
7 plus years Regular License
Type: Pickup w/ Plow, Front End Loader,
Skidster, and misc. Equipment
- (4) Daly, Sean
8 plus years CDL Class A
Type: Pickup w/ Plow, Large Truck w/ Plow, Front End Loader,
Skidster, Salt Spreading, and misc. Equipment
- (5) Davenport, Juston
9 plus years CDL Class A
Type: Pickup w/ Plow, Large Truck w/ Plow, Front End Loader,
Skidster, Salt Spreading, and misc. Equipment
- (6) Escamilla, Esteban
5 plus years CDL Class A
Type: Pickup w/ Plow, Large Truck w/ Plow, and misc. Equipment
- (7) Feregrino, Jaime
8 plus years Regular License
Type: Pickup w/ Plow, Front End Loader,
Skidster, Salt Spreading, and misc. Equipment
- (8) Fisher, Terry
10 plus years CDL Class A
Type: Pickup w/ Plow, Large Truck w/ Plow, Front End Loader,
Skidster, Salt Spreading, and misc. Equipment
- (9) Gulliver, Wesley
19 plus years Regular License
Type: Pickup w/ Plow, Front End Loader,
Skidster, Salt Spreading, and misc. Equipment
- (10) Hurtado, Manuel
15 plus years Chauffer License
Type: Pickup w/ Plow, Large Truck w/ Plow, Front End Loader,
Skidster, Salt Spreading, and misc. Equipment
- (11) Madaleno, Craig
35 plus years Chauffer Licnese
Type: Pickup w/ Plow, Front End Loader,
Skidster, Salt Spreading, and misc. Equipment

~ continued ~



WEYAND BROS.

■ INCORPORATED

LANDSCAPING

Attachment (C)

Employee Crudentials: List below is subject to change depending upon schedule work requirement. The following is the core of WBI work force that is current and scheduled at this time.

~ continued ~

- (12) Mulholland, Charles
5 plus years Regular License
Type: Pickup w/ Plow, Front End Loader,
Skidster, Salt Spreading, and misc. Equipment
- (13) Petricevic, Jeff
25 plus years CDL Class A
Type: Pickup w/ Plow, Large Truck w/ Plow, Front End Loader,
Skidster, Salt Spreading, and misc. Equipment
- (14) Robar, Chad
5 plus years Regular License
Type: Pickup w/ Plow, Front End Loader,
Skidster, Salt Spreading, and misc. Equipment
- (15) Rondo, Joel
8 plus years Regular License
Type: Pickup w/ Plow, Front End Loader,
Skidster, Salt Spreading, and misc. Equipment
- (16) Tippet, Craig
6 plus years Regular License
Type: Pickup w/ Plow, Front End Loader,
Skidster, Salt Spreading, and misc. Equipment
- (17) Van Guilder Jr., Michael
5 plus years Regular License
Type: Pickup w/ Plow, Large Truck w/ Plow, Front End Loader,
Skidster, Salt Spreading, and misc. Equipment
- (18) Van Guilder Sr., Michael
25 plus years CDL Class A
Type: Pickup w/ Plow, Large Truck w/ Plow, Front End Loader,
Skidster, Salt Spreading, and misc. Equipment
- (19) Weiss, Josphe
4 plus years CDL Class A
Type: Pickup w/ Plow, Large Truck w/ Plow, Front End Loader,
Skidster, Salt Spreading, and misc. Equipment



WEYAND BROS. INC.

