

STATE OF MICHIGAN
 DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET
 PROCUREMENT

525 W. ALLEGAN STREET
 LANSING, MI 48933

P.O. BOX 30026
 LANSING, MI 48909

CHANGE NOTICE NO. 4
 to
 CONTRACT NO. 071B2200121
 between
 THE STATE OF MICHIGAN
 and

NAME & ADDRESS OF CONTRACTOR	PRIMARY CONTACT	EMAIL
Hi-Tec Building Services Inc 6578 Roger Drive Jenison MI, 49428	Brian Hogan	bhogan@hitec-services.com
	PHONE	CONTRACTOR'S TAX ID NO. (LAST FOUR DIGITS ONLY)
	616-662-1623	*****6608

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
PROGRAM MANAGER / CCI	DMVA	Kerri Bielski	616-364-5327	bielskik@Michigan.gov
CONTRACT ADMINISTRATOR	DTMB	Valerie Hiltz	(517) 284-7026	hiltzv@michigan.gov

CONTRACT SUMMARY			
DESCRIPTION: Laundry Sorting Services			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
February 8, 2012	October 31, 2014	1 - 1 Year	October 31, 2016
PAYMENT TERMS		DELIVERY TIMEFRAME	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input type="checkbox"/> Yes X No
MINIMUM DELIVERY REQUIREMENTS			
N/A			

DESCRIPTION OF CHANGE NOTICE				
EXERCISE OPTION?	LENGTH OF OPTION	EXERCISE EXTENSION?	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$861,763.00	\$ 16,421.00	\$878,184.00		

DESCRIPTION:

Effective February 1, 2016, this contract is hereby increased by \$16,421.00 for DMVA use. The Program Manager is changed to Kerri Bielski, DMVA. All other terms, conditions, specification and pricing remain the same. Per DMVA request, Contractor agreement, and DTMB Procurement Approval.

STATE OF MICHIGAN
 DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
 PROCUREMENT
 P.O. BOX 30026, LANSING, MI 4890
 OR
 525 W. ALLEGAN, LANSING, MI 48933

CHANGE NOTICE NO. 3
 to
CONTRACT NO. 071B2200121
 between
THE STATE OF MICHIGAN
 and

NAME & ADDRESS OF CONTRACTOR	PRIMARY CONTACT	EMAIL
HI-TEC BUILDING SERVICES INC 6578 Roger Drive Jenison MI 49428	Brian Hogan	bhogan@hitec-services.com
	PHONE	CONTRACTOR'S TAX ID NO. (LAST FOUR DIGITS ONLY)
	888-348-5314	6608

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
PROGRAM MANAGER / CCI	DMVA	Kerri Bielski	616-364-5327	bielskik@michigan.gov
CONTRACT ADMINISTRATOR	DTMB	Valerie Hiltz	(517) 284-7026	hiltzv@michigan.gov

CONTRACT SUMMARY			
DESCRIPTION: GRAND REGION- LAUNDRY SORTING SERVICES- DMVA- Grand Rapids Home for Veterans			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
February 08, 2012	October 31, 2014	1, 1 year	October 31, 2015
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		As Per Schedule	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P Card: <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS			
N/A			

DESCRIPTION OF CHANGE NOTICE				
EXERCISE OPTION?	LENGTH OF OPTION	EXERCISE EXTENSION?	LENGTH OF EXTENSION	REVISED EXPIRATION DATE
<input type="checkbox"/>		<input checked="" type="checkbox"/>	12 months	October 31, 2016
CURRENT VALUE		VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE	
\$716,763.00		\$145,000.00	\$861,763.00	

DESCRIPTION:
 Effective November 1, 2015, this contract is hereby EXTENDED twelve months and is INCREASED by \$145,000.00. The revised contract expiration date is October 31, 2016. The Buyer is changed to Valerie Hiltz, DTMB. All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement, and DTMB Procurement approval.

STATE OF MICHIGAN
 DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
 PROCUREMENT
 P.O. BOX 30026, LANSING, MI 48909
 OR
 525 W. ALLEGAN, LANSING, MI 48933

CHANGE NOTICE NO. 2
 to
CONTRACT NO. 071B2200121
 between
THE STATE OF MICHIGAN
 and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Hi-Tec Building Services, Inc. 6578 Roger Drive Jenison, MI 49428	Brian Hogan	bhogan@hitec-services.com
	TELEPHONE	CONTRACTOR #, MAIL CODE
	888-345-5314	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	DMVA	Brian Stedman	616-364-5409	stedmanb@michigan.gov
BUYER	DTMB	Lisa Crozier-Green	517-284-7042	CrozierGreenL@michigan.gov

CONTRACT SUMMARY:			
DESCRIPTION: Grand Region – Laundry Sorting Services – DMVA – Grand Rapids Home for Veterans			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
February 8, 2012	October 31, 2014	One 1-Year Option	October 31, 2014
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
Net 45	N/A	N/A	N/A
ALTERNATE PAYMENT OPTIONS:			AVAILABLE TO MiDEAL PARTICIPANTS
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS:			
N/A			

DESCRIPTION OF CHANGE NOTICE:				
EXTEND CONTRACT EXPIRATION DATE	EXERCISE CONTRACT OPTION YEAR(S)	EXTENSION BEYOND CONTRACT OPTION YEARS	LENGTH OF OPTION/EXTENSION	EXPIRATION DATE AFTER CHANGE
<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/>	<input type="checkbox"/>	One Year	October 31, 2015
VALUE/COST OF CHANGE NOTICE:		ESTIMATED REVISED AGGREGATE CONTRACT VALUE:		
0.00		\$716,763.00		

Effective November 1, 2014, the option year available on this Contract is hereby utilized. The revised Contract end date is October 31, 2015. CHANGE Buyer to Lisa Crozier-Green, DTMB-Procurement. All other terms, conditions, pricing, and specifications remain the same. Per agency request, contractor agreement and approval from DTMB-Procurement.

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

CHANGE NOTICE NO. 1
 to
CONTRACT NO. 071B2200121
 between
THE STATE OF MICHIGAN
 and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Hi-Tech Building Services, Inc 6578 Roger Drive Jenison, MI 49428	Brian Hogan	bhogan@hitech-services.com
	TELEPHONE	CONTRACTOR #, MAIL CODE
	888-345-5314	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	DMVA	Brian Stedman	616-364-5409	stedmanB2michigan.gov
BUYER	DTMB	Steve Rigg	517-284-7043	riggs@michigan.gov

CONTRACT SUMMARY:			
DESCRIPTION: Laundry Sorting Services – Grand Rapids Home for Veterans			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
February 8, 2012	October 31, 2014	1, 1 Year Option	October 31, 2014
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
Net 45 Days, 1% discount within 10 Days of Receipt	N/A	N/A	N/A
ALTERNATE PAYMENT OPTIONS:			AVAILABLE TO MiDEAL PARTICIPANTS
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS:			
N/A			

DESCRIPTION OF CHANGE NOTICE:				
EXTEND CONTRACT EXPIRATION DATE	EXERCISE CONTRACT OPTION YEAR(S)	EXTENSION BEYOND CONTRACT OPTION YEARS	LENGTH OF OPTION/EXTENSION	EXPIRATION DATE AFTER CHANGE
<input type="checkbox"/> No <input type="checkbox"/> Yes	<input type="checkbox"/>	<input type="checkbox"/>		
VALUE/COST OF CHANGE NOTICE:			ESTIMATED REVISED AGGREGATE CONTRACT VALUE:	
\$0.00			\$716,763.00	

Effective February 14, 2014 the following information is added to the contract under section 1.2.1.

1.2.1 In Scope

- Current versions of all Policies and Procedures are available from the contract compliance Inspector/Facility Manager. These Policies and Procedures include, but are not limited to:
 - Policy #01-02-A4 – Abuse/Neglect/Member
 - Policy #01-02-F1 – Family Complaint Resolution Process for Members/Families

These new Administrative Policies and Procedures (attached) have been added to the contract in order to be in compliance with Veterans Affairs requirements. All other terms, conditions, pricing and specifications remain unchanged. Per agency request, vendor agreement and approval from DTMB-Procurement.

