Form No. DMB 234 (Rev. 1/96)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract will not be executed unless form is filed

**STATE OF MICHIGAN**
**DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET** **August 23, 2010**
**PURCHASING OPERATIONS**
**P.O. BOX 30026, LANSING, MI 48909**
**OR**
**530 W. ALLEGAN, LANSING, MI 48933**

# CHANGE NOTICE NO. 1
# TO
# CONTRACT NO. 071B0200237
# Between
# THE STATE OF MICHIGAN
# and

| | |
|---|---|
| NAME & ADDRESS OF CONTRACTOR<br><br>**Hi-Tec Building Services, Inc.**<br>**6578 Roger Drive**<br>**Jenison, MI 49428**<br>**bhogan@hitec-services.com** | TELEPHONE (616) 662-1623<br>**Brian Hogan**<br><br>BUYER (517) 335-6481<br>**Adam Koenigsknecht** |
| Contract Compliance Inspector: See Location Specification Sheets<br>**Janitorial Services – Metro Region – Department of Human Services – Schoolcraft** | |
| CONTRACT PERIOD From: **June 1, 2010** | To: **August 23, 2010** |
| TERMS<br>**Net 45** | SHIPMENT<br>**N/A** |
| F.O.B.<br>**N/A** | SHIPPED FROM<br>**N/A** |
| MINIMUM DELIVERY REQUIREMENTS<br>**N/A** | |

**NATURE OF CHANGE(S):**

**Effective immediately this Contract is hereby CANCELLED due to office closure.**

**AUTHORITY/REASON:**

**Per agency request (email dated 6/2/10 from Marie Dimitrijevic) and cancellation letter from DTMB dated August 9, 2010.**

Form No. DMB 234 (Rev. 1/96)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract will not be executed unless form is filed

**STATE OF MICHIGAN**
**DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET** **June 3, 2010**
**PURCHASING OPERATIONS**
**P.O. BOX 30026, LANSING, MI 48909**
**OR**
**530 W. ALLEGAN, LANSING, MI 48933**

# NOTICE
# TO
# CONTRACT NO. 071B0200237
# Between
# THE STATE OF MICHIGAN
# and

| | |
|---|---|
| NAME & ADDRESS OF CONTRACTOR<br><br>**Hi-Tec Building Services, Inc.**<br>**6578 Roger Drive**<br>**Jenison, MI 49428**<br>**bhogan@hitec-services.com** | TELEPHONE (616) 662-1623<br>**Brian Hogan**<br><br>BUYER (517) 335-6481<br>**Adam Koenigsknecht** |
| Contract Compliance Inspector: See Location Specification Sheets<br>**Janitorial Services – Metro Region – Department of Human Services – Schoolcraft** | |
| CONTRACT PERIOD From: **June 1, 2010** | To: **May 31, 2014** |
| TERMS<br>**Net 45** | SHIPMENT<br>**N/A** |
| F.O.B.<br>**N/A** | SHIPPED FROM<br>**N/A** |
| MINIMUM DELIVERY REQUIREMENTS<br>**N/A** | |

**The terms and conditions of this Contract are attached.**

**Current Authorized Spend Limit: $124,560.00**

Form No. DMB 234 (Rev. 1/96)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract will not be executed unless form is filed

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

# CONTRACT NO. 071B0200237
## Between
## THE STATE OF MICHIGAN
## and

| | |
|---|---|
| NAME & ADDRESS OF CONTRACTOR<br>**Hi-Tec Building Services, Inc.**<br>**6578 Roger Drive**<br>**Jenison, MI 49428**<br>**bhogan@hitec-services.com** | TELEPHONE (616) 662-1623<br>**Brian Hogan**<br><br>BUYER (517) 335-6481<br>**Adam Koenigsknecht** |
| Contract Compliance Inspector: See Location Specification Sheets<br>**Janitorial Services – Metro Region – Department of Human Services – Schoolcraft** | |
| CONTRACT PERIOD From: **June 1, 2010** | To: **May 31, 2014** |
| TERMS<br>**Net 45** | SHIPMENT<br>**N/A** |
| F.O.B.<br>**N/A** | SHIPPED FROM<br>**N/A** |
| MINIMUM DELIVERY REQUIREMENTS<br>**N/A** | |
| MISCELLANEOUS INFORMATION:<br><br>**The terms and conditions of this Contract are attached.**<br><br>**Current Authorized Spend Limit: $124,560.00** | |

**THIS IS NOT AN ORDER: This Contract Agreement is awarded on the basis of Request for Proposal 071I0200017. A Purchase Order Form will be issued only as the requirements of the State Departments are submitted to Purchasing Operations. Orders for delivery may be issued directly by the State Departments through the issuance of a Purchase Order Form.**

| **FOR THE CONTRACTOR:** | **FOR THE STATE:** |
|---|---|
| **Hi-Tec Building Services, Inc.**<br>Firm Name | Signature |
| Authorized Agent Signature | **William C. Walsh, CPPB, Buyer Manager**<br>Name/Title |
| Authorized Agent (Print or Type) | **Services Division, Purchasing Operations**<br>Division |
| Date | Date |

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**ATTACHMENTS:**

Location Specification Sheets

## DEFINITIONS

**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 within the scope of the Contract, but not specifically provided under any Statement of Work.

**Audit Period** means the seven year period following Contractor's provision of any work under the Contract.

**Bidder(s)** are those companies that submit a proposal in response to the RFP.

**Business Day** means any day other than a Saturday, Sunday or State-recognized legal holiday 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 Plan Sponsors' computer system.

**CCI** means Contract Compliance Inspector.

**Days** means calendar days unless otherwise specified.

**Deleted – N/A** 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 services required or identified in a Statement of Work.

**DTMB** 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.

**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 the Contract).

**Incident** means any interruption in any function performed for the benefit of a Plan Sponsor.

**Key Personnel** means any personnel identified in **Section 1.031** as Key Personnel.

**New Work** means any Services/Deliverables outside the scope of the Contract and not specifically provided under any Statement of Work, such that once added will result in the need to provide the Contractor with additional consideration. "New Work" does not include Additional Service.

**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.

**SLA** means Service Level Agreement.

**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 selected by the Contractor to perform a portion of the Services, but does not include independent contractors engaged by Contractor solely in a staff augmentation role.

**Unauthorized Removal** means the Contractor's removal of Key Personnel without the prior written consent of the State.

**Waste Prevention** means source reduction and reuse, but not recycling.

**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 the Contractor as a result of an in furtherance of performing the services required by the Contract.

## Article 1 – Statement of Work (SOW)

### *1.010 Project Identification*

**1.011 Project Request**
This Contract is for Janitorial Services for the Department of Human Services, Schoolcraft District office in the Metro Region.

**1.012 Background – Deleted – Not Applicable**

### *1.020 Scope of Work and Deliverables*

**1.021 Scope**

The Contractor shall provide all personnel, equipment, tools, materials, supervision and other items and services necessary to perform the services as described in the Location Specification Sheet(s) (LSS). The required objective is to maintain the facility(s) in such a manner that the location provide a clean, healthy, and safe work environment for occupants and visitors of state owned or leased office facilities:

- Lighting fixtures
- Air-vents / registers (the outside)
- Waste-receptacles (including ash-receptacles)
- Restrooms
- Locker-rooms / showers
- Entrance / Lobby
- Elevators
- Corridors (including drinking fountains)
- Stairwells
- Landings
- Garages / loading areas
- Driveways
- Sidewalks
- Recycling
- Rubbish / Waste removal (to dumpster sites)
- Conference / Meeting rooms
- Auditoriums
- Staff Offices / work-stations
- Closets, File, and Storage-rooms
- Floors
- Child Play areas
- Gymnasiums
- Custody / Detention rooms
- Interior Windows (including window treatments such as blinds, etc.)
- Furniture (including desks, tables, cabinets, work-surfaces, upholstery, etc.)
- 1st Floor, exterior windows

**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 in the Location Specification Sheets (LSS).

A. **Description of Service**:
Contractor shall perform the task descriptions that follow, which are the minimum acceptable cleaning performance standards under this Agreement:

1. **Carpet /Rug Cleaning**: All carpets/rugs shall be clean, free of spots, gum, crusted material, spillages, and removable stains. There shall be no evidence of "fuzzing" caused by harsh rubbing or brushing of carpet. Carpet cleaning by hot water extraction at a temperature that will kill and eliminate bacteria. Hot water extraction by truck-mount is the preferred method.

2. **Carpet Spot Cleaning:** Buildup, spillage or crusted material shall have been removed along with spots, smears and stains. There shall be no evidence of “fuzzing” caused by harsh rubbing or brushing of carpet. Spot cleaned areas shall blend with adjacent areas.

3. **Carpet Cleaning by Thorough Vacuuming**: Carpets shall be clean and free from dust balls, dirt and other debris; nap on carpet shall lie in one direction upon completion of the vacuuming task. Note: Prior to vacuuming area, move and vacuum under all easily movable objects (chairs, waste receptacles, tables on wheels, typing stands, boxes, etc.). Be sure to replace all items moved. After vacuuming, leave all rugs clean, free from dust balls, dirt and other debris. Prior to vacuuming, broom all edges not reached by vacuum. Straight suction vacuuming is not acceptable. ***The agency requires that a motor driven Commercial grade vacuum with HEPA filtered exhaust or equipment that meet these standards be used exclusively in all carpeted areas where water and/or snow does not present a problem***. Empty dust and dirt from vacuum cleaner into a plastic trash bag, tie off and remove to a Dumpster. As part of the vacuuming process, carpet spot cleaning is required on an ongoing basis.

4. **Dust Mop:** Thoroughly dust mops all non-carpeted areas. Move and dust mop under all easily movable objects (chairs, waste receptacles, tables on wheels, typing stands, boxes, etc.). Be sure to replace all items moved. Dust mops must be treated with water based dust control chemical. Place dust and dirt into plastic trash bag, tie off and remove to Dumpster.