P. O BOX 8056
SAGINAW, MICHIGAN 48608-8056
(989) 781-5988
FAX (989) 781-5959

SAFETY POLICY

- I. Introduction
Think seriously about safety at all times - both for yourself and for your co-workers. If you view an unsafe condition, correct it yourself or go to your supervisor for help in getting it corrected. If you cannot safely perform your job, advise your supervisor. Safety is accomplished through effective communication, sincere desire, honest effort, common sense, and support by everyone. Weyand Brothers Inc. promotes all aspects of safety.
- II. Goals and Objectives
Weyand Bros. Inc. is committed to creating and maintaining a safe working environment consistent with all federal, state, and local safety laws and regulations. This safety policy and the following procedures applies to all employees and subcontractors of Weyand Bros. Inc.
The elimination of accidents requires the effort of all company employees and subcontractors, therefore it is the responsibility of every employee and subcontractor to make a commitment to safety, not only for themselves but for their co-workers as well.
- III. Safety Rules & Regulations
The following are non-exclusive examples of safety practices we require all employees and subcontractors to follow. Weyand Bros. Inc. reserves the right, in its sole discretion, to modify or establish new safety practices.
1. Personal safety equipment must be worn by employees (I.e. hard hats, proper work boots, safety glasses, ect.) when and as required.
 2. Equipment will conform to safety standards governing the specific equipment in use.
 3. Goggles must be worn when sawing or chipping, or on any other operation where there is a danger from flying objects or particles.
 4. When riding in trucks, sit down. Do not ride fenders or stand up.
 5. Do not jump off any vehicle while it is in motion.
 6. Dress properly; shirt and pants are requires clothing on all jobsites. Wear shoes or boots that give ankle support and that have a heavy sole. Do not wear loose clothing. No tank tops, shorts, or tennis shoes will be allowed.
 7. Do not use frayed, broken, or ungrounded lead wires on electrical tools.
 8. Lock-on switches should never be used on electrical tools.
 9. Always wear approved helmets and gloves when welding.
 10. Proper lock-out or disconnection procedures must be followed when servicing or working around machinery.
 11. Machine guards and safety devises must not be removed, except for the purpose of repair, and must be replaces before the machine or motor is returned to service.
 12. Cleaning, oiling, greasing, and adjusting of machinery must not be done while the machine is in motion.
 13. Only authorized personnel shall be allowed to operate equipment. Equipment must be inspected before using to insure equipment is in proper operating condition.
 14. All tools are to be kept in good working condition. Do not allow tools to be used with cracked or loose handles, or other defects. Damaged or worn parts must be promptly repaired or replace.
 15. Proper barricades for floor openings, equipment protection, safety railings, per MIOSHA requirements, must be used.
 16. All material must be stored properly. Use proper blocking and never exceed safe height.
 17. Never allow anyone to stand under or near overhead loads.
 18. Employees must never ride any lift, bucket hoist, or other hoists not authorized for personnel.
 19. Ladders that are broken, weak, or with missing rungs shall not be used.
 20. Metal ladders shall not be used where they may come into contact with electrical circuitry.
 21. The moving or rolling of scaffolds when workers are on a platform is forbidden.
 22. Materials and equipment must not be stored in aisles, walkways, or roads.
 23. Unused materials, tools, or equipment may not be dropped from scaffolds, roof deck or other elevated areas.



24. If cables, lanyards ect. show damage or weakness, they will not be used until they are thoroughly inspected and repaired and otherwise meet OSHA requirements.
25. Proper housekeeping must be maintained at all times. Every employee must do his/her part daily in the activity to keep the job clean for safety and efficiency.
26. Keep the public and all other unauthorized persons away from the work area.
27. Proper fire protection shall be maintained at all times.
28. No employee shall be allowed to consume intoxicating beverages or use illegal drugs on the job, including during break time, or on their lunch time. Consumption or use of Same shall be cause for immediate dismissal.

IV Responsibilities

A. Management

1. Take all reasonable steps, in its sole discretion, to provide the means to accomplish this safety policy, require all subcontractors to abide by this policy and encourage all other prime contractors to abide by this policy. Management will undertake such investigations as are, in its sole discretion, necessary to accomplish this policy.

B. Superintendents

1. Be responsible for on-site safety, including overseeing workers' safety and creating a safe work area.
2. Make available all necessary personal protective equipment, job safety materials, and first aid equipment.
3. Instruct employees that safe practices are to be followed and safe conditions maintained throughout the job, as well as speak to the workers concerning their safety practices and inform workers that they are not to take chances under any circumstances.
4. Have copies available of all Federal, State, and all other applicable regulations at the jobsite.
5. Be familiar with the laws pertaining to safety and their basic requirements.
6. See that all injuries are properly and immediately cared for, and reported.
7. Instruct line foreman individually regarding their safety responsibilities.
8. Require all subcontractors and encourage other prime contractors to adhere to all safety regulations.
9. Review all accidents with foreman.
10. Be familiar with and have a copy of Right to Know Law on site at all times and post hazardous material safety data sheets.