STATE OF MICHIGAN
DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET February 15, 2012
PROCUREMENT
P.O. BOX 30026, LANSING, MI 48909
 OR
530 W. ALLEGAN, LANSING, MI 48933

NOTICE
OF
CONTRACT NO. 071B2200121
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR Hi-Tec Building Services, Inc. 6578 Roger Drive Jenison, MI 49428 Email: bhogan@hitec-services.com	TELEPHONE (888) 345-5314 Brian Hogan CONTRACTOR NUMBER/MAIL CODE BUYER/CA (517) 241-7233 Don Mandernach
Contract Compliance Inspector: Brian Stedman (616) 364-5409 Laundry Sorting Services – Grand Rapids Home for Veterans	
CONTRACT PERIOD: 2 yrs 8 mths. + 1 one-year options From: February 8, 2012 To: October 31, 2014	
TERMS Net 45, 1% Discount within 10 Days of Receipt	SHIPMENT N/A
F.O.B. N/A	SHIPPED FROM N/A
ALTERNATE PAYMENT OPTIONS: <input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other	
MINIMUM DELIVERY REQUIREMENTS N/A	
MISCELLANEOUS INFORMATION:	

TOTAL ESTIMATED CONTRACT VALUE: \$716,763.00

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

CONTRACT NO. 071B2200121
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR Hi-Tec Building Services, Inc. 6578 Roger Drive Jenison, MI 49428 Email: bhogan@hitec-services.com	TELEPHONE (888) 345-5314 Brian Hogan CONTRACTOR NUMBER/MAIL CODE BUYER/CA (517) 241-7233 Don Mandernach
Contract Compliance Inspector: Brian Stedman (616) 364-5409 Laundry Sorting Services – Grand Rapids Home for Veterans	
CONTRACT PERIOD: 2 yrs 8 mths. + 1 one-year options From: February 8, 2012 To: October 31, 2014	
TERMS Net 45, 1% Discount within 10 Days of Receipt	SHIPMENT <p style="text-align: right;">N/A</p>
F.O.B. <p style="text-align: center;">N/A</p>	SHIPPED FROM <p style="text-align: right;">N/A</p>
ALTERNATE PAYMENT OPTIONS: <input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other	
MINIMUM DELIVERY REQUIREMENTS <p style="text-align: center;">N/A</p>	
MISCELLANEOUS INFORMATION: The terms and conditions of this Contract are those of ITB #07112200027, this Contract Agreement and the vendor's quote dated 12/2/2011. In the event of any conflicts between the specifications, and terms and conditions, indicated by the State and those indicated by the vendor, those of the State take precedence.	
Estimated Contract Value: \$716,763.00	

FOR THE CONTRACTOR: Hi-Tec Building Services, Inc. Firm Name	FOR THE STATE: Signature Jeff Brownlee, Chief Procurement Officer
Authorized Agent Signature	Name/Title DTMB Procurement
Authorized Agent (Print or Type)	Division
Date	Date



STATE OF MICHIGAN
Department of Technology, Management and Budget
Purchasing Operations

Contract No. 071B2200121
Laundry Sorting Services

Buyer Name: Donald Mandernach
Telephone Number: 517-241-7233
E-Mail Address: mandernachd@michigan.gov



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Definitions

This section provides definitions for terms used throughout this document.

Business Day - whether capitalized or not, means any day other than a Saturday, Sunday, State employee temporary layoff day, or State-recognized legal holiday (as identified in the Collective Bargaining Agreement for State employees) from 8:00am through 5:00pm Eastern Time unless otherwise stated.

Buyer – the DTMB-Purchasing Operations employee identified on the cover page of this RFP.

Chronic Failure - as defined in applicable Service Level Agreements.

Contract – based on this RFP, an agreement that has been approved and executed by the awarded Bidder, the DTMB-Purchasing Operations Director, and the State Administrative Board.

Contractor – the awarded Bidder after the Effective Date.

Days - Business Days unless otherwise specified.

Deleted, Not Applicable - the section is not applicable or included in this RFP. This is used as a placeholder to maintain consistent numbering.

Deliverable(s) - physical goods or commodities as required or identified in a Statement of Work.

Eastern Time – either Eastern Standard Time or Eastern Daylight Time, whichever is prevailing in Lansing, Michigan.

Effective Date - the date that a binding contract is executed by the final party.

Final Acceptance - has the meaning provided in Section 2.8.7, Final Acceptance, unless otherwise stated in Article 1.

Key Personnel - any personnel designated as Key Personnel in Sections 1.3.3, Staff, Duties, and Responsibilities, and 2.4.2, Contractor Key Personnel, subject to the restrictions of Section 2.4.2.

Post-Industrial Waste - 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.

Purchase Order - a written document issued by the State that requests full or partial performance of the Contract.

State - the State of Michigan.

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

Stop Work Order - a notice requiring the Contractor to fully or partially stop work in accordance with the terms of the notice.

Subcontractor - a company or person that the Contractor delegates performance of a portion of the Deliverable(s) to, but does not include independent contractors engaged by the Contractor solely in a staff augmentation role.

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



Article 1 – Statement of Work

1.1 Project Identification

This Contract is for **Laundry Sorting Services** for the Grand Rapids Home for Veterans (GRHV). The Contractor will carry out the Contract under the direction and control of the Department of Military & Veteran Affairs (DMVA).

NO SUBCONTRACTING WILL BE ALLOWED WITH THIS CONTRACT.

1.1.1 Project Request

The Contractor shall work in cooperation with DMVA to furnish quality Laundry Services in a timely and efficient manner. The Contractor is responsible for Laundry Sorting Services, which includes:

- (a) Staff Counts
- (b) Track Personal and Facility Laundry daily
- (c) Tag all members clothing
- (d) Laundry Collection
- (e) Assist in loading and unloading Laundry on Processors Vehicles

1.1.2 Background

The GRHV provides medical and assistive care to veterans, spouses and/or their dependents in a safe, homelike healthcare environment. The GRHV provides 24 hour, 7 day per week care for up to 750 residents. Laundry services are required for the Home-owned laundry& linens (including Visitation Room linens) and Veteran's personal laundry.

The Contractor must comply fully with all State, Federal and Local laws and regulations.

1.2 Scope of Work and Deliverable(s)

1.2.1 In 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 specifications herein in accordance with the varying needs of GRHV.

- Contractor's staff must have experience working in long-term care facilities or hospital type settings/environments.
- Contractor's staff must provide quality care consistent with industry standards of practice as in accordance with section 1.3.3 Contractor Staff, Duties, and Responsibilities.
- Contractor's staff must comply with all GRHV policies and procedures.

1.2.2 Deliverable(s)

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

The Contractor is responsible for two (2) areas of linen pick up and distribution for; Agency Owned and Member Personal laundry. These services are provided seven (7) days per week, 365 days per year, including all holidays. Services will be performed between the hours of 7:00 a.m. and 3:30 p.m. Laundry processing Contractors have established schedules that must be maintained. All laundry/linen services must be performed in accordance with applicable standards (V.A., State Licensure, Office of Fire Safety, MIOSHA, GRHV policies and procedures, etc.).

A) Member (patient) personal laundry. Contractor Shall:

1) Pick up member personal laundry **daily** from the units and take it to the central soiled linen processing area.

The current pick up schedule is as follows:

7:00 a.m. - all units

12:30 p.m. - McLeish and Rankin units

3:00 p.m. - all units



Each member's laundry will be in a separate bag with a laundry slip (this is done by nursing staff).

- 2)
 - a) Open and remove the contents from each bag
 - b) Remove "old" tags as necessary
 - c) Tag each article (**yellow** for Rankin and McLeish, **white** for Mann and Main Courtyard).
 - d) Tag the slip to match the contents of each bag and make corrections on the slip as necessary to ensure contents and slip match.

Tags are applied by marking machines which are owned and maintained by the Home. The laundry slips are kept in the linen area and are to be matched with the clean clothes when they are returned from the laundry service provider.

- 3)
 - a) Put tagged articles loosely into hampers, 30 bags to a hamper. White and yellow tagged items are to be kept separate.
 - b) The laundry slips shall be paper clipped together.
 - c) The 30th laundry slip shall be dated, initialed, and numbered (random).
 - d) A corresponding slip with the same date, initials and tag number, and random number shall be placed in a clear envelope in the hamper with the soiled, loose clothes.
 - e) The Contractor will assist loading the soiled hampers on the laundry truck.
 - f) The bundled slips shall then be sent to the clean linen side (member personal sorting area).
- 4)
 - a) Assist in unloading cleaned personal laundry when returned by the processor.
 - b) Processed personal laundry will be sorted by the color coded and numbered identification tag and the slip will also be placed with each bundle.
 - c) All items for each member (patient) will be bundled and tied with the use of tying machines, which are owned and maintained by the Home.
 - d) Member's personal clothing will be returned to their respective unit for distribution by nursing staff.

Under no circumstances shall the sorting and delivery to units be delayed more than three (3) days from the day it is returned by the laundry service provider.
- 5)
 - a) Maintain "tally" sheets for personal laundry items. These sheets will track missing and found personal laundry items.
 - b) Forward these reports to the Contract Administrator monthly for review.
- 6)
 - a) Make counts and track laundry.
 - b) Monthly totals (pounds) of processed personal laundry will be provided to the CCI. This information will be required by the 10th day of each month.
 - c) Reconcile, **monthly**, charges and verify invoices for payment.

B) Agency Owned Laundry. This laundry will include: bath robes, pajama tops and bottoms, bath towels, wash cloths, hand towels, pillow cases, blankets, regular sheets, gowns, mattress pads, lap robes, bibs, fitted sheets, underpads, table cloths, linen napkins, aprons, mops, cubicle curtains, bath blankets, hooyer lift accessories, restraints, and miscellaneous items (i.e. visitation room linens).