5. **Damp Mop**: Thoroughly damp mops all non-carpeted areas. Move and damp mop under all easily movable objects (chairs, waste receptacles, tables on wheels, typing stands, boxes, etc.). Be sure to replace all items after floor has dried completely. Use a clean cotton mop head that is in good condition. Use clean water at all times (change water often). Mop head must be only damp. No excess water can be left behind. Approved proper chemicals at proper dilution must be used at all times. Finished floor must be clean and streak free.

6. **Floor Cleaning / Thorough Sweeping**: Floors shall be clean and free of trash and foreign matter. No dirt, dust shall be left in corners, behind radiators, under furniture or behind doors.

7. **Damp Mopping and Spray Buffing:** Floors shall be slip resistant, free of marks, skipped areas, streaks, and mop strands. Walls, baseboards and other surfaces shall be free of splashing and marks from the equipment. The finished area should have a uniform luster. There shall be no buildup of finish in corners. Dust mopping must be performed with a treated mop. After sweeping and damp mopping operation, all floors must be clean and free from strings, bristles and dirt streaks. Leave no dirt in corners, behind radiators, under furniture, behind doors, on stairs or landings. Leave no dirt where sweepings were picked up. Leave no dirt, trash, or foreign matter under desks, tables or chairs.

8. **Wet Mopping and Scrubbing:** The floors must be properly prepared, thoroughly swept to remove visible dirt and debris, wads of gum, tar and foreign substances from the floor surfaces. Upon completion of the wet mopping or scrubbing, the floor must be clean and free of dirt, water streaks, mop marks, strings; properly rinsed and dry mopped to present an overall appearance of cleanliness. All surfaces must be dry and corners and cracks clean after the wet mopping or scrubbing. Chairs, wastebaskets and other similar items must not be stacked on desks, tables or windowsills, nor used in place of stepladder. All furniture readily movable by one person and intended to be moved frequently must be moved during all floor cleaning operations and replaced in original positions upon completion. Baseboards, walls, furniture and equipment must in no way be splashed, disfigured or damaged during these operations, but rather left in a clean condition.

9. **Wet Mopping and Buffing:** Floors must be damp mopped and buffed between regular waxing operations. Prepare the floor by sweeping to remove all visible dirt and debris. The floor area will then be damp mopped and machine buffed to a polished appearance with a high-speed buffer.

10. **Damp Wiping:** This task consists of using a clean damp cloth or sponge to remove all dirt spots, streaks, from walls, glass and other specified surfaces and then drying to provide a polished appearance. The wetting solution must contain an appropriate cleaning agent. When damp wiping in toilet areas, use a multi-purpose disinfectant and deodorizer.

11. **Stripping and Sealing:** Completely remove all dirt, wax and other foreign substances in returning the floor to its original surface. Apply a thin coat of sealer with caution to prevent streaking or bleaching of floor surface. This application in preparation for waxing must be according to manufacturer's recommendations. The stripper, sealer and wax products used must be compatible for this activity, and wax must be a minimum of 25% solids.

12. **Waxing and Buffing:** Apply wax in a thin, even coat and machine buff with a high-speed buffer immediately after drying. The number of coats applied will depend on the type and condition of the floor. All waxed surfaces must be maintained so as to provide safe ANTI-SLIP walking conditions. Chairs, wastebaskets and other similar items must not be stacked on desks, tables or windowsills, nor used in place of stepladder. All furniture readily movable by one person and intended to be moved frequently must be moved during all floor cleaning operations and replaced in original positions upon completion. Baseboards, walls, furniture and equipment must in no way be splashed, disfigured or damaged during these operations, but rather left in a clean condition.

13. **Empty Waste Receptacles:** Empty all containers that are provided for the disposal of waste i.e., waste baskets, torpedo type containers, sanitary napkin disposal bins, boxes, etc. into plastic bags, tie off and remove to dumpster. Dispose of items in waste containers only unless clearly marked for disposal. Liners must be used in all waste receptacles and must be changed as needed and no less than once per month. Waste containers in restrooms; break rooms, lunchrooms and conference rooms must be inspected daily and changed as needed.

14. **Restroom Cleaning:** When the CCI requests restroom cleaning during the day, an approved sign must be placed at the entrance warning tenants that the restroom is closed. A schedule for closing restrooms must be established with the Facility Manager in advance. The CCI prior to any changes made must approve any changes in this schedule.
    a. Fill Dispensers: Dispensers of all types must be checked daily and filled when necessary (soap, toilet tissue, paper towels, sanitary napkin, etc.).
    b. Dusting: Completely dust all fixtures, ledges, edges, shelves, exposed pipes, partitions, door frames, tops of file cabinets, etc. Pay particular attention to the tops of these items. An approved dust cloth or dusting tool, treated with water based dust control chemical, must be used. Areas not cleared by office occupant are not to be dusted.
    c. Disinfect Waste Receptacles and Dispensers: Clean and disinfect waste receptacles and dispensers inside and outside. Use proper chemicals for surface to be cleaned at proper dilution. After item has been cleaned completely, wipe item with approved *disinfectant solution and allow to air dry.
    d. Clean and Disinfect Sinks: Thoroughly clean all sinks, including bottom, faucets, and spigots, with approved crème cleanser. Rinse thoroughly as all crème cleanser residues must be removed. Then wipe each item with approved *disinfectant solution and allow to air dry.
    e. Clean Glass and Mirrors: Thoroughly clean all glass and mirrors using an approved alcohol based glass cleaner. Use a soft, clean cloth. Dry completely. Surface should be streak, smear, and smudge free. Make sure attached frames, edges, and shelve are also cleaned and dried as well as the glass surface. Squeegee may be used as needed.
    f. Clean and Disinfect Toilets and Urinals: Thoroughly clean toilets, toilet seats, and urinals with approved acid free bowl cleaner, rinse thoroughly. (Approved acid cleaner may not be used more than once per month and should be used on the interior of toilet or urinal only. Great care must be taken to avoid any chrome when acid cleaner is used). Wipe each toilet, toilet seat and urinal completely with approved disinfectant solution. Buff-dry to a streak, smear and smudge free "shine". Leave seats in a raised position.
    g. Clean and Disinfect Walls, Doors, Partitions and Handrails: Thoroughly clean all walls (including switch and plug covers), doors (including entrance doors inside and outside), partitions and handrails with proper approved chemicals and proper approved dilution. Rinse thoroughly as needed, then wipe all areas with approved *disinfectant solution and allow to air dry.

h. Damp Mop - *Disinfectant: Thoroughly damp mops all non-carpeted areas. Move and damp mop under all easily movable objects (chairs, waste receptacles, tables on wheels, typing stands, boxes, etc.). Be sure to replace all items after floor has dried completely. Use a clean cotton mop head that is in good condition. Use clean water at all times (change water often). Mop head must be only damp. No excess water can be left behind. Approved proper chemicals at proper dilution must be used at all times. Finished floor must be clean and streak free. Thoroughly damp mop floor with approved *disinfectant solution. Allow to air dry.

*Note*: All disinfectant solutions must be changed after each restroom cleaning. The disinfectant solution used for the damp mopping process is to be emptied down the floor drain in each restroom. This practice will help reduce unpleasant odors coming from the floor drains.

15. **Clean and disinfect Showers, shower walls and stalls (Restroom/Locker Room where applicable)**: Thoroughly clean all showers, including bottom, faucets, and spigots, with approved crème cleanser. Thoroughly clean all walls, floors, (including plug covers), doors (including entrance doors inside and outside), partitions and handrails with proper approved chemicals and proper approved dilution. Rinse thoroughly as needed, then wipe all areas with approved *disinfectant solution and allow to air dry.

16. **Service Restroom**: Visually check - dispensers must be filled, trash removed and restrooms spot cleaned as needed and as requested by the CCI.

17. **Remove Carpet Runners (as applicable)**: Carpet runners must be removed from floor to allow for proper cleaning, as needed. Be sure to remove excess water from runner with approved wet pick up vacuum before carpet runners are removed. Carpet runners must be extracted as specified during ice melt/salt usage, to maintain a clean appearance.

18. **Replace Carpet Runners (as applicable)**: After floor has been properly cleaned and is completely dry, replace carpet runners in their original locations.

19. **Cleaning / Disinfecting Drinking Fountains**: Thoroughly clean entire exterior surface with approved cream cleanser. The grain of the stainless steel must be followed at all times. Rinse thoroughly as all cream cleanser must be removed. Wipe entire surface with approved disinfectant solution and wipe dry utilizing a clean, soft cloth and wipe item dry. The grain of the stainless steel must be followed.

20. **Stainless Steel (Brass) Cleaning (Elevators, Doors, Trim, Etc.)**: Thoroughly clean all stainless steel (brass) not previously mentioned with approved cleaner and a clean soft cloth. Great care must be taken to follow the grain of the stainless steel at all times when cleaning.

21. **Cleaning, High Traffic Areas**: High traffic area is any area that would receive heavy traffic and that would require cleaning as specified. Areas would include: corridors, lobbies, waiting areas, conference rooms, or any area so designated by the CCI.

22. ***Carpet Cleaning by Hot Water Extraction**: Perform vacuuming, and carpet cleaning by extraction method with commercial grade equipment only (preferably truck mounted equipment). Prior to carpet cleaning all carpeting, including carpet runners, must be thoroughly cleaned as follows:*

    (a) All movable items must be removed from area(s) to be cleaned (i.e., chairs, waster receptacles, all free standing tables, typing stands, boxes, plants, all temporary floor coverings, etc.) and area thoroughly vacuumed.