C. Job Foreman

1. See that the safety program is carried out at the work level.
2. See that the employees commit no unsafe practice.
3. Make sure that no unsafe conditions exist in their work area.
4. Make sure that necessary protective equipment is on hand and used.
5. Instruct all employees in safe procedures and job safety requirements; follow up, and insist on compliance.
6. Discuss safety in personal contacts with employees on every operation.
7. See that all injuries are cared for properly and reported promptly.
8. Be familiar with the laws pertaining to safety and their basic requirements.

D. Subcontractors

1. Enforce, follow and abide by Weyand Bros. Inc. safety policy.
2. Attend safety talks and meetings per Weyand Bros. Inc.
3. Have in effect a company safety policy.
4. Maintain records and file accident reports.
5. Follow and implement MIOSHA Right To Know Program.
6. Keep on the job a first aid kit supplied according to current regulations and have a person trained in first aid.

E. All Employees

1. Work according to good safety practices as posted, instructed, and discussed.
2. Refrain from any unsafe act that might endanger self or fellow employees.
3. Use all safety devices provided for protection.
4. Report any unsafe situation or act to the supervisor or safety officer immediately.
5. Make such reports as are necessary under this policy.
6. Assume responsibility for thoughtless or deliberate acts that cause injury to self or fellow employees.
7. Act in a safe manner off the job as well as on.

F. NOTE: *Failure to follow this policy may result in discipline, up to and including discharge, in the sole discretion of Weyand Bros. Inc.*

V. Reporting



1. All employees shall immediately report all unsafe acts or conditions. No employee shall work under unsafe conditions.
2. Report all injuries immediately. Being injured on the job and not reporting same is cause for termination.
3. Each employee who is injured or becomes ill while working shall immediately report such occurrence to the foreman, who shall send them to the appropriate place for treatment.
4. Accident Investigations and Reports
 - A. The Job Safety Supervisor shall require that an Accident Investigation Report be completed for each of the following types of accidents.
 1. Employees fatal or lost time occupational injuries or illness.
 2. Bodily injury of any person due to an accident where one or more subcontractors appear to be involved, or where one the injured person is not an employee of any contractor on the jobsite.
 3. Any damage to client or public property.
 4. Serious damage of job equipment, material, construction facilities (office trailers, cars) or constructed facilities.
 5. When a fatality has occurred or five or more workers have been hospitalized, the Department of Labor is to be notified within 48 hours in writing.
5. All subcontractors on the jobsite are required to maintain accident records. In the case of an employee of the subcontractor or their sub-subcontractor involving lost time beyond the date of injury, the employer will furnish the construction manager or company safety officer a copy of the injury report filed with the insurance company and a foreman's accident report within 24 hours after the occurrence.
6. Employees and subcontractors are encouraged to provide safety tips and suggestions at all times.

VI. Right To Know

1. Pursuant to Public Act 80 of 1986, also known as the Michigan Right to Know Law, every subcontractor shall submit copies of all Material Safety Data Sheets (MSDS) for hazardous chemicals which will be brought on the jobsite. Copies of any subsequent MSDS amendments, additions, or corrections shall also be promptly submitted.
2. This information shall be submitted when the Subcontractor or Purchase Order Acknowledgement is returned to Weyand Bros. Inc. prior to starting work.
3. Weyand Bros. Inc. will maintain a master file of all jobsite MSDS's in their on-site office. This information will be made available to any employee upon request.
4. It shall be the sole responsibility of each subcontractor to provide proper training of their employees as required under this act.

VII. Conclusion

Talking about safety does not prevent accidents. Thinking "safety" at all times does prevent accidents.

PEOPLE CAUSE ACCIDENTS...

THEREFORE, PEOPLE CAN PREVENT THEM.

I have received and carefully and thoroughly read Weyand Bros. Inc Safety Policy. I understand its requirements and agree, without reservation, to follow this policy.