Contractor Shall:

- 1)
 - a) Be responsible for collecting the soiled linens from the nursing units. The current pick up schedule is the same as that for member personal laundry. This soiled linen will be contained in plastic bags within a hamper, may be collected from a linen chute, or be located in a tripod container.
 - b) The Contractor will transport the linens to the central processing area.
 - c) The Contractor will sort the laundry bags, green pads, and miscellaneous items and prepare items for processing.



- 2) Assist in the loading and unloading of laundry processing vehicle.
- 3) Unload the delivery truck and transport the cleaned laundry to the central storage area.
- 4)
 - a) Maintain processed laundry on racks.
 - b) Ensure that adequate supplies are available.
- 5)
 - a) Deliver clean laundry **daily** to each nursing unit.
 - b) Depending on the care area, fill clean linen closets or exchange linen racks.
- 6)
 - a) Maintain record keeping.
 - b) Daily counts and totals must be verified and confirmed.
 - c) Monthly totals will be presented to the CCI prior to the 10th day of each month.
 - d) Verify processor's monthly charges and reconcile monthly billing.
- 7)
 - a) When needed, the Contractor will requisition linens from the materials management area. This new linen will need to be stamped by the Contractor, identifying the laundry as the property of the Grand Rapids Home for Veterans.
 - b) All new linen shall be sent to the processor for washing prior to placing the items into use.
 - c) All linen received from materials management must be counted and verified for correct totals prior to signature of acceptance.
- 8)
 - a) Remove from use and dispose any agency owned linen that is considered unfit for use due to excessive wear.
 - b) Service a "collection hamper" located on each unit. The purpose of this hamper is for nursing to discard damaged linens. Servicing will entail removing the full hamper and replacing with another hamper for use.
- 9) Rotate all agency owned linen stock weekly. This rotation must occur in the central linen area as well as on each care unit with laundry stock.
- 10) Visitation Room Linen will be handled in the following manner:
 - a) Soiled linens will be brought to the soiled linen room by housekeeping and/or nursing staff. This soiled linen will be in yellow bags.
 - b) Send the soiled linens to the proper processor for cleaning.
 - c) Return cleaned visitation room linens to the agency and store for future use.

C) Miscellaneous Duties: Contractor Shall:

- 1)
 - a) Rinse gray linen hampers **daily**,
 - b) Scrub and disinfect all agency owned hampers, racks, and carts **weekly**.
- 2) Separate linens belonging to other institutions for pick up or make arrangements for delivery of items not belonging to the Grand Rapids Home for Veterans.
- 3) Wash all linen covers and exchange rack covers **annually**. Replace worn covers as needed.
- 4) Do a **monthly** count of all linen in "stock" within the central linen area.
- 5)
 - a) Transport yellow bags to the Rankin building domiciliary units **daily**.
 - b) Remove filled bags from the tripods and return the soiled laundry to the central processing area.

It will be the responsibility of the Contractor to notify agency personnel of supply and equipment needs. The agency will supply all needed items to perform the required functions. The Contractor must ensure that adequate supplies are kept on hand at all times. String, safety pins, laundry slips, pens, markers, laundry marking stamps, ink, laundry fluid, marking tape (both white and yellow), etc., will be furnished by the agency. Ordering and maintaining supplies will be the Contractor's responsibility.

**BACKGROUND CHECKS/DRUG & ALCOHOL SCREENING:**

All contracted employees are subject to pre-employment background checks and random drug and alcohol screening at the Contractor's expense. Employees are prohibited from: consuming alcohol while on duty, be on duty with a reportable level of alcohol or drugs present in the employee's body fluids, refuse to submit to a required drug or alcohol test, or to interfere with any testing procedure or tamper with any test sample.

- Pre-employment drug and alcohol screening will be completed by Contractor for all employees working at GRHV, compliant with Civil Service Rules 2.7 Drug and Alcohol Testing, see <http://www.michigan.gov/documents/mdcs>
- Results will be maintained in the employee file in a secure area at GRHV.
- The Contractor may administer random drug and alcohol screening when there is reasonable suspicion that an employee is under the influence of a substance prohibited by this policy. Results will be provided to the GRHV Project Manager or designee, and maintained in individual employee files maintained at GRHV. Any employee with a positive result from any drug or alcohol test will be prohibited from working at GRHV until they no longer have a positive test and have been approved by the GRHV Project Manager or designee to return to work.
- Post-accident testing will be required if there is evidence that the employee may have caused or contributed to a serious work accident.
- Any follow up testing or counseling will be at the Contractor's expense.
- Pre-employment background check will be completed by Contractor for all employees working at GRHV.
- Compliance with GRHV employee work rules (Attachment D), while on site at GRHV;
- Meet current health testing requirements (TB screening);
- Offer Hepatitis B Vaccine to all employees, with proof of consent or declination, following CDS guidelines.
- Contractor's staff will demonstrate at all times a commitment to quality of care provided to all Members of the GRHV.

TB TESTING/INFECTIOUS DISEASES:

Enforcement Procedure for Evaluating Occupational Exposure to Tuberculosis Initial Baseline TB skin testing. The Contractor shall offer TB Mantoux skin tests to all new employees within 10 days of hire and prior to occupational exposure. Two-step baseline testing shall be used for all new employees who exhibit initial negative PPD skin test results, but have not had a previously documented negative TB skin test results during the preceding 12 months. TB skin tests, follow-up and treatment evaluations shall be offered at no cost to the employees, and at times and locations convenient to the employees. The reading and interpretation of the TB skin test shall be performed by a qualified individual as described in the Center for Disease Control Guidelines.

A worker with documented positive TB skin test results, or a worker who has received treatment for TB disease, or who has received preventive therapy for TB infection, is exempt from the TB skin test. Such workers must complete a medical questionnaire annually for the purpose of identifying any pulmonary symptoms suggestive of TB disease. Such workers must also be periodically informed about the symptoms for TB and the need for immediate medical evaluation by a physician or a trained health care provider to determine if the worker is experiencing TB symptoms.

Annual TB skin testing will be required after initial baseline TB skin testing.

Conversion to a positive Mantoux skin test shall be followed-up promptly by appropriate medical, laboratory and radiographic evaluations to determine whether the employee has infectious TB disease.

An employee who exhibits symptoms of active TB (e.g., weight loss, night sweats, bloody sputum, anorexia, or fever) shall be promptly for TB. The employee should not be allowed to return to work until a diagnosis of TB has been excluded or until the employee is on therapy and has been determined by a physician to be noninfectious.



The Contactor will be required to maintain an on-site copy of all records as they relate to staff TB skin testing at the GRHV.

BLOODBORNE INFECTIOUS DISEASES:

Within 10 working days of the time of initial assignment and after the employee has received training required by the provisions of 325.700165(5)(i), the Contractor shall make the following available to each category employee:

- a. A Hepatitis B vaccination. If an employee initially declines vaccination, but at a later date, while still covered under these rules, decides to accept the HBV vaccine, the employer shall provide the vaccine at that time.
- b. HBV antibody testing for employees who desire such testing before deciding whether or not to receive HBV vaccination. If an employee has previously received the complete vaccination series, is found to be immune to the HBV by virtue of adequate antibody titer, then the employer is not obligated to offer the HBV to that employee.
- c. The Contractor shall ensure that an employee who declines to accept hepatitis B vaccination signs a waiver statement with all of the following provisions:

Understanding of risk:

- (ii) Acknowledgment of opportunity of vaccination at no cost.
- (iii) Declining vaccination.
- (iv) Future availability of vaccination at no cost if desired, if still in at-risk status.

Note: The Contractor will be expected to maintain training records, Hepatitis B declination waiver forms, and Hepatitis vaccination records on site at the GRHV.

The GRHV shall provide each exposed employee with an opportunity to have a confidential medical evaluation and follow-up subsequent to a reported occupational exposure incident to blood or other potentially infectious material. (Refer to GRHV Policy 11-11-E1, EXPOSURE CONTROL PLAN: BLOODBORNE INFECTIOUS DISEASES). GRHV will assume facilitation of process. In compliance with MIOSHA STANDARD FOR BLOODBORNE INFECTIOUS DISEASES (R 325.70001 – R. 325.700018)", see www.michigan.gov/lara

Note: The Contactor will also be responsible for any future testing that becomes a part of pre-employment placement evaluation by policy for GRHV employees for the duration of this contract per requirements in Section 1.2.2.

1.2.3 Quantity – Deleted – Not Applicable

1.2.4 Ordering – Deleted – Not Applicable

1.2.5 Alternate Bids – Deleted – Not Applicable

1.3 Management and Staffing

1.3.1 Project Management

Project management plan to include, but not limited to the following:

- 1) Contractor will carry out this project under the direction and control of the CCI specified on the LSS.
- 2) 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, as well as continuously communicate with the agency/department project lead.