    (b) Thoroughly spray next area to be cleaned with approved pre-treats or carpets lane cleaner used at approved dilution. Spray must be applied so those fibers remain damp until cleaned. Chemical should be left to work for 10-15 minutes

    (c) Thoroughly extract all properly pretreated carpeted areas. Agitation is necessary, using an approved motor driven brush. A minimum of three cleaning passes and two vacuuming only must be used. Approved equipment and chemicals, at approved dilutions, must be used.

    (d) All stains must be removed during the extraction process, using approved chemicals. Great care must be taken to completely remove stain removal chemicals from carpet fiber.

(e) Thoroughly spray all thoroughly cleaned carpet with approved carpet fiber protector at approved dilution. Application must be made with approved sprayer. Carpet track off mats and runners such as those found in building lobby areas, are exempt for this process.

(f) Replace all items removed for cleaning. All items moved back into place that have metal of any type that come in contact with carpeting must be wood blocked or tabbed to keep the metal off the carpet fiber until thoroughly dry. All blocks or tabs should be removed during the next scheduled regular area cleaning, provided the carpet is thoroughly dry. This could take more than one day.

23. **Spray Buff Hard Floors:** Hard floor must be properly prepared before spray buffing by removing carpet runners, dust mopping, and damp mopping hard floor areas. Begin spray buffing by lightly spraying area just to the left or right of approved floor machine (buffer) with approved spray buffing chemical, at approved dilution. Buffing pad must be approved and will depend on type of finish used. Rotary floor machine (buffer) will be worked back and forth over area lightly sprayed until floor has a high, streak free luster. Then proceed to the next area, until scheduled area is completed. Great care must be taken to avoid using "loaded" pad (pad full of dried finish and dirt). Flip pad over or change to another clean dry pad often. Great care must also be taken not to allow floor machine (buffer) to run in one spot for too long to avoid burning the floor. Floor shall be dust mopped after scheduled spray buffing is completed. Replace carpet runners to original position post-cleaning.

24. **Strip and Refinish:** Close and properly mark area "closed" with approved signage. Remove all movable objects from area.

(a) Apply approved stripping solution at approved dilutions to area to be stripped. Allow solution to stand according to approved manufacturer's recommendations. Do not allow solution to dry out or stand too long. Any finish or dirt must also be removed from walls, doors, baseboards, etc. at this time.

(b) Thoroughly agitate all floor area to remove all old finish with approved strip pad.

(c) Use wet vacuum to pick up old finish and stripper.

(d) Thoroughly mop rinse areas with clean cotton mop and clean water. Make sure walls, doors, baseboards, etc. are also thoroughly rinsed.

(e) Thoroughly mop rinses areas a second time with clean cotton mop and clean water with approved neutralizer/conditioner chemical at approved dilution. Make sure walls, doors, etc. are also thoroughly rinsed.

(f) Allow floor to air dry.

(g) If any old finish remains, repeat "a" through "f".

(h) Continue "a" through "g" until scheduled area is properly stripped and/or rinsed.

(i) Apply thin coat of approved sealer with approved clean nylon or rayon mop head or approved clean applicator. Stripping solution finish and sealer must not be slopped on walls, doors, etc. Allow sealer to thoroughly dry.

(j) Apply second coat of sealer as described in "I" above. Allow sealer to thoroughly dry.

(k) Apply top coating and second coat of approved floor finish.

25. **Scrub - Restroom Floors/Hard Surface Stairwell Floors**: Close restrooms. Remove all movable objects from area and place approved “closed” signage to area prior to completion of task.

(a) Apply approved cleaning solution at approved dilution to area to be scrubbed. Do not allow solution to dry.

(b) Quickly agitate small section coated with solution with approved stiff bristle brush. Be sure grouting is clean.

(c) Use wet vacuum to pick up dirty solution.

(d) Thoroughly mop rinses area with clean cotton mop and clean water. Make sure all walls; doors, etc. are also thoroughly rinsed.

(e) Thoroughly mop rinse a second time with clean cotton mop and clean water. Make sure all walls; doors, etc. are also thoroughly rinsed a second time.

(f) After floor is thoroughly dry, replace all objects moved from area. Remove signs and reopen.

(g) Scrub all walls including partitions

26. **Wall Spot Cleaning**: Thoroughly clean all spots, smudges, stains, etc. from walls, partitions and modular partitions using approved chemicals at approved dilutions. Wipe dry with clean soft cloth. Also thoroughly clean all interior glass with approved alcohol based glass cleaner and wipe dry with clean dry cloth. All surfaces must be dirt and streak free.

27. **Dusting**: There shall be no obvious dust streaks. Corners, crevices, molding and ledges (including heating) shall be free of all obvious dust. There shall be no oils, spots or smudges on desk or dusted surfaces. Thoroughly dust all vertical and horizontal surfaces in all cleanable areas with approved dust cloth or tool treated with an approved water based dust control chemical, up to and including ceiling vents, air bars, and lighting devices, window blinds, etc. Do not move dusting residue from spot to spot, but remove directly from the areas in which dirt lies by the most effective means appropriate; treated dusting cloths or vacuum tools.

    (a) Leave no dust streaks.
    (b) Leave corners, crevices, molding and ledges free of dust and cobwebs.
    (c) Leave no oil spots or smudges on dusted surfaces caused by dusting tools.

28. **Horizontal surfaces:** include, but are not limited to, counter tops, file cabinets, tables, coat-racks, etc. Telephones, ashtrays, etc., must be lifted and dusted under. Do not disturb work papers. Dusting high and low includes, but is not be limited to, partition tops, pictures, chair rungs, etc. Window hangings are either Venetian blinds or drapes. Dust Venetian blinds. Lightly vacuum drapes.

29. **Remove Recyclable Paper** (as applicable): Pick up all recyclable paper from marked containers centrally located throughout the building and remove to designated containers in the loading dock area. This does not include individual boxes on desks.

30. **Clean Air Bars and Vents**: Vacuum excess dust and dirt from air bars. Damp wipes clean with approved disinfectant solution and wipe dry.

31. **Glass Cleaning (Lobby)**: Glass Cleaning is a part of the overall task of lobby cleaning. Glass cleaning shall be performed as specified. It is expected that all lobby glass, including doors, revolving doors and windows (to the limit of reach from floor level) shall be spot cleaned inside and out. All handprints, smudges, and soil are to be removed during the performance of this task. If necessary, clean the entire door, revolving door or window to accomplish clean glass.

32. **Cleaning Ash Receptacles and Surrounding Areas**: Cigarette or cigar butts, matches and other discarded material shall be removed from the receptacle and the receptacle wiped so that it is free of dust, ashes, odors, tar, streaks and nicotine stains. Ashtrays placed on the exterior of the building shall be emptied and cleaned as needed to maintain a clean appearance. The areas immediately surrounding such ashtrays and adjacent building entrances are to be included as part of this cleaning task. Sweeping and removal of cigarette butts and emptying of ashtrays as needed to clean the area. Note: **Sand or dry receptacles**: Contents of ash receptacles must be disposed of in a safe manner. Clean sand by sifting out and disposing of debris and replacing and replenishing sand in urns.

33. **Emergency clean up:** This Contract Compliance Inspector (CCI) shall assign, when and where needed, cleanup duties to the contractor when an emergency occurs. Cleaning tasks may include: dusting, vacuuming, mopping, carpets extraction, window washing, or other tasks defined in the Task Definitions herein.

34. **Rubbish Removal:** Rubbish from a central location is the responsibility of the State. Contractor must bag all waste material and place inside containers provided for that purpose.

35. **Replenishable Supplies**: The contractor is responsible for the purchase and supply of materials listed on the Location Specification Sheet (LSS). All profits from the sale of items (i.e., sanitary napkins) belong to the contractor.

36. **Hazardous Conditions**: Conditions that may be questionable or deemed Hazardous (i.e., such as burned out lights, loose railings, ceiling tiles, exposed wiring, broken windows, etc.) must be reported by janitorial staff to Contract supervisor verbally followed by written notification to CCI or building manager with date of observation.

B. EQUIPMENT

Contractor shall furnish all equipment and supplies, other than State provided supplies and equipment:

1. Contractor must utilize cleaning equipment that meets with the approval of the State Agency Contract Compliance Inspector (CCI). The use of any powdered scouring cleansers is expressly prohibited. A complete listing of equipment and products to be used shall be submitted to the CCI within 60 days after award of this contract.

2. Contractor shall furnish all power equipment such as floor machines, vacuum systems, carpet cleaning systems, etc. and all other equipment.

3. Contractor's equipment used in office areas must not exceed the noise level of 68 decibels at 5 feet, which will be less disruptive to office workers.

C. SUPPLIES

1. Contractor must supply all cleaners, finishes, etc. for the treatment of various types of flooring and/or carpeting. Use only such materials as are recommended and approved by this Contract Compliance Inspector or his designee and the flooring manufacturer.

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

3. Right is reserved by State to accept or reject any items listed on the MSDS.

4. Contractor must immediately furnish an acceptable substitute for any item rejected by the State.

## ***1.030 Roles and Responsibilities***

### 1.031 Contractor Staff Roles and Responsibilities

A. PERSONNEL

1. The State reserves the right to approve personnel for this project and to require replacement of personnel found to be unacceptable at any time during the project. (See Section 2.060).

2. Contractor shall be responsible for repair, replacement or cleanup as necessary due to carelessness or negligence on the part of the Contractor and its personnel.

B. SUPERVISION

Contractor shall provide all supervision as may be necessary to oversee its personnel.

1. The Contractor's site supervisor or superintendent shall be a qualified and trained person whom, on a full time basis and is designated in writing, as the Contractor's representative.

## ***1.040 Project Plan***

### 1.041 Project Plan Management

A. Upon award of a Contract a project work plan for managing implementation of the services shall be specified and submitted to the CCI for review and approval. 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 document. All equipment must be in the Contractor's possession, available for use and fully operational, prior to Contract award.

2. Schedule Of Operations - personnel expected to complete work on the 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 failure to provide service. Adjustments to providing this service, including any weather-related deviations, must be approved by the CCI or designated representative.

5. Proof of Insurance as defined in the Standard Terms and Conditions attached to this document must be provided to Purchasing Operations **prior** to Contract award.

B Any misrepresentation by the Contractor of its ability to perform the work described in this Contract will be grounds for immediate termination. In such case, the Contract will be awarded to the next qualified bidder based on the best value scoring for this Contract.

C. Project management plan shall identify methods, tools and processes proposed to oversee the project, address issues and changes as may arise, and keep the appropriate parties apprised of progress.

D. Contractor will carry out this project under the direction and control of the specified CCI for the respective location(s) where services are to be performed.

E. Contractor shall meet with the CCI and other agency or departmental project-leads, on a basis to be established by CCI and Contractor, but shall meet quarterly, at a minimum, for the purpose of reviewing progress and providing necessary guidance to the Contractor in solving problems that arise, and to continuously communicate with the agency/departmental project-lead.

F. Annual Service Review and Progress Meeting

1. The CCI may request an audit of the services provided each year under the specifications, terms, and conditions of the Contract. The audit will be a joint activity of the Contracting Agency and Purchasing Operations.

2. An unsatisfactory audit may result in cancellation of the Contract under the terms of the Cancellation Clause in the Contract. Further, should the Contract be cancelled for cause, the Contractor so cancelled will not be allowed to participate in request(s) for continuation of this service.

3. 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 the Contract. The results of the audit along with Contract recommendations will be published by Purchasing Operations and distributed to the respective Agency(s).

4. Should the Contractor desire, a meeting will be arranged between all concerned parties within 10 calendar days of the date the Contractor received, or could have reasonably been expected to receive, his/her copy of the audit. This meeting will provide an opportunity for the Contractor to present his/her reactions to audit recommendations.

**1.042 Reports**
Reports will be distributed and discussed during the post-award meeting.

## ***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:

The CCI will conduct inspections for all specifications identified in the Contract and will provide performance evaluations to the Contractor noting any deficiencies. The CCI (or his/her appointed representative) shall make the final determination as to whether any task has been satisfactorily performed.

The CCI will maintain a record comprised of complaints from agency or departmental staff and provide record of this to the Contractor; this record will identify the areas requiring special attention on that day, which must to be completed by Contractor within eight hours of its receipt.

Contractor must remain responsible to make any necessary changes if the CCI determines that any task has not been performed adequately or satisfactorily. Contractor must correct the deficiency within 24 hours from notice of the deficiency, or sooner depending on the severity of the task.

Should the Contractor fail to correct specification deficiencies, a Complaint to Vendor (Vender Performance form) will be filed by the CCI. Repeated failure to correct specification deficiencies resulting in issuance of subsequent Complaint to Vendor (Vendor Performance form) may result in cancellation of the Contract.

**1.052 Final Acceptance – Deleted N/A**

## ***1.060 Proposal Pricing***

**1.061 Proposal Pricing**
For authorized Services and Price List, see LSS.

Contractor's out-of-pocket expenses are not separately reimbursable by the State unless, on a case-by-case basis for unusual expenses, the State has agreed in advance and in writing to reimburse Contractor for the expense at the State's current travel reimbursement rates. See **www.michigan.gov/DTMB** for current rates.

**1.062 Price Term**
Fixed pricing for duration of Contract.

**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 N/A**

## ***1.070 Additional Requirements – 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 4 years beginning June 1, 2010 through May 31, 2014. 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 the 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 one additional one year period.

**2.003 Legal Effect**
Contractor must show acceptance of this Contract by signing two copies of this Contract and returning them to the Contract Administrator. The Contractor must not proceed with the performance of the work to be done under the Contract, including the purchase of necessary materials, until both parties have signed the Contract to show acceptance of its terms, and the 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 the 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, or Blanket Purchase 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, the Contractor must furnish all such materials and services as may be ordered during the 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 the 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 Technology, Management and Budget, Purchasing Operations and applicable agencies (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 the Contract. Purchasing Operations **is the only State office authorized to change, modify, amend, alter or clarify the prices, specifications, terms and conditions of the Contract.** The Contractor Administrator within Purchasing Operations for the Contract is:

Adam Koenigsknecht
Purchasing Operations
Department of Management and Budget
Mason Bldg, 2nd Floor
PO Box 30026
Lansing, MI 48909
Email: KoenigsknechtA1@michigan.gov
Phone: (517) 373-4555

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

Refer to applicable LSS's for contact information.

**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 the 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 the Contractor does not so notify the State, the 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 the 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 the Contractor to perform any activities that Contractor believes constitute a Change, the Contractor must notify the State that it believes the requested activities are a Change before beginning to work on the requested activities. If the Contractor fails to notify the State before beginning to work on the requested activities, then the Contractor waives any right to assert any claim for additional compensation or time for performing the requested activities. If the Contractor commences performing work outside the scope of this Contract and then ceases performing that work, the 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 State contact as noted in Section 2.021 and the Contractor's contact as noted on the cover page of the contract, 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.

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 or any of its Subcontractors must be deemed to be an employee, agent or servant of the State for any reason. Contractor is solely and entirely responsible for its acts and the acts of its agents, employees, servants and Subcontractors 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 must 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 the Contract to an affiliate so long as the affiliate is adequately capitalized and can provide adequate assurances that the affiliate can perform the requirements of the 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, the 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 the Contractor intends to assign this Contract or any of the Contractor's rights or duties under this Contract, the Contractor must notify the State in writing at least 90 days before the assignment. The 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 RFP and Contract or project to which it relates must 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 RFP and 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 the Contractor's website, even if the 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 PA 442, 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 must 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 must 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 the 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 must 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 (and its Subcontractors, if any) under this Contract, the State must 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 must 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 must 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 must 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 the 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 PA 279, MCL 17.51 et seq., within 45 days after receipt, provided the State determines that the invoice was properly rendered.

**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 must be pro-rated for any partial month.

**2.046 Antitrust Assignment**
The 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 the 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 must 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. The Contractor must register with the State electronically at http://www.cpexpress.state.mi.us. As stated in 1984 PA 431, all contracts that the State enters into for the purchase of goods and services must 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.

### 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 (or a State-approved Subcontractor) and must be fully qualified to perform the work assigned to them. Contractor must include a similar provision in any subcontract entered into with a Subcontractor. For the purposes of this Contract, independent contractors engaged by Contractor solely in a staff augmentation role must be treated by the State as if they were employees of Contractor for this Contract only; however, the State understands that the relationship between Contractor and Subcontractor is an independent contractor relationship.

### 2.062 Contractor Key Personnel
(a) The 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.

(c) The State reserves the right to recommend and approve in writing the initial assignment, as well as any proposed reassignment or replacement, of any Key Personnel. Before assigning an individual to any Key Personnel position, Contractor must notify the State of the proposed assignment, must introduce the individual to the appropriate State representatives, and must provide the State with a resume and any other information about the individual reasonably requested by the State. The State reserves the right to interview the individual before granting written approval. In the event the State finds a proposed individual unacceptable, the State must provide a written explanation including reasonable detail outlining the reasons for the rejection.

(d) Contractor must not remove any Key Personnel from their assigned roles on this Contract without the prior written consent of the State. The Contractor's removal of Key Personnel without the prior written consent of the State is an unauthorized removal ("Unauthorized Removal"). Unauthorized Removals does not include replacing Key Personnel for reasons beyond the reasonable control of Contractor, including illness, disability, leave of absence, personal emergency circumstances, resignation, or for cause termination of the Key Personnel's employment. Unauthorized Removals does not include replacing Key Personnel because of promotions or other job movements allowed by Contractor personnel policies or Collective Bargaining Agreement(s) as long as the State receives prior written notice before shadowing occurs and Contractor provides 30 days of shadowing unless parties agree to a different time period. The Contractor with the State must review any Key Personnel replacements and appropriate transition planning must be established. Any Unauthorized Removal may be considered by the State to be a material breach of the Contract, in respect of which the State may elect to exercise its termination and cancellation rights.

(e) The Contractor must notify the Contract Compliance Inspector and the Contract Administrator at least 10 business days before redeploying non-Key Personnel, who are dedicated to primarily to the Project, to other projects. If the State does not object to the redeployment by its scheduled date, the Contractor may then redeploy the non-Key Personnel.

**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 the 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**
All staff assigned by Contractor to work on this Contract must perform their duties either primarily at Contractor's offices and facilities or at State facilities. Without limiting the generality of the foregoing, Key Personnel must, at a minimum, spend at least the amount of time on-site at State facilities as indicated in the applicable Statement of Work. Subject to availability, selected Contractor personnel may be assigned office space to be shared with State personnel.

**2.065 Contractor Identification**
Contractor employees must be clearly identifiable while on State property by wearing a State-issued badge, as required. 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 must cause its personnel and the personnel of any Subcontractors 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, the Contractor must 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 the 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 must not unnecessarily or unreasonably interfere with, delay, or otherwise impede Contractor's performance under this Contract with the requests for access.

**2.067 Contractor Return of State Equipment/Resources**
The Contractor must return to the State any State-furnished equipment, facilities, and other resources when no longer required for this Contract in the same condition as when provided by the State, reasonable wear and tear excepted.

**2.068 Contract Management Responsibilities**
The Contractor shall assume responsibility for all contractual activities, whether or not that Contractor performs them. Further, the State considers the 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. If any part of the work is to be subcontracted, the Contract must include a list of Subcontractors, including firm name and address, contact person and a complete description of work to be subcontracted. The State reserves the right to approve Subcontractors and to require the Contractor to replace Subcontractors found to be unacceptable. The Contractor is totally responsible for adherence by the Subcontractor to all provisions of this Contract. Any change in Subcontractors must be approved by the State, in writing, prior to such change.