3) Contractor's Work Plan, which must be approved prior to commencement of work, must include the following:

- a) Name(s) of supervisors – 24 hour contact telephone numbers and best contact times.
- b) 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.
- c) Proof of Insurance as defined in the Standard Terms and Conditions of this Contract must be provided to Purchasing Operations PRIOR to the start of this Contract and every year thereafter.
- d) 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 best-valued Bidder who can demonstrate the ability to perform the work.

1.3.2 Reports

Contractor shall provide reports accordingly:

1. A monthly invoice with daily delivery slips and a copy of the daily incoming linen report will be sent together by the first of the month for the previous month.
2. The Contract Compliance Inspector may request an audit of the services provided each year under the specifications, terms, and conditions of this Contract. The audit will be a joint activity of the requesting Agency and Procurement.
3. An unsatisfactory audit will result in cancellation of this Contract under the terms listed in Section 2.16 in this Contract. Further, should this Contract be cancelled for cause, the Contractor so cancelled will not be allowed to participate in request(s) for continuation of these services.
4. The audit will consist of an evaluation of the total service quality, including responsiveness, timeliness of required reporting and any other specifics as required under the terms of this Contract. The results of the audit along with Contractor recommendations will be published by Procurement and distributed to the respective Agency.
5. The Contractor may request a meeting between all concerned parties within 10 calendar days of the date the Contractor received, or could have reasonably been expected to receive their copy of the audit. This meeting will provide an opportunity for the Contractor to present their reactions to audit recommendations.

DMVA may request additional reports at any time during this Contract.

1.3.3 Staff, Duties and Responsibilities

Listed below are the State Personnel and Contractor Personnel duties and requirements during the course of this Contract:

A. STATE PERSONNEL

1. The State reserves the right to approve worker personnel for this project and to require replacement of personnel found to be unacceptable at any time during the project. (See Section 2.4).
2. CCI or Agency / Departmental Designee shall:
 - a) Require that all Staff Members to be clearly identified during this Contract period.
 - b) Provide the Contractor the general and specific orders detailing services at the GRHV location. These orders shall be deemed a portion of this Contract and failure to carry out these orders shall be considered a violation of this Contract.



- c) Give additional written or oral instructions to clarify the desired performance as is determined by the CCI.
- d) Provide necessary, registered and returnable keys for the Contractor's entrance to areas of the buildings necessary for the completion of described work after award of Contract (Contractor must not duplicate any such keys).
- e) Exchange emergency telephone numbers where the Contractor can be reached, day or night, and where the CCI can be reached.
- f) Provide a list of supplies and Material Safety Data Sheets (MSDS), if applicable.
- g) Do LEIN checks if necessary. See Contract for information required for LEIN checks.
- h) Provide correspondence and feedback to the Contractor. The Contractor must be informed of any deficiencies and allowed time to correct the deficiencies. If deficiencies continue, a formal Complaint to Vendor or Vendor Performance Report will be filed.
- i) Inform Contractor where to forward invoices for immediate processing and payment.
- j) Be available to answer questions from the Contractor.

B. CONTRACTOR SUPERVISION

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

1. Contractor Supervision shall possess long-term care facility or hospital type setting/environment experience.
2.
 - a) Contractor shall exercise all supervisory control and general control over all day-to-day operations of his/her employees, including control over all workers duties.
 - b) At the conclusion of each service, the Contractor shall inspect the route for completion and performance quality of the required services.
 - c) The Contractor shall also be responsible for payment of all wages to employees, taxes, and fringe benefits, sick leave, pension benefits, vacations, medical benefits, life insurance or unemployment compensation or the like.
 - d) The Contractor shall discipline his/her employees, as needed, including firing and hiring.
3.
 - a) The CCI may require that Contractor immediately remove any Contractual employee(s) from the agency's premises for just cause.
 - b) The Contractor will assume any and all responsibilities relating to this removal.
 - c) Any employee so removed may not be placed in another state agency.
4. The CCI shall make final determination of a Contractual employee's suitability for assignment to a specific location. Problems of this nature will be addressed with the Contractor's management.
5. 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.

1.3.4 Meetings

The State may require and schedule a meeting with the Contractor to talk about the Contract specifications and answer any questions the Contractor may have.



1.3.5 Place of Performance

The following is the location of the facility that will be involved in performing this Contract:

Full address of place of performance	Owner/operator of facility to be used	Percent (%) of Contract value to be performed at listed location
3000 Monroe Ave.	DMVA	100%
Grand Rapids, MI 49505		

1.3.6 Reserved

1.3.7 Binding Commitments

The Contractor identifies its representatives with the authority to make binding commitments on the Contractor's behalf and state the extent of that authority, as follows:

Brian Hogan, Hi-Tec Building Services, President - Complete authority to make binding commitments on Contractor's behalf.

1.3.8 Training – Deleted – Not Applicable

1.3.9 Security

The Contractor will run a State of Michigan ICHAT on all qualified personnel. All Contractor personnel will wear blue collared shirts with the company logo. A photo ID Badge will be worn on the upper body. Contractor shall supply a list of all personnel, including name and date of birth that will be assigned to work under this Contract.

1.4 Delivery and Acceptance

1.4.1 Time Frames – Deleted – Not Applicable

1.4.2 Minimum Order – Deleted – Not Applicable

1.4.3 Packaging – Deleted – Not Applicable

1.4.4 Palletizing – Deleted – Not Applicable

1.4.5 Delivery Term – Deleted – Not Applicable

1.4.6 Acceptance Process – Deleted - Not Applicable

1.4.7 Criteria

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

- A. Payment / Reimbursement Method:
 1. The Contractor shall maintain a record system that documents the total number of units of service as defined in the Agreement and delivered during the term of this Contract. These records shall also document the specific units billed to the State under this Contract.
 2. A monthly "Statement of Expenditures" must be submitted to the State within 30 days from the end of the monthly billing period and shall accurately represent the units of service delivered and the total amount being claimed.
 3. For the month of September, billings shall be submitted as reasonable directed by the CCI or the State's Contract Administrator to meet fiscal year-end closing deadlines.



4. If the billing is not received as set forth above, no payment shall be made by the State for that billing period unless as exception is specifically authorized by the Department director or his/her delegated representative.
5. In no event, shall the State make payment to the Contractor for billings submitted more than 90 days after the end of the billing period, without and approval from the State Department Director or his/her representative.

1.5 Proposal Pricing

1.5.1 Pricing

The pricing details are provided in **Attachment B**.

1.5.2 Quick Payment Terms

The Contractor offers a quick payment discount of 1% off an invoice if paid within 10 Days from the State's receipt of the invoice or delivery of the Deliverable(s), whichever is later.

1.5.3 Price Term

Prices in **Attachment B** are firm with prospective renegotiation at an agreed upon time. The criteria for a re-determination of pricing are under Section 2.3.5, Price Changes.

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

If there is an opportunity to significantly improve price discounts, these time frames may be adjusted. Contractor shall Contact the Contract Administrator with any such requests.

1.5.4 Tax Excluded from Price

(a) Sales Tax: The State is exempt from sales tax for direct purchases. The Contractor's prices must not include sales tax. DTMB-Procurement will furnish exemption certificates for sales tax 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, the Contractor's prices must not include the Federal Excise Tax.

1.5.5 Invoices

A monthly invoice with daily delivery slips and a copy of the daily incoming linen report will be sent together by the 1st of the month for the previous month.



The Contractor's invoice should include the following:

- (a) Date
- (b) PO #
- (c) Quantity
- (d) Deliverable
- (e) Unit Price
- (g) Total Price

1.6 Commodity Requirements

1.6.1 Customer Service

The Contractor is able to receive orders by any of the following methods: electronically, phone, facsimile transmission, or by written order. The Contractor must have internal controls, approved by DTMB-Procurement, to: (a) ensure that only authorized individuals place orders; and (b) verify any orders that appear to be abnormal. The Contractor must have: (a) one or more knowledgeable individual(s) specifically assigned to State of Michigan accounts that will respond to State agency inquiries promptly; and (b) a statewide toll-free number for customer service calls.

Hi-Tec Building Services, Inc.
Contacts: Brian Hogan, Mike Blizzard
Phone: (888) 345-5314

1.6.2 Research and Development - Deleted - Not Applicable

1.6.3 Quality Assurance Program

The Contractor shall have a Quality Assurance Program(s) in place within their organization.

1.6.4 Warranty for Deliverable(s) Deleted – Not Applicable

1.6.5 Special Incentives – Deleted – Not Applicable

1.6.6 Energy Efficiency – Deleted – Not Applicable

1.6.7 Environmental Requirements – Deleted – Not Applicable

1.6.8 Recycled Content and Recyclability – Deleted – Not Applicable

1.6.9 Materials Identification and Tracking

The Contractor shall disclose whether any of its facilities are in violation of any environmental laws. The Contractor must immediately notify DTMB-Procurement of the receipt of any EPA, State, or local agency communication indicating that any of the Contractor's facilities are in violation of applicable environmental laws.