***2.070 Subcontracting by Contractor***

**2.071 Contractor Full Responsibility**
Contractor has 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**
Contractor must not delegate any duties under this Contract to a Subcontractor unless the Department of Management and Budget, Purchasing Operations has given written consent to such delegation. The State reserves the right of prior written approval of all Subcontractors and to require Contractor to replace any Subcontractors found, in the reasonable 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 Subcontractor(s) for the removed Subcontractor must be fully qualified for the position. If the State exercises this right, and the Contractor cannot immediately replace the removed Subcontractor, the State will agree to an equitable adjustment in schedule or other terms that may be affected by the State's required removal. If any such incident with a removed Subcontractor results in delay not reasonable anticipatable under the circumstances and which is attributable to the State, the applicable SLA for the affected Work will not be counted for a time agreed upon by the parties.

**2.073 Subcontractor Bound to Contract**
In any subcontracts entered into by Contractor for the performance of the Services, Contractor must require the Subcontractor, to the extent of the Services to be performed by the Subcontractor, to be bound to Contractor by the terms of this Contract and to assume toward Contractor all of the obligations and responsibilities that Contractor, by this Contract, assumes toward the State. The State reserves the right to receive copies of and review all subcontracts, although Contractor may delete or mask any proprietary information, including pricing, contained in such contracts before providing them to the State. The management of any Subcontractor is the responsibility of Contractor, and Contractor must remain responsible for the performance of its Subcontractors to the same extent as if Contractor had not subcontracted such performance. Contractor must make all payments to Subcontractors or suppliers of Contractor. Except as otherwise agreed in writing by the State and Contractor, the State will not be obligated to direct payments for the Services other than to Contractor. The State's written approval of any Subcontractor engaged by Contractor to perform any obligation under this Contract will not relieve Contractor of any obligations or performance required under this Contract.

**2.074 Flow Down**
Except where specifically approved in writing by the State on a case-by-case basis, Contractor must flow down the obligations in **Sections 2.031, 2.060, 2.100, 2.110, 2.120, 2.130, 2.200** in all of its agreements with any Subcontractors.

**2.075 Competitive Selection**
The Contractor must select Subcontractors (including suppliers) on a competitive basis to the maximum practical extent consistent with the objectives and requirements of this Contract.

## ***2.080 State Responsibilities***

**2.081 Equipment**
The State must provide only the equipment and resources identified in the Statements of Work and other Contract Exhibits.

**2.082 Facilities**
The State must designate space as long as it is available and as provided in the Statement of Work, to house the Contractor's personnel whom the parties agree will perform the Services/Deliverables at State facilities (collectively, the "State Facilities"). The Contractor must have reasonable access to, and, unless agreed otherwise by the parties in writing, must observe and comply with all rules and regulations relating to each of the State Facilities (including hours of operation) used by the Contractor in the course of providing the Services. Contractor must not, without the prior written consent of the State, use any State Facilities or access any State information systems provided for the Contractor's use, or to which the Contractor otherwise gains access in the course of performing the Services, for any purpose other than providing the Services to the State.

## *2.090 Security*

### 2.091 Background Checks

On a case-by-case basis, the State may investigate the 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 must 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 must agree to the State's security and acceptable use policies before the Contractor personnel will be accepted as a resource to perform work for the State. The Contractor must present these documents to the prospective employee before the Contractor presents the individual to the State as a proposed resource. Contractor staff must comply with all Physical Security procedures in place within the facilities where they are working.

### 2.092 Security Breach Notification

If the Contractor breaches this Section, the 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 the 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 must 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 the 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 must limit disclosure of the other party's Confidential Information to employees and Subcontractors who must have access to fulfill the purposes of this Contract. Disclosure to, and use by, a Subcontractor is permissible where (A) use of a Subcontractor is authorized under this Contract, (B) the disclosure is necessary or otherwise naturally occurs in connection with work that is within the Subcontractor's scope of responsibility, and (C) Contractor obligates the Subcontractor in a written Contract to maintain the State's Confidential Information in confidence. At the State's request, any employee of Contractor and of any Subcontractor having access or continued access to the State's Confidential Information may be required to execute an acknowledgment that the employee has been advised of Contractor's and the Subcontractor's obligations under this Section and of the employee's obligation to Contractor or Subcontractor, as the case may be, to protect the Confidential Information from unauthorized use or disclosure. Promptly upon termination or cancellation of the 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 shall 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 the 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 the Contractor 20 days before examining the Contractor's books and records. The State does not have the right to review any information deemed confidential by the 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, or any Subcontractor 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, 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, the Contractor and the State will meet to review each audit report promptly after issuance. The Contractor must 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. The 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 the Contractor must pay all of the reasonable costs of the audit.

***2.120 Warranties***

**2.121 Warranties and Representations**

The Contractor represents and warrants:

(a) It is capable in all respects of fulfilling and must fulfill all of its obligations under this Contract. The performance of all obligations under this Contract must be provided in a timely, professional, and workman-like manner and must meet the performance and operational standards required under this Contract.

(b) The Contract signatory has the power and authority, including any necessary corporate authorizations, necessary to enter into this Contract, on behalf of Contractor.

(c) It is qualified and registered to transact business in all locations where required.

(d) Neither the Contractor nor any affiliates, nor any employee of either, has, must have, or must acquire, any contractual, financial, business, or other interest, direct or indirect, that would conflict in any manner or degree with Contractor's performance of its duties and responsibilities to the State under this Contract or otherwise create an appearance of impropriety with respect to the award or performance of this Agreement. Contractor must notify the State about the nature of the conflict or appearance of impropriety within two days of learning about it.

(e) If any of the certifications, representations, or disclosures made in the Contractor's original bid response change after the Contract start date, the Contractor must report those changes immediately to the Department of Technology, Management and Budget, Purchasing Operations.

**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**

In addition to any remedies available in law, if the Contractor breaches any of the warranties contained in this section, the breach may be considered as a default in the performance of a material obligation of this Contract.

## ***2.130 Insurance***

### 2.131 Liability Insurance

The 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 the Contractor's performance of Services under the terms of this Contract, whether the Services are performed by the Contractor, or by any Subcontractor, or by anyone directly or indirectly employed by any of them, or by anyone for whose acts they may be liable.

The 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 the Contractor is required to maintain under the 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 the Contract must be issued by companies that have been approved to do business in the State. See www.michigan.gov/deleg.

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.

The 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

The Contractor must list the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents as ADDITIONAL INSUREDS on the Commercial General Liability certificate. The 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 the Contract, the 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.

The Contractor must list the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents as ADDITIONAL INSUREDS on the vehicle liability certificate. The 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 the 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.

The 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**
Except where the State has approved in writing a Contractor subcontract with other insurance provisions, Contractor must require all of its Subcontractors under this Contract to purchase and maintain the insurance coverage as described in this Section for the Contractor in connection with the performance of work by those Subcontractors. Alternatively, Contractor may include any Subcontractors under Contractor's insurance on the coverage required in this Section. Subcontractor must fully comply with the insurance coverage required in this Section. Failure of Subcontractor to comply with insurance requirements does not limit Contractor's liability or responsibility.

**2.133 Certificates of Insurance and Other Requirements**
Contractor must furnish to DTMB-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. **THE 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 MUST 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 the Contract or Purchase Order number affected. Before the Contract is signed, and not less than 20 days before the insurance expiration date every year thereafter, the 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.

The 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 the 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 the 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 the Contractor, or the Contractor must pay that cost upon demand by the State.

***2.140 Indemnification***

**2.141 General Indemnification**
To the extent permitted by law, the 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 the Contractor in the performance of the Contract and that are attributable to the negligence or tortious acts of the Contractor or any of its Subcontractors, or by anyone else for whose acts any of them may be liable.

**2.142 Code Indemnification – Deleted – Not Applicable**

**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 the Contractor or any of its Subcontractors, 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 the Contractor or any of its Subcontractors 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 – Deleted – Not Applicable**

**2.145 Continuation of Indemnification Obligations**
The 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 the Contractor relieves the Contractor of its indemnification obligations except to the extent that the Contractor can prove damages attributable to the failure. Within 10 days following receipt of written notice from the State relating to any claim, the 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 the Contractor's expense, and the 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) the Contractor must, at the request of the State, demonstrate to the reasonable satisfaction of the State, the Contractor's financial ability to carry out its defense and indemnity obligations under this Contract; (iii) the 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 the 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 the Contractor has failed to demonstrate to the reasonable satisfaction of the State the 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 the Contractor breaches this Contract, and the State, in its sole discretion, determines that the breach is curable, then the State must provide the 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 the Contractor in writing, if the 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, the 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 shall 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 the 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 or subcontract.

**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 must pay the 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, the 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 subcontracts and agreements for Services and Deliverables provided under the 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 the Contractor in its sole discretion determines that the breach is curable, then the 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.

The Contractor may terminate this Contract if the State (i) materially breaches its obligation to pay the 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 the Contractor to perform the Services, or (iii) does not cure the breach within the time period specified in a written notice of breach. But the 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, the 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, the 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, the 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. The Contractor must 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 the Contractor agree:

(a) Reconciling all accounts between the State and the 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

The 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, the 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 must 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 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, DTMB, 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 must 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, DTMB, 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 must 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 the 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, or physical or mental disability. Contractor further agrees that every subcontract entered into for the performance of this Contract or any purchase order resulting from this Contract must contain a provision requiring non-discrimination in employment, as specified here, binding upon each Subcontractor. 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 Subcontractor, 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 Subcontractor, manufacturer or supplier of Contractor appears in the register.

### 2.203 Workplace Safety and Discriminatory Harassment
In performing Services for the State, the 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, the Contractor must comply with Civil Service regulations and any applicable agency rules provided to the 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 shall 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 the 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 the 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 the Contract.

***2.230 Disclosure Responsibilities***

**2.231 Disclosure of Litigation**

(a) Disclosure. Contractor must disclose any material criminal litigation, investigations or proceedings involving the Contractor (and each Subcontractor) or any of its officers or directors or any litigation, investigations or proceedings under the Sarbanes-Oxley Act. In addition, each Contractor (and each Subcontractor) 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, any Subcontractor) is a party, and which involves: (i) disputes that might reasonably be expected to adversely affect the viability or financial stability of Contractor or any Subcontractor; or (ii) a claim or written allegation of fraud against Contractor or, to the extent Contractor is aware, any Subcontractor by a governmental or public entity arising out of their business dealings with governmental or public entities. The Contractor must disclose in writing to the 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 (or a Subcontractor) to continue to perform the Contract according to its terms and conditions, or

(ii) whether Contractor (or a Subcontractor) 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 the Contract or a violation of Michigan law, regulations or public policy, then the Contractor must provide the State all reasonable assurances requested by the State to demonstrate that:

(a) Contractor and its Subcontractors must be able to continue to perform this Contract and any Statements of Work according to its terms and conditions, and

(b) Contractor and its Subcontractors 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 DTMB Purchasing Operations.

(2) Contractor must also notify DTMB 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 DTMB 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) the Contractor files for protection under the bankruptcy laws;

(b) an involuntary petition is filed against the Contractor and not removed within 30 days;

(c) the Contractor becomes insolvent or if a receiver is appointed due to the Contractor's insolvency;

(d) the Contractor makes a general assignment for the benefit of creditors; or

(e) the Contractor or its affiliates are unable to provide reasonable assurances that the 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) If the Contractor believes that a delay in performance by the State has caused or will cause the Contractor to be unable to perform its obligations according to specified Contract time periods, the Contractor must notify the State in a timely manner and must use commercially reasonable efforts to perform its obligations according to the 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) – Deleted – Not Applicable**

**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, 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 and its Subcontractors are 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 the 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 the Contract for so long as the delay in performance continues; (b) the State may terminate any portion of the 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 the Contractor, except to the extent that the State must pay for Services/Deliverables provided through the date of termination.

The 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. Defaults or delays in performance by Contractor which are caused by acts or omissions of its Subcontractors will not relieve Contractor of its obligations under the Contract except to the extent that a Subcontractor is itself subject to an Excusable Failure condition described above and Contractor cannot reasonably circumvent the effect of the Subcontractor's default or delay in performance through the use of alternate sources, workaround plans or other means.

***2.250 Approval of Deliverables – Deleted – Not Applicable***

***2.260 Ownership – Deleted – Not Applicable***

***2.270 State Standards – Deleted –Not Applicable***

***2.280 Extended Purchasing***

**2.281 MIDEAL**
1984 PA 431 permits DTMB to provide purchasing services to any city, village, county, township, school district, intermediate school district, non-profit hospital, institution of higher education, community, or junior college. A current listing of approved program members is available at: www.michigan.gov/buymichiganfirst. Unless otherwise stated, the Contractor must ensure that the non-state agency is an authorized purchaser before extending the Contract pricing.

The Contractor must supply Contract Services and equipment to these local governmental agencies at the established State of Michigan contract prices and terms to the extent applicable and where available. The Contractor must send its invoices to, and pay the local unit of government, on a direct and individual basis.

To the extent that authorized local units of government purchase quantities of Services and/or equipment under this Contract, the quantities of Services and/or equipment purchased must be included in determining the appropriate rate wherever tiered pricing based on quantity is provided.

**2.282 State Employee Purchases – Deleted – Not Applicable**

***2.290 Environmental Provision***

**2.291 Environmental Provision**
Hazardous Materials:
For the purposes of this Section, “Hazardous Materials” is a generic term used to describe asbestos, ACBMs, PCBs, petroleum products, construction materials including paint thinners, solvents, gasoline, oil, and any other material the manufacture, use, treatment, storage, transportation, or disposal of which is regulated by the federal, State, or local laws governing the protection of the public health, natural resources, or the environment. This includes, but is not limited to, materials such as batteries and circuit packs, and other materials that are regulated as (1) “Hazardous Materials” under the Hazardous Materials Transportation Act, (2) “chemical hazards” under the Occupational Safety and Health Administration standards, (3) “chemical substances or mixtures” under the Toxic Substances Control Act, (4) “pesticides” under the Federal Insecticide Fungicide and Rodenticide Act, and (5) “hazardous wastes” as defined or listed under the Resource Conservation and Recovery Act.

(a) The Contractor must use, handle, store, dispose of, process, transport and transfer any material considered a Hazardous Material according to all federal, State, and local laws. The State must provide a safe and suitable environment for performance of Contractor’s Work. Before the commencement of Work, the State must advise the Contractor of the presence at the work site of any Hazardous Material to the extent that the State is aware of the Hazardous Material. If the Contractor encounters material reasonably believed to be a Hazardous Material and which may present a substantial danger, the Contractor must immediately stop all affected Work, notify the State in writing about the conditions encountered, and take appropriate health and safety precautions.

(b) Upon receipt of a written notice, the State will investigate the conditions. If (a) the material is a Hazardous Material that may present a substantial danger, and (b) the Hazardous Material was not brought to the site by the Contractor, or does not result in whole or in part from any violation by the Contractor of any laws covering the use, handling, storage, disposal of, processing, transport and transfer of Hazardous Materials, the State must order a suspension of Work in writing. The State must proceed to have the Hazardous Material removed or rendered harmless. In the alternative, the State must terminate the affected Work for the State’s convenience.

(c) Once the Hazardous Material has been removed or rendered harmless by the State, the Contractor must resume Work as directed in writing by the State. Any determination by the Michigan Department of Community Health or the Michigan Department of Environmental Quality that the Hazardous Material has either been removed or rendered harmless is binding upon the State and Contractor for the purposes of resuming the Work. If any incident with Hazardous Material results in delay not reasonable anticipatable under the circumstances and which is attributable to the State, the applicable SLAs for the affected Work will not be counted in **Section 2.242** for a time as mutually agreed by the parties.

(d) If the Hazardous Material was brought to the site by the Contractor, or results in whole or in part from any violation by the Contractor of any laws covering the use, handling, storage, disposal of, processing, transport and transfer of Hazardous Material, or from any other act or omission within the control of the Contractor, the Contractor must bear its proportionate share of the delay and costs involved in cleaning up the site and removing and rendering harmless the Hazardous Material according to Applicable Laws to the condition approved by applicable regulatory agency(ies).

Michigan has a Consumer Products Rule pertaining to labeling of certain products containing volatile organic compounds. For specific details visit http://www.michigan.gov/deq/0,1607,7-135-3310_4108-173523--,00.html

Refrigeration and Air Conditioning:
The Contractor must comply with the applicable requirements of Sections 608 and 609 of the Clean Air Act (42 U.S.C. 7671g and 7671h) as each or both apply to this Contract.

Environmental Performance:
Waste Reduction Program: Contractor must establish a program to promote cost-effective waste reduction in all operations and facilities covered by this Contract. The Contractor's programs must comply with applicable Federal, State, and local requirements, specifically including Section 6002 of the Resource Conservation and Recovery Act (42 U.S.C. 6962, et seq.).

## ***2.300 Other Provisions***

**2.311 Forced Labor, Convict Labor, Forced or Indentured Child Labor, or Indentured Servitude Made Materials**
Equipment, materials, or supplies, that will be furnished to the State under this Contract must not be produced in whole or in part by forced labor, convict labor, forced or indentured child labor, or indentured servitude.

“Forced or indentured child labor” means all work or service: exacted from any person under the age of 18 under the menace of any penalty for its nonperformance and for which the worker does not offer himself voluntarily; or performed by any person under the age of 18 under a contract the enforcement of which can be accomplished by process or penalties.

# MAINTENANCE, REPAIR & OPERATIONS (MRO) JANITORIAL SERVICES

## LOCATION SPECIFICATIONS

A. CONTRACT AND CCI INFORMATION **LOCATION # 12**

| CONTRACT INFORMATION | | | |
|---|---|---|---|
| *PREVIOUS BPO #:* | ***Location*** | | |
| **NEW CONTRACT START DATE:** | **6-1-2010** | ***CONTRACT END DATE:*** | **5-31-2014** |
| *NUMBER OF YEARS / EXTENSION OPTIONS:* | **4 year contract with 1 year option to extend** | | |
| **CONTRACTING AGENCY NAME:** | **MICHIGAN DEPARTMENT OF HUMAN SERVICES** | | |
| **BUILDING NAME AND NUMBER:** | **SCHOOLCRAFT DISTRICT** | | |
| **BUILDING ADDRESS:** | **14000 Schoolcraft, Detroit, MI 48227** | | |
| **IS THIS LOCATION CURRENTLY ON CRO "SET ASIDE" STATUS?** | **Yes ☐ No ☒** | | |
| **REGION and COUNTY:** | **Region: Metro County: Wayne** | | |
| PROCUREMENT CONTACT INFORMATION | | | |
| **PROCUREMENT OFFICE NAME:** | *MICHIGAN DEPARTMENT OF HUMAN SERVICES, PURCHASING* | | |
| **PROCUREMENT OFFICE CONTACT NAME:** | ***Marie Dimitrijevic*** | ***CONTACT TELEPHONE #:*** | *517-241-6563* |
| **PROCUREMENT OFFICE CONTACT E-MAIL:** | *dimitrijevicm@Michigan.gov* | ***CONTACT FACISIMILE #:*** | *517-335-6251* |
| **CONTRACT COMPLIANCE INSPECTOR (CCI) / FACILITY MANAGER (FM) NAME:** | ***Tricia Loeber*** | ***CONTACT TELEPHONE #:*** | *313 493-7407* |
| **CCI / FM CONTACT E-MAIL:** | *Loebert@michigan.gov* | ***CONTACT FACISIMILE #:*** | 313 493-7702 |