1.7 Extended Purchasing

1.7.1 MiDEAL – Deleted – Not Applicable

1.7.2 State Employee Purchases – Deleted – Not Applicable

1.7.3 Cooperative Purchasing – Deleted – Not Applicable



Article 2 – Terms and Conditions

2.1 Contract Term

2.1.1 Contract Term

The Contract term begins **February 8, 2012** and expires **October 31, 2014**. All outstanding Purchase Orders will expire upon the termination of the Contract for any of the reasons listed in Section 2.16, Termination by the State, unless otherwise agreed to in writing by DTMB-Procurement. Absent an early termination, Purchase Orders issued, but not expired, by the end of the Contract's term will remain in effect until the next September 30.

2.1.2 Options to Renew

This Contract may be renewed for up to **one (1) additional one (1) year period**. Renewal must be by mutual written agreement of the parties, not less than 30 days before expiration of the Contract.

2.2 Payments and Taxes

2.2.1 Fixed Prices for Deliverable(s)

Prices are fixed for all Deliverable(s).

2.2.2 Payment Deadlines

Undisputed 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.

2.2.3 Invoicing and Payment – In General – Deleted - Not Applicable

2.2.4 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.

2.2.5 Final Payment and Waivers

The Contractor's acceptance of final payment by the State constitutes a waiver of all claims by the Contractor against the State for payment under this Contract, other than those claims previously filed in writing on a timely basis and still disputed. For other claims, final payment by the State will not constitute a waiver by either party of any rights as to the other party's continuing obligations, nor will it constitute a waiver of any claims under this Contract, including claims for Deliverable(s) not reasonably known to be defective or substandard.

2.2.6 Electronic Payment Requirement

As required by MCL 18.1283a, the Contractor must electronically register with the State at <http://www.michigan.gov/cpexpress> to receive electronic fund transfer (EFT) payments.

2.2.7 Employment Taxes

The Contractor must collect and pay all applicable federal, state, and local employment taxes.

2.2.8 Sales and Use Taxes

The Contractor must register and remit sales and use taxes on taxable sales of tangible personal property or services delivered into the State. If the Contractor lacks sufficient presence in Michigan to be required to register and pay taxes, it must do so on a voluntary basis. The requirement to register and remit sales and use taxes extends to (a) all members of a "controlled group of corporations" as defined in § 1563(a) of the Internal Revenue Code, 26 USC 1563(a), and applicable regulations; and (b) all organizations under common control that make sales at retail for delivery into the State. Any United States Department of Treasury regulation that references "two or more trades or businesses under common control" includes organizations such as sole proprietorships, partnerships (as defined in § 7701(a)(2) of the Internal Revenue Code, 26 USC 7701(a)(2)), trusts, estates, corporations, or limited liability companies.



2.3 Contract Administration

2.3.1 Issuing Office

This Contract is issued by DTMB-Procurement (State) and the DMVA . **DTMB-Procurement is the only entity authorized to modify the terms and conditions of this Contract, including the prices and specifications.** The Contract Administrator within DTMB-Procurement for this Contract is:

Donald Mandernach
DTMB Procurement Services
530 West Allegan Street
2nd Floor
Lansing, MI 48909
Phone: 517-241-7233
Fax: 517-335-0046
Email: mandernachd@michigan.gov

2.3.2 Contract Compliance Inspector

Each State Agency will be responsible for assigning a CCI for this Contract. The CCI will monitor and coordinate Contract activities on a day-to-day basis. However, monitoring of this Contract implies **no authority to modify the terms and conditions of this Contract, including the prices and specifications.** The CCI for this Contract is:

Brian Stedman, Facility Manager
Grand Rapids Home for Veterans
3000 Monroe Avenue, NE
Grand Rapids, MI 49505
Phone: 616-364-5409
Fax: 616-364-5398
Email: stedmanb@michigan.gov

2.3.3 Project Manager - Deleted – Not Applicable

2.3.4 Contract Changes

(a) If the State requests or directs the Contractor to provide any Deliverable(s) that the Contractor believes are outside the scope of the Contractor's responsibilities under the Contract, the Contractor must notify the State before performing the requested activities. If the Contractor fails to notify the State, any activities performed will be considered in-scope and not entitled to additional compensation or time. If the Contractor begins work outside the scope of the 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 the Contract.

(b) The State or the Contractor may propose changes to the Contract. If the Contractor or the State requests a change to the Deliverable(s) or if the State requests additional Deliverable(s), the Contractor must provide a detailed outline of all work to be done, including tasks, timeframes, listing of key personnel assigned, estimated hours for each individual per Deliverable, and a complete and detailed cost justification. If the parties agree on the proposed change, DTMB-Procurement will prepare and issue a notice that describes the change, its effects on the Deliverable(s), and any affected components of the Contract (Contract Change Notice).

(c) No proposed change may be performed until DTMB-Procurement issues a duly executed Contract Change Notice for the proposed change.

2.3.5 Price Changes

If allowed by Section 1.5.3, Price Term, the State and the Contractor will complete a pricing review (Review) every 365 days following the Effective Date, to allow for changes based on actual costs incurred. Requested changes may include increases or decreases in price and must be accompanied by supporting information



indicating market support of proposed modifications (such as the CPI and PPI, US City Average, as published by the US Department of Labor, Bureau of Labor Statistics).

(a) The State may request a Review upon 30 days written notice that specifies what Deliverable is being reviewed. At the Review, each party may present supporting information including information created by, presented, or received from third parties.

(b) Following the presentation of supporting information, both parties will have 30 days to review the supporting information and prepare any written response.

(c) In the event the Review reveals no need for modifications of any type, pricing will remain unchanged unless mutually agreed to by the parties. However, if the Review reveals that changes may be recommended, both parties will negotiate in good faith for 30 days unless extended by mutual agreement of the parties.

(d) If the supporting information reveals a reduction in prices is necessary and Contractor agrees to reduce rates accordingly, then the State may elect to exercise the next one year option, if available.

(e) If the supporting information reveals a reduction in prices is necessary and the parties are unable to reach agreement, then the State may eliminate all remaining Contract renewal options.

(f) Any changes based on the Review must be implemented through the issuance of a Contract Change Notice.

2.3.6 Notices

All notices and other communications required or permitted under this Contract must be in writing and will be considered given when delivered personally, by fax (if provided) or by e-mail (if provided), or by registered mail, return receipt requested, addressed as follows (or any other address that is specified in writing by either party):

If to State:

State of Michigan
DTMB-Procurement
Attention: Don Mandernach
PO Box 30026
530 West Allegan
Lansing, MI 48909
Email: mandernachd@michigan.gov
Fax: (517) 335-0046

If to Contractor:

Hi-Tec Building Services, Inc.
Attention: Brian Hogan
6578 Roger Drive
Jenison, MI 49428
Email: bhogan@hitec-services.com
Fax: (888) 355-5415

Delivery by a nationally recognized overnight express courier will be treated as personal delivery.

2.3.7 Covenant of Good Faith

Each party must act reasonably and in good faith. Unless otherwise provided in this Contract, the parties will not unreasonably delay, condition or withhold their consent, decision, or approval any time it is requested or reasonably required in order for the other party to perform its responsibilities under the Contract.

2.3.8 Assignments

(a) Neither party may assign this Contract, or assign or delegate any of its duties or obligations under the Contract, to another party (whether by operation of law or otherwise), without the prior approval of the other party. The State may, however, assign this Contract to any other State agency, department, or division without the prior approval of the Contractor.



(b) If the Contractor intends to assign this Contract or any of the Contractor's rights or duties under the Contract, the Contractor must notify the State and provide adequate information about the assignee at least 90 days before the proposed assignment or as otherwise provided by law or court order. The State may withhold approval from proposed assignments, subcontracts, or novations if the State determines, in its sole discretion, that the transfer of responsibility would decrease the State's likelihood of receiving performance on the Contract or the State's ability to recover damages.

(c) If the State permits an assignment of the Contractor's right to receive payments, the Contractor is not relieved of its responsibility to perform any of its contractual duties. All payments must continue to be made to one entity.

2.3.9 Equipment

The State will not provide equipment and resources unless specifically identified in the Statement(s) of Work or other Contract exhibits.

2.3.10 Facilities – Deleted – Not Applicable

2.4 Contract Management

2.4.1 Contractor Personnel Qualifications

All persons assigned by the Contractor to perform work must be employees of the Contractor or its majority-owned subsidiaries, and must be fully qualified to perform the work assigned to them.

2.4.2 Contractor Key Personnel

(a) The Contractor must provide the name, phone number and email addresses for Key Personnel, such as (Sales Representatives, Accounts Receivable Personnel and the Account Manager, Etc.) that will perform work for the duration of this Contract.

2.4.3 Removal or Reassignment of Personnel at the State's Request

The State may require the Contractor to remove or reassign personnel if the State has legitimate, good-faith reasons articulated in a notice to the Contractor. Replacement personnel 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.

2.4.4 Contractor Personnel Location

Subject to availability, the State may allow selected Contractor personnel to use State office space.