B. BUILDING SPECIFICATION INFORMATION

| BUILDING LOCATION INFORMATION | | | |
|---|---|---|---|
| OFFICIAL WORKING DAYS OF BUILDING OCCUPANTS: | **M/T/W/TH/F** | **OFFICIAL WORKING HOURS OF BUILDING OCCUPANTS:** | **8:00 a.m. to 5:00 p.m.** |
| NUMBER OF EMPLOYEES: | **124** | APPROXIMATE DAILY VISITORS: | **200** |
| IDENTIFY DAYS OF CLEANING SERVICE: | **M/T/W/TH/F** | IDENTIFY HOURS OF CLEANING SERVICE: | **2 hours of daytime service (Noon to 2:00 p.m.) M/T/W/TH/F for lobby and restrooms. Other office areas serviced between 5:30 pm and 8:30 pm as determined by CCI** |
| TOTAL BUILDING SQ. FT. TO BE CLEANED: | **28,754** | NUMBER OF STORIES IN BUILDING: | **1** |
| TOTAL SQ. FT. OF "FULL CONTRACT" **CARPET** TO BE CLEANED (INCLUDES HIGH TRAFFIC): | **23,562** | AREA(S): **Work Stations, Aisles, Conference Rooms, Offices, Cubicles, File Areas** | |
| TOTAL SQ. FT. OF "HIGH TRAFFIC" **CARPET** AREA(S) TO BE CLEANED : | **10,552** | AREA(S): **Main Aisles, Conference Rooms** | |
| TOTAL SQ. FT. OF **VINYL** TO BE CLEANED: | **576** | AREA(S): **Kitchen, WIC Office and Lab, Closets** | |
| TOTAL SQ. FT. OF **CERAMIC** TO BE CLEANED: | **4,616** | AREA(S): **Lobby, Front and Rear entrances, Rest Rooms** | |
| TOTAL SQ. FT. OF **CEMENT** TO BE CLEANED: | **0** | AREA(S): | |
| TOTAL SQ. FT. OF **TERRAZO** TO BE CLEANED: | **0** | AREA(S): | |
| TOTAL SQ. FT. OF **RUBBER** TO BE CLEANED: | **0** | AREA(S): | |
| **NUMBER OF RESTROOMS IN BUILDING:** | **5** | **NUMBER OF TOTAL UNITS FOR BUILDING RESTROOM(S): 34** | **URINALS, BABY CHANGER, TOILETS, SINKS** |

| | |
|---|---|
| **Window cleaning is included on this Contract**<br><br>***Note*: Specify if Interior (inside building) and / or Exterior (perimeter of building) and Number of Floors – typically 1st Floor for Exterior.** | LOBBY WINDOWS-INTERIOR/EXTERIOR<br>LOBBY DOORS – INTERIOR/EXTERIOR<br>ENTRANCE DOORS - INTERIOR/EXTERIOR<br>CLIENT/RECEPTION WINDOWS IN AND OUT<br>OFFICE WINDOWS – INTERIOR/EXTERIOR |
| **Does location have child play area(s), gymnasium, locker room, etc? If so, please identify along with cleaning standard.** | CHILDREN'S CORNER WITH CARPETED FLOOR |
| **What is the RECOMMENDED Level of Insurance Risk for this Contract? [EXAMPLE: LOW, MODERATE OR HIGH] NOTE: DMB-OAS & AGENCY to determine** | LOW |

**ADDITIONAL INFORMATION:** (Note additional building information, including, but not limited to, particular security requirements {keys, etc.} or known building environmental issues that Contractor should be aware of in performing janitorial services for this location):

- Some employees within the facility have chemical sensitivities. Vendors should note that if the cleaning products used have odors, the products may need to be changed as directed by the Contract Compliance Inspector.
- The contractor must notify the CCI in writing at least two weeks in advance of the date that any periodic services will be performed. Contractor must receive approval of the date from the CCI before performing any periodic services. Failure to adhere to this requirement could delay payment for these services.
- The contractor and contractor's employees will be expected to perform with professional and courteous behavior.
- Square footage of full contract carpet area includes the high traffic carpet area.

**C. DESCRIPTION OF SERVICE NEEDS**
**TASK AND FREQUENCIES**

| SERVICES<br><br>**Basic Services are to be provided MTWTF** | FREQUENCY<br><br>**Daily** (Each time scheduled to clean; 248 times per year) | **Weekly** (Once per week; 52 times per year) | **Monthly** (Once per month; 12 times per year) | **Quarterly** (Once per Quarter; 4 times per year) | **Semi -Annual** (2 times per year) | **Annual** (Once Per Year) |
|---|---|---|---|---|---|---|
| **BASIC SERVICES** | | | | **N/A** | **N/A** | **N/A** |
| **1. General Office Cleaning (includes all areas listed under Building Location Information offices, conference rooms, childrens room (TOT), break rooms, excludeds restrooms, which are listed separately.** | | | | | | |
| a. Vacuum all carpeted floors including corners, and underneath partitions. Remove spots/stains from carpet. | **1x day (248 / yr)** | | | | | |
| **b**. Empty waste receptacles in all areas including offices, conference rooms, TOTs rooms, break rooms, and outside trash receptacles located by the client and employee's entrances. | **1x day (248 / yr )** | | | | | |
| c. Wash or damp wipe, inside and outside, all waste receptacles presenting a soiled or odorous condition. | **1x day (248 / yr)** | | | | | |
| d. Damp mop all non-carpeted floors | **1x day (248 / yr)** | | | | | |
| e. Remove all mats and runners and clean floor area underneath. Vacuum all mats and runners. Replace all mats and runners | **1x day (248 / yr)** | | | | | |
| f. Clean and disinfect drinking fountains | **1x day (248 / yr)** | | | | | |
| g. Move all lobby chairs and clean floor area underneath and replace chairs in proper place. | **1x day (248 / yr)** | | | | | |
| h. Dust high and low, including clocks, all surfaces on which dust gathers. | | **1x wkly (52 / yr)** | | | | |
| i. Clean all cleared desk, table, and counter top areas with approved cleaner. Wipe exterior of appliances and vending machines. | | **1x wkly (52 / yr)** | | | | |
| j. Remove all cobwebs, clean baseboards | | **1x wkly (52 / yr)** | | | | |
| k. Clean, spray wax and buff all vinyl tile floors | | **1x wkly (52 / yr)** | | | | |
| l. Wipe down all lobby furniture (upholstered furniture not included). Thoroughly wash all children's furniture. | | **1x wkly (52 / yr)** | | | | |
| m. Thoroughly clean, scrub by agitation (with hand or mechanical machine) tile floors, with special attention to grouting, corners of floor, and base-boards. | | **1x wkly (52/yr)** | | | | |
| n. Dust/vacuum window hangings | | | **1x mo (12 / yr)** | | | |
| o. Spot clean walls, doors, etc, removing all cobwebs, finger prints, smears and stains. | | | **1x mo (12 / yr)** | | | |
| p. Vacuum exposed air bars and heating outlets | | | **1x mo (12 / yr)** | | | |

| 2. Restrooms | | | | | | |
|---|---|---|---|---|---|---|
| a) Clean and sanitize all units. Clean pipes beneath all sinks. | **1x day** (248 / yr) | | | | | |
| b) Clean mirrors and counters and polish chrome. | **1x day** (248 / yr) | | | | | |
| c) Refill dispensers. ** See Replenishable Supplies | **1x day** (248 / yr) | | | | | |
| d) Empty and disinfect all sanitary napkin receptacles. | **1x day** (248 / yr) | | | | | |
| e) Sweep and damp mop floors with a germicidal solution paying special attention around wash bowls, toilets and urinals. **Damp mops used in restroom are not to be used for non-restroom areas.** | **1x day** (248 / yr) | | | | | |
| f) Empty waste receptacles and wash or damp wipe, inside and outside, those presenting a soiled or odorous condition. | **1x day** (248 / yr) | | | | | |
| g) Clean switch, door and kick plates. | **1x day** (248 / yr) | | | | | |
| h) Clean and sanitize wall hand dryers. | **1x day** (248 / yr) | | | | | |
| i) Maintain floor drain(s)/traps free of odors | **1x day** (248 / yr) | | | | | |
| j) Thoroughly clean, scrub by agitation (with hand brush or mechanical machine) and disinfect ceramic tile floors, with special attention to grouting, corners of floor, baseboards and stalls | | **1x wkly (52 / yr)** | | | | |
| k) Dust radiators, grills, ledges, dispensers, etc | | **1x wkly (52 / yr)** | | | | |
| l) Clean and disinfect wall around toilets and urinals, stall and entry doors, and partitions between toilets, urinals and sinks. Also perform any obvious spot cleaning. | | **1x wkly (52 / yr)** | | | | |
| m) Wash with germicidal solution entrance doorways, ledges, etc. | | | **1x mo (12 / yr)** | | | |