2.4.5 Contractor Identification

The Contractor's employees must be clearly identifiable while on State property, and must clearly identify themselves and the company they work for whenever making contact with State personnel by telephone or other means.

2.4.6 Cooperation with Third Parties

The Contractor must cooperate with the State and its agents and other contractors, including the State's quality assurance personnel. The Contractor must provide reasonable access to its personnel, systems, and facilities related to the Contract to the extent that access will not interfere with or jeopardize the safety or operation of the systems or facilities.

2.4.7 Relationship of the Parties

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



2.4.8 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 the Contract in the same condition as when provided by the State, reasonable wear and tear excepted.

2.4.9 Background Checks

The State may investigate the Contractor's personnel before granting 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 eligibility for working within State facilities and systems. The investigations will include a Michigan State Police background check (ICHAT) and may include a Criminal Justice Information Services (CJIS) fingerprint check. Proposed Contractor personnel may be required to complete and submit an RI-8 Fingerprint Card for the CJIS fingerprint check.

2.4.10 Compliance with State Policies

All Contractor personnel must comply with the State's security and acceptable use policies for State IT equipment and resources, available at <http://www.michigan.gov/pcpolicy>. Contractor personnel must agree to the State's security and acceptable use policies before the State grants access to its IT equipment and resources. The Contractor must provide these policies to prospective personnel before requesting access from the State. Contractor personnel must comply with all physical security procedures in State facilities.

2.5 Subcontracting by Contractor – Deleted – Not Applicable

2.5.1 Contractor Responsible – Deleted – Not Applicable

2.5.2 State Approval of Subcontractor – Deleted – Not Applicable

2.5.3 Subcontract Requirements – Deleted – Not Applicable

2.5.4 Competitive Selection – Deleted – Not Applicable

2.6 Reserved – Deleted – Not Applicable

2.7 Performance

2.7.1 Time of Performance

(a) The Contractor must immediately notify the State upon becoming aware of any circumstances that may reasonably be expected to jeopardize the completion of any Deliverable(s) by the scheduled due dates in the latest State-approved delivery schedule and must inform the State of the projected actual delivery date.

(b) 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 immediately notify the State and, to the extent practicable, continue to perform its obligations according to the Contract time periods. The Contractor will not be in default for a delay in performance to the extent the delay is caused by the State.

2.7.2 Service Level Agreements -Deleted, Not Applicable

2.7.3 Liquidated Damages – Deleted Not Applicable

2.7.4 Excusable Failure

Neither party will be liable for any default, damage or delay in the performance of its obligations that is caused by government regulations or requirements, power failure, electrical surges or current fluctuations, war, forces of nature or acts of God, delays or failures of transportation, equipment shortages, suppliers' failures, acts or omissions of common carriers, fire, riots, civil disorders, 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 any 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, the non-performing party will be excused from any further performance of its affected obligation(s) for as long as the circumstances prevail. The non-performing party must promptly notify the other party immediately after the excusable failure occurs, and when it abates or ends. Both parties must use commercially reasonable efforts to resume performance.

If any of the reasons listed substantially prevent, hinder, or delay the Contractor's performance of the Deliverable(s) for more than 10 Days, and the State reasonably determines that performance is not likely to be resumed within a period of time that is satisfactory to the State, the State may: (a) procure the affected Deliverable(s) from an alternate source without liability for payment so long as the delay in performance continues; or (b) terminate any portion of the Contract so affected and equitably adjust charges payable to the Contractor to reflect those Deliverable(s) that are terminated. The State must pay for all Deliverable(s) for which Final Acceptance has been granted before the termination date.

The Contractor will not have the right to any additional payments from the State as a result of any Excusable Failure or to payments for Deliverable(s) not provided as a result of the Excusable Failure.

2.8 Acceptance of Deliverable(s)

Acceptance of Deliverables is per Section 1.4

2.8.1 Quality Assurance

By tendering any Deliverable to the State, the Contractor certifies to the State that (a) it has performed reasonable quality assurance activities; (b) it has performed any reasonable testing; and (c) it has corrected all material deficiencies discovered during the quality assurance activities and testing. To the extent that testing occurs at State Locations, the State is entitled to observe and otherwise participate in the testing.

2.8.2 Delivery Responsibilities – Deleted – Not Applicable

2.8.3 Process for Acceptance of Deliverable(s) – Deleted – Not Applicable

2.8.4 Acceptance of Deliverable(s) – Deleted – Not Applicable

2.8.5 Process for Approval of Written Deliverable(s) – Deleted - Not Applicable

2.8.6 Process for Approval of Services

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

2.8.7 Final Acceptance – Deleted – Not Applicable

2.9 Ownership – Deleted - Not Applicable

2.10 State Standards – Deleted - Not Applicable



2.11 Confidentiality

2.11.1 Confidential Information

As used in this Section, "Confidential Information" means all information of the parties, except information that is:

- (a) disclosable under the Michigan Freedom Of Information Act (FOIA);
- (b) now available or becomes available to the public without breach of this Contract;
- (c) released in writing by the disclosing party;
- (d) obtained from a third party or parties having no obligation of confidentiality with respect to such information;
- (e) publicly disclosed pursuant to federal or state law; or
- (f) independently developed by the receiving party without reference to Confidential Information of the furnishing party.

2.11.2 Protection and Destruction of Confidential Information

(a) Each party must use the same care to prevent unauthorized disclosure of Confidential Information as it uses to prevent disclosure of its own information of a similar nature, but in no event less than a reasonable degree of care. Neither the Contractor nor the State will: (i) make any use of the Confidential Information of the other except as contemplated by this Contract; (ii) acquire any interest or license 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.

(b) Each party will limit disclosure of the other party's Confidential Information to employees, agents, and Subcontractors who must have access to fulfill the purposes of this Contract. Disclosure to, and use by, a Subcontractor is permissible where: (i) use of a Subcontractor is authorized under this Contract; (ii) the disclosure is necessary or otherwise naturally occurs in connection with work that is within the Subcontractor's scope of responsibility; and (iii) 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 having access to the State's Confidential Information may be required to execute a separate agreement to be bound by the confidentiality requirements of this Section.

(c) Upon termination of the Contract, Contractor must promptly return the State's Confidential Information or certify to the State that Contractor has destroyed all of the State's Confidential Information.

2.11.3 Exclusions

The provisions of Section 2.11, Confidentiality, will not apply where the receiving party is required by law to disclose the other party's 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.

2.11.4 No Obligation to Disclose

Nothing contained in Section 2.11, Confidentiality, will be construed as obligating a party to disclose any particular Confidential Information to the other party.

2.11.5 Security Breach Notification

If Contractor breaches this Section, it must (i) promptly cure any deficiencies in Contractor's internal security controls; 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 access, use, or disclosure. Contractor must notify the State of any unauthorized use or disclosure of Confidential Information, whether suspected or actual, within 10 days of becoming aware of the use or disclosure or a shorter time period as is reasonable under the circumstances. The State may require Contractor to purchase credit monitoring services for any individuals affected by the breach.

2.12 Records and Inspections



2.12.1 Inspection of Work Performed

The State's authorized representatives, at reasonable times and with 10 days prior notice, have the right to enter the Contractor's premises or any other places where work is being performed in relation to this Contract. The representatives may inspect, monitor, or evaluate the work being performed, to the extent the access will not reasonably interfere with or jeopardize the safety or operation of Contractor's systems or facilities. The Contractor must provide reasonable assistance for the State's representatives during inspections.

2.12.2 Retention of Records

(a) The Contractor must retain all financial and accounting records related to this Contract for a period of seven years after the Contractor performs any work under this Contract (Audit Period).

(b) If an audit, litigation, or other action involving the Contractor's records is initiated before the end of the Audit Period, the Contractor must retain the records 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.

2.12.3 Examination of Records

The State, upon 10 days' notice to the Contractor, may examine and copy any of the Contractor's records that relate to this Contract. The State does not have the right to review any information deemed confidential by the Contractor if access would require the information to become publicly available. This requirement also applies to the records of any parent, affiliate, or subsidiary organization of the Contractor.

2.12.4 Audit Resolution

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

2.12.5 Errors

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

(b) In addition to other available remedies, if the difference between the State's actual payment and the correct invoice amount, as determined by an audit, is greater than 10%, the Contractor must pay all reasonable audit costs.

2.13 Warranties

2.13.1 Warranties and Representations

The Contractor represents and warrants:

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

(b) The Contract appendices, attachments, and exhibits identify the equipment, software, and services necessary for the Deliverable(s) to comply with the Contract's requirements.

(c) It is the lawful owner or licensee of any Deliverable licensed or sold to the State by Contractor or developed by the Contractor for this Contract, and Contractor has all of the rights necessary to convey to the State the ownership rights or licensed use, as applicable, of any Deliverable(s). None of the Deliverable(s) provided by Contractor to the State, nor their use by the State, will infringe the patent, trademark, copyright, trade secret, or other proprietary rights of any third party.

(d) If the Contractor procures any equipment, software, or other Deliverable(s) for the State (including equipment, software, and other Deliverable(s) manufactured, re-marketed or otherwise sold by the Contractor or under the Contractor's name), then the Contractor must assign or otherwise transfer to the State or its designees, or afford the State the benefits of, any manufacturer's warranty for the Deliverable(s).

(e) The Contract signatory has the authority to enter into this Contract on behalf of the Contractor.



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

(g) Neither the Contractor nor any affiliates, nor any employee of either, has, will have, or will acquire, any interest that would conflict in any manner with the Contractor's performance of its duties and responsibilities to the State or otherwise create an appearance of impropriety with respect to the award or performance of this Contract. The Contractor must notify the State about the nature of any conflict or appearance of impropriety within two days of learning about it.

(h) Neither the Contractor nor any affiliates, nor any employee of either, has accepted or will accept anything of value based on an understanding that the actions of the Contractor, its affiliates, or its employees on behalf of the State would be influenced. The Contractor must not attempt to influence any State employee by the direct or indirect offer of anything of value.

(i) Neither the Contractor nor any affiliates, nor any employee of either, has paid or agreed to pay any person, other than bona fide employees and consultants working solely for the Contractor or the affiliate, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making of this Contract.

(j) The Contractor arrived at its proposed prices independently, without communication or agreement with any other Bidder for the purpose of restricting competition. The Contractor did not knowingly disclose its quoted prices for this Contract to any other Bidder before the award of the Contract. The Contractor made no attempt to induce any other person or entity to submit or not submit a proposal for the purpose of restricting competition.

(k) All financial statements, reports, and other information furnished by the Contractor to the State in connection with the award of this Contract fairly and accurately represent the Contractor's business, properties, financial condition, and results of operations as of the respective dates covered by the financial statements, reports, or other information. There has been no material adverse change in the Contractor's business, properties, financial condition, or results of operation.

(l) All written information furnished to the State by or for the Contractor in connection with the award of this Contract is true, accurate, and complete, and contains no false statement of material fact nor omits any material fact that would make the submitted information misleading.

(m) It will immediately notify DTMB-Procurement if any of the certifications, representations, or disclosures made in the Contractor's original bid response change after the Contract is awarded.

2.13.2 Warranty of Merchantability – Deleted – Not Applicable

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

2.13.4 Warranty of Title – Deleted – Not Applicable

2.13.5 Equipment Warranty - Deleted - Not Applicable

2.13.6 New Deliverable(s) – Deleted – Not Applicable

2.13.7 Prohibited Products – Deleted – Not Applicable

2.13.8 Consequences For Breach

In addition to any remedies available in law, if the Contractor breaches any of the warranties contained in Section 2.13, Warranties, the breach may be considered a material default.

2.14 Insurance

2.14.1 Liability Insurance

For the purpose of this Section, "State" includes its departments, divisions, agencies, offices, commissions, officers, employees, and agents.

(a) The following apply to all insurance requirements:

(i) The State, in its sole discretion, may approve the use of a fully-funded self-insurance program in place of any specified insurance identified in this Section.

(ii) Where specific coverage limits are listed in this Section, they represent the minimum acceptable limits. If the Contractor's policy contains higher limits, the State is entitled to coverage to the extent of



the higher limits. The minimum limits of coverage specified are not intended, and may not be construed to limit any liability or indemnity of the Contractor to any indemnified party or other persons.

(iii) If the Contractor fails to pay any premium for a required insurance policy, or if any insurer cancels or significantly reduces any required insurance without the State's approval, the State may, after giving the Contractor at least 30 days' 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 require the Contractor to pay that cost upon demand.

(iv) 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 Michigan Attorney General.

(b) The Contractor must:

(i) provide proof that it has obtained the minimum levels of insurance coverage indicated or required by law, whichever is greater. The insurance must protect the State from claims that are alleged or may arise or result from the Contractor's, including any person directly or indirectly employed by the Contractor, or any person for whose acts the Contractor may be liable.

(ii) waive all rights against the State for the recovery of damages that are covered by the insurance policies the Contractor is required to maintain under this Section. The Contractor's failure to obtain and maintain the required insurance will not limit this waiver.

(iii) ensure that all insurance coverage provided relative to this Contract is primary and non-contributing to any comparable liability insurance (including self-insurance) carried by the State.

(iv) obtain insurance, unless the State approves otherwise, from any insurer that has an A.M. Best rating of "A" or better and a financial size of VII or better, or if those ratings are not available, a comparable rating from an insurance rating agency approved by the State. All policies of insurance must be issued by companies that have been approved to do business in the State.

(v) maintain all required insurance coverage throughout the term of this Contract and any extensions. However, in the case of claims-made Commercial General Liability policies, the Contractor must secure tail coverage for at least three years following the termination of this Contract.

(vi) pay all deductibles.

(vii) pay for and provide the type and amount of insurance checked below:

(A) Commercial General Liability Insurance

Minimal Limits:

- \$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; and
- \$1,000,000 Each Occurrence Limit.

Deductible maximum:

\$50,000 Each Occurrence

Additional Requirements:

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.

(B) Umbrella or Excess Liability Insurance

Minimal Limits:

\$10,000,000 General Aggregate



Additional Requirements:

Umbrella or Excess Liability limits must at least apply to the insurance required in (A), General Commercial Liability. The Contractor must list the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents as additional insureds on the certificate. The Contractor also agrees to provide evidence that insurance policies contain a waiver of subrogation by the insurance company.

(C) Motor Vehicle Insurance

Minimal Limits:

If a motor vehicle is used in relation to the Contractor's performance, the Contractor must have vehicle liability insurance on the motor vehicle for bodily injury and property damage as required by law.

(D) Hired and Non-Owned Motor Vehicle Coverage

Minimal Limits:

\$1,000,000 Per Accident

Additional Requirements:

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 must also provide evidence that insurance policies contain a waiver of subrogation by the insurance company.

(E) Workers' Compensation Insurance

Minimal Limits:

The Contractor must provide Workers' Compensation coverage according to applicable laws governing work activities in the state of the Contractor's domicile. If the applicable coverage is provided by a self-insurer, the Contractor must provide proof of an approved self-insured authority by the jurisdiction of domicile.

For employees working outside of the state of the Contractor's domicile, the Contractor must provide certificates of insurance proving mandated coverage levels for the jurisdictions where the employees' activities occur.

Additional Requirements:

The Contractor must provide the applicable certificates of insurance and a list of states where the coverage is applicable. Contractor must provide proof that the Workers' Compensation insurance policies contain a waiver of subrogation by the insurance company, except where such a provision is prohibited or limited by the laws of the jurisdiction in which the work is to be performed.

(F) Employers Liability Insurance

Minimal Limits:

\$100,000 Each Accident;
 \$100,000 Each Employee by Disease
 \$500,000 Aggregate Disease

Additional Requirements:

The Contractor must list the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents as additional insureds on the certificate.

2.14.2 Subcontractor Insurance Coverage – Deleted – Not Applicable

2.14.3 Certificates of Insurance and Other Requirements

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. The Contractor must provide DTMB-Procurement with all applicable certificates of insurance verifying insurance coverage or providing satisfactory evidence of self-insurance as required in Section 2.14.1, Liability



Insurance. Each certificate must be on the standard "accord" form or equivalent and MUST CONTAIN THE APPLICABLE CONTRACT OR PURCHASE ORDER NUMBER. Each certificate must be prepared and submitted by the insurer and must contain a provision indicating that the coverage afforded will not be cancelled, materially changed, or not renewed without 30 days prior notice, except for 10 days for nonpayment of premium, to the Director of DTMB-Procurement. The notice to the Director of DTMB-Procurement must include the applicable Contract or Purchase Order number.

2.15 Indemnification

2.15.1 General Indemnification

To the extent permitted by law, the Contractor must indemnify, defend, and hold the State harmless 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 this Contract and that are attributable to the negligence or tortious acts of the Contractor, any of its subcontractors, or by anyone else for whose acts any of them may be liable.

2.15.2 Code Indemnification – Deleted - Not Applicable

2.15.3 Employee Indemnification

In any claims against the State, its departments, agencies, commissions, officers, employees, and agents, by any employee of the Contractor or any of its subcontractors, the indemnification obligation will 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.

2.15.4 Patent/Copyright Infringement Indemnification

(a) To the extent permitted by law, the Contractor must indemnify and hold the State harmless 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) resulting from any action threatened or brought against the State to the extent that the action is based on a claim that any piece of equipment, software, commodity, or service supplied by the Contractor or its subcontractors, or its operation, use, or reproduction, infringes any United States patent, copyright, trademark or trade secret of any person or entity.

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

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



2.15.5 Continuing Obligation

The Contractor's duty to indemnify under Section 2.15, Indemnification, continues in full force and effect, notwithstanding the expiration or early cancellation of the Contract, with respect to any claims based on facts or conditions that occurred before expiration or cancellation.