| | **Daily** (Each time scheduled to clean; 248 times per year) | **Weekly** (Once per week; 52 times per year) | **Monthly** (Once per month; 12 times per year) | **Quarterly** (Once per Quarter; 4 times per year) | **Semi -Annual** (2 times per year) | **Annual** (Once Per Year) |
|---|---|---|---|---|---|---|
| **3. DAYTIME DAILY SERVICES for Lobby and Restroom areas for the days M, T, W, TH, F** | **11:30 am – 1:30 pm** | | | | | |
| a. Clean and polish glass entrances | **1x day (248 / yr** | | | | | |
| b. Empty waste receptacles in all areas including offices, conference rooms, TOTs rooms, break rooms, and outside trash receptacles located by the client and employee's entrances. | **1x day (248 / yr** | | | | | |
| c. **Dust mop all non-carpeted lobby floors. Damp mop all spills** | **1x day (248 / yr)** | | | | | |
| d. **Clean and disinfect drinking fountains.** | **1x day (248 / yr** | | | | | |
| e. Refill dispensers in restroom **See Replenishable Supplies<br>f. In the restrooms-Sweep and damp mop floors with a germicidal solution paying special attention around wash bowls, toilets and urinals. Damp mops used in restroom are not to be used for non-restroom areas. | **1x day (248 / yr** | | | | | |
| **PERIODIC SERVICES** | **N/A** | **N/A** | **N/A** | | | |
| **1. General** | | | | | | |
| a. Vacuum and clean air diffusers | | | | | | **1X/yr** |
| b. Clean light fixture lenses | | | | | | **1x/yr** |
| **2. Intensive Floor Care** | | | | | | |
| a. Strip, seal, wax and buff vinyl tile floors: Full contract area | | | | **4X/yr** | | |
| b. Clean carpets by hot water extraction at a temperature that will kill and eliminate bacteria: Full contract area | | | | | **2X/yr** | |
| c. Clean carpet by hot water extraction at a temperature that will kill and eliminate bacteria in high traffic areas | | | | | | **1X/yr** |
| **3. Windows** | | | | | | |
| Clean Windows on **Exterior** of building (inside and outside) | | | | 4x/yr | | |

| | | | | | | |
|---|---|---|---|---|---|---|
| **4. Infectious Disease Response** (Services to determined and times scheduled at the discretion of the CCI) | | | | | | |
| a. Thoroughly disinfect all interior and exterior entry door hardware. This includes all push/panic bars, door knobs, door levers and handicap entry buttons. | X | | | | | |
| b. Thoroughly disinfect all handrails in building entries or other common areas. | X | | | | | |
| c. Thoroughly disinfect all lobby mounted and cab mounted elevator call buttons. To avoid damage to elevator controls systems and other electrical components, the appropriate disinfectant must not be sprayed directly onto elevator call buttons or panels. The disinfectant should first be applied to a cloth then wiped on the surface to be disinfected. | X | | | | | |
| d. Thoroughly disinfect all push/panic bars, door knobs, door levers or other door opening devices on stairwell doors. | X | | | | | |
| e. Thoroughly disinfect all push/panic bars, door knobs, door levers or other door opening devices on restroom doors. | X | | | | | |
| f. Check hand sanitizer levels in all lobby and entrance dispensers Report empty or nearly empty dispensers to the DHS, Contract Compliance Inspector. Hand sanitizer dispensers and refills will be supplied by DHS and the dispensers will be refilled by DHS staff. | X | | | | | |

## *NOTES AND ADDITIONAL INFORMATION*

- All cleaning schedules are to be established with and approved by the Contract Compliance Inspector (CCI) at the beginning of the contract period. Any deviation from the established schedule must be pre-approved by the CCI.

- All periodic services must be priced and invoiced separately from the basic services. Delivery and performance of all periodic services must be pre-approved by the CCI or their designee pursuant to the schedule as approved by the CCI.

****RESPONSIBILITY FOR REPLENISHABLE SUPPLIES****

| Replenishable Item | Provided by |
|---|---|
| Paper towels | Agency |
| Hand soap | Agency |
| Feminine Sanitary vending supplies & Disposal bags | Contractor |
| Toilet tissue | Agency |
| Plastic Trash Can Liners | Agency |
| Air Fresheners<br>Hand Sanitizer and Dispenser | Agency<br>Agency |

***** ALL CLEANING SUPPLIES ARE TO BE PROVIDED BY THE CONTRACTOR *****

# PRICE SHEET

**MICHIGAN DEPARTMENT OF HUMAN SERVICES**

**Wayne County Schoolcraft/Stansbury Dist**
**14000 Schoolcraft**
**Detroit, MI 48227**

Square Foot of Area to be cleaned: 28,754 . ft.

TOTAL AVERAGE cost per square foot per month: $0.09

TOTAL AVERAGE cost per square foot per year: $1.08

## A. FINAL

| | | |
|---|---|---|
| Final Monthly: | $2,450.00 | **(I)** |
| Final Annual Monthly: | $29,400.00 | **(H)** |
| Final Annual Periodic: | $1,740.00 | **(M)** |
| Final Quote for One (1) Year: | $31,140.00 | **(H)+(M)=(N)** |
| Final Quote for Four (4) Year: | $124,560.00 | **(N) X 4** |

## B. FINAL MONTHLY

**One year equals up to a maximum of 248 state working days (if scheduled daily, Monday - Friday).**

### 1. BASIC JANITORIAL SERVICES – DIRECT CLEANING - (DAILY, WEEKLY, and MONTHLY SERVICES)

#### a. DAYTIME CLEANING

| Type of Employee | # of employees | Multiply | # of hours/day | Multiply | Billable Hourly Rate | Multiply | # of working days | Equal | Annual | |
|---|---|---|---|---|---|---|---|---|---|---|
| Cleaners | 1 | X | 2 | X | $9.50 | X | 248 | = | $4,712.00 | **(A)** |

#### b. NIGHTTIME CLEANING

| Type of Employee | # of employees | Multiply | # of hours/day | Multiply | Billable Hourly Rate | Multiply | # of working days | Equal | Annual | |
|---|---|---|---|---|---|---|---|---|---|---|
| Cleaners | 2 | X | 3.5 | X | $9.50 | X | 248 | = | $16,492.00 | **(B)** |
| Supervisor | 1 | X | 0.5 | X | $16.00 | X | 248 | = | $1,984.00 | **(C)** |

#### c. OTHER DIRECT CLEANING

| Type of Employee | # of employees | Multiply | # of hours/day | Multiply | Billable Hourly Rate | Multiply | # of working days | Equal | Annual | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | X | | X | $ | X | 248 | = | $ | **(D)** |
| | | X | | X | $ | X | 248 | = | $ | **(E)** |

2. **EMPLOYEE NON-CLEANING (i.e. non-cleaning supervisor, etc) INVOLVED IN THE BASIC JANITORIAL CLEANING SERVICES**

| Description | Annual | |
|---|---|---|
| | $ | |
| | $ | |
| | $ | |
| **TOTAL EMPLOYEE NON-CLEANING** | $ | **(F)** |

3. **SUPPLIES AND OTHER COSTS – Basic Janitorial Services – Daily, Weekly & Monthly**

| Description | Annual | |
|---|---|---|
| Cleaning Supplies | $1,860.00 | |
| Equipment & Rentals | $660.00 | |
| Replenishment Supplies | $ | |
| Insurance | $200.00 | |
| Fringe Benefits | $ | |
| Subcontractor Costs | $ | |
| Other Costs | $3,492.00 | |
| **TOTAL SUPPLIES AND OTHER COSTS** | $6,212.00 | **(G)** |

4. **CALCULATION**

| | | |
|---|---|---|
| **DAYTIME CLEANING – Cleaners** | $4,712.00 | **(A)** |
| **NIGHTTIME CLEANING – Cleaners** | $16,492.00 | **(B)** |
| **NIGHTTIME CLEANING - Supervisory** | $1,984.00 | **(C)** |
| **OTHER CLEANING -** | $ | **(D)** |
| **OTHER CLEANING -** | $ | **(E)** |
| **EMPLOYEE NON-CLEANING** | $ | **(F)** |
| **SUPPLIES AND OTHER COSTS** | $6,212.00 | **(G)** |
| **TOTAL** | $29,400.00 | **(H)** |

| Total (H above) | Divide By | Final Monthly | |
|---|---|---|---|
| **$29,400.00** | **12** | **$2,450.00** | **(I)** |

## C. PERIODIC JANITORAL SERVICES

### 1. QUARTERLY SERVICES

1. Strip, seal, wax, and buff, vinyl tile floors. Full contract area.
    - $50.00 per time, labor is $35.00, supplies $10.00, and equipment is $5.00. The total billing for this service will be $200.00 per year.

2. Clean Windows on Exterior of building (inside and outside) $25.00 per time, labor is $15.00, supplies $5.00, and equipment is $5.00. The total billing for this service will be $100.00 per year.

### 2. SEMI-ANNUAL SERVICES

Clean carpet by hot water extraction at a temperature that will kill and eliminate bacteria. Full contract area. $600.00 per time, labor is $500.00, supplies $100.00, and equipment is $100.00. The total billing for this service will be $1,200.00 per year.

### 3. ANNUAL SERVICES

1. Vacuum and clean air diffusers. No charge

2. Clean light fixture lenses. No charge

   Clean carpet by hot water extraction at a temperature that will kill and eliminate bacteria in high traffic areas.
   - $240.00 per time, labor is $190.00, supplies $25.00, and equipment is $25.00. The total billing for this service will be $240.00 per year.

| | | |
|---|---|---|
| **ANNUAL QUARTERLY SERVICES** | $300.00 | **(J)** |
| **ANNUAL SEMI-ANNUAL SERVICES** | $1,200.00 | **(K)** |
| **ANNUAL SERVICES** | $240.00 | **(L)** |
| **TOTAL ANNUAL PERIODIC SERVICES** | $1,740.00 | **(M)** |

**ADDITIONAL SERVICES**

| DESCRIPTION | | PRICE PER HOUR |
|---|---|---|
| **Emergency Services**<br>(Includes cleaning services for emergency situations such as restrooms overflow, etc.) | | $21.95 per hour |
| **Infectious Disease Control**<br>(Refer to LSS for a complete description) | | $21.95 per hour |
| **Miscellaneous facility maintenance services**<br>(Includes light maintenance such as hanging paper towel dispensers or hanging storage shelves) | | $21.95 per hour |
| | | |