2.15.6 Indemnification Procedures

These procedures apply to all indemnity obligations:

(a) After the State receives notice of an action or proceeding involving a claim for which it will seek indemnification, the State must promptly notify the Contractor of the claim and take, or assist the Contractor in taking, any reasonable action to avoid a default judgment against the Contractor. Failure to notify the Contractor does not relieve the Contractor of its indemnification obligations except to the extent that the Contractor can prove damages attributable to the notification failure. Within 10 days following receipt of notice from the State relating to any claim, the Contractor must notify the State whether the Contractor agrees to assume control of the defense and settlement of that claim (a "Notice of Election"). After notifying the Contractor of a claim and before the State receives the 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, including attorney fees, incurred by the State in defending against the claim during that period.

(b) If the 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 handling 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 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 prior 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. The State may retain control of the defense and settlement of a claim by notifying the Contractor within 10 days after the State's receipt of the 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 the Contractor does not deliver a Notice of Election relating to any claim of which it is notified, the State may defend the claim in a manner it deems appropriate, at the cost and expense of the Contractor. If it is determined that the claim was one against which the Contractor was required to indemnify the State, upon request of the State, the Contractor must promptly reimburse the State for all reasonable costs and expenses.

2.15.7 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 attorneys' fees awarded by a court in addition to damages after litigation based on this Contract.

2.16 Termination by the State

2.16.1 Notice and Right to Cure

If the Contractor breaches the Contract, and the State, in its sole discretion, determines that the breach is curable, the State will provide the Contractor notice of the breach and a period of at least 30 days to cure the breach. The State does not need to provide notice or an opportunity to cure for successive or repeated breaches or if the State determines, in its sole discretion, that a 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.

2.16.2 Termination for Cause

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

(b) The Contractor must pay all reasonable costs incurred by the State in terminating this Contract for cause, including administrative costs, attorneys' fees and court costs, and any additional costs the State incurs to procure the Deliverable(s) 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 Deliverable(s).

(c) If the State partially terminates this Contract for cause, any charges payable to the Contractor will be equitably adjusted to reflect those Deliverable(s) that are terminated. The State must pay for all Deliverable(s) for which Final Acceptance has been granted before the termination date. Any services or 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 and it is determined, for any reason, that the Contractor was not in breach of the Contract, the termination will be deemed to have been a termination under Section 2.16.3, Termination for Convenience, effective as of the same date, and the rights and obligations of the parties will be limited to those provided in that Section.

2.16.3 Termination for Convenience

The State may fully or partially terminate this Contract for its convenience if the State determines that a termination is in the State's best interest. Reasons for the termination are within the sole discretion of the State and may include: (a) the State no longer needs the Deliverable(s) specified in this Contract; (b) a relocation of office, program changes, or changes in laws, rules, or regulations make the Deliverable(s) no longer practical or feasible for the State; (c) unacceptable prices for Contract changes; 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 by giving Contractor notice at least 30 days before the date of termination. If the State chooses to terminate this Contract in part, any charges payable to the Contractor must be equitably adjusted to reflect those Deliverable(s) that are terminated.

2.16.4 Termination for Non-Appropriation

(a) If this Contract extends for more than one fiscal year, continuation of this Contract is subject to the appropriation or availability of funds. If sufficient funds to enable the State to continue payment are not appropriated or otherwise made available, the State must fully or partially terminate this Contract at the end of the last period for which funds have been appropriated or otherwise made available. The State must give the Contractor notice at least 30 days before the date of termination, unless the State receives notice of the non-appropriation or unavailability less than 30 days before the end of the last period for which funds have been appropriated or otherwise made available.

(b) If funding for this Contract is reduced by law, or funds to pay the Contractor for the Deliverable(s) are not appropriated or are otherwise unavailable, the State may, upon 30 days' notice to the Contractor, change the Deliverable(s) in the manner and for the periods of time the State may elect. The charges payable under this Contract will be equitably adjusted to reflect any Deliverable(s) not provided because of the reduction.

(c) If the State fully or partially terminates this Contract for non-appropriation, the State must pay the Contractor for all work-in-progress performed through the effective date of the termination to the extent funds are available.

2.16.5 Termination for Criminal Conviction

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



2.16.6 Termination for Approvals Rescinded

The State may terminate this Contract if any final administrative or judicial decision or adjudication disapproves a previously approved request for purchase of personal services under Constitution 1963, Article 11, § 5, and Civil Service Rule 7-1. In that case, the State will pay the Contractor for all work-in-progress performed through the effective date of the termination. The Contract may be fully or partially terminated and will be effective as of the date stated in the notice.

2.16.7 Rights and Obligations upon Termination

(a) If the State terminates this Contract for any reason, the Contractor must:

- (i) stop all work as specified in the notice of termination;
- (ii) take any action that may be necessary, or that the State may direct, to preserve and protect Deliverable(s) or other State property in the Contractor's possession;
- (iii) return all materials and property provided directly or indirectly to the Contractor by any entity, agent, or employee of the State;
- (iv) transfer title in and deliver to the State, unless otherwise directed, all Deliverable(s) intended to be transferred to the State at the termination of the Contract (which will be provided to the State on an "As-Is" basis except to the extent the State compensated the Contractor for warranty services related to the materials);
- (v) to the maximum practical extent, take any action to mitigate and limit potential damages, including terminating or limiting subcontracts and outstanding orders for materials and supplies; and
- (vi) take all appropriate action to secure and maintain State information confidentially in accordance with Section 2.11, Confidentiality.

(b) If the State terminates this Contract under Section 2.16.3, Termination for Convenience, the State must pay the Contractor all charges due for Deliverable(s) provided before the date of termination and, if applicable, as a separate item of payment, for work-in-progress, based on a percentage of completion determined by the State. All completed or partially completed Deliverable(s) prepared by the Contractor, at the option of the State, become the State's property, and the Contractor is entitled to receive equitable compensation for those Deliverable(s). Regardless of the basis for the termination, the State is not obligated to pay or otherwise compensate the Contractor for any lost expected future profits, costs, or expenses incurred with respect to Deliverable(s) not actually completed.

(c) If the State terminates this Contract for any reason, the State may assume, at its option, any subcontracts and agreements for Deliverable(s), and may pursue completion of the Deliverable(s) by replacement contract or as the State deems expedient.

2.16.8 Reservation of Rights

In the event of any full or partial termination of this Contract, each party reserves all rights or remedies otherwise available to the party.

2.16.9 Contractor Transition Responsibilities

If this Contract terminates under Section 2.16, Termination by the State or the Contract expires, the Contractor must make reasonable efforts to transition the performance of the work, including all applicable equipment, services, software, and leases, to the State or a third party designated by the State within a reasonable period of time that does not exceed 60 days from the date of termination. The Contractor must provide any required reports and documentation.

2.16.10 Transition Payments

If the transition responsibilities outlined in Section 2.16.9, Contractor Transition Responsibilities, arise based on a termination of this Contract, reimbursement will be governed by the provisions of Section 2.16, Termination by the State. If the transition results from expiration, the Contractor will be reimbursed for all reasonable transition costs (i.e., costs incurred after the expiration within the time period in Section 2.16.9 that result from transition operations) at the Contract rates. The Contractor must prepare an accurate accounting from which the State and the Contractor may reconcile all outstanding accounts.



2.17 Termination by the Contractor

2.17.1 Termination

If the State breaches the Contract and the Contractor, in its sole discretion, determines that the breach is curable, then the Contractor will provide the State with notice of the breach and a time period (not less than 30 days) to cure the breach.

The Contractor may terminate this Contract if the State: (a) materially breaches its obligation to pay the Contractor undisputed amounts due; (b) breaches its other obligations to an extent that makes it impossible or commercially impractical for the Contractor to complete the Deliverable(s); or (c) does not cure the breach within the time period specified in a notice of breach. The Contractor must discharge its obligations under Section 2.20, Dispute Resolution, before it terminates the Contract.

2.18 Stop Work

2.18.1 Stop Work Order

The State may, by issuing a Stop Work Order, require that the Contractor fully or partially stop work for a period of up to 90 calendar days, and for any further period to which the parties agree. Upon receipt of the Stop Work Order, the Contractor must immediately take all reasonable steps to minimize incurring costs. Within the period of the Stop Work Order, the State must either: (a) terminate the Stop Work Order; or (b) terminate the work covered by the Stop Work Order as provided in Section 2.16, Termination by the State.

2.18.2 Termination of Stop Work Order

The Contractor must resume work if the State terminates 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 the Contract must be modified, if: (a) the Stop Work Order results in an increase in the time required for, or the Contractor's costs properly allocated to, the performance of the Contract; and (b) the Contractor asserts its right to an equitable adjustment within 20 days after the end of the Stop Work Order by submission of a request for adjustment to the State; provided that, the State may receive and act upon the Contractor's request submitted at any time before final payment. Any adjustment will conform to the requirements of Section 2.3.4, Contract Changes.

2.18.3 Allowance of the Contractor's Costs

If the State fully or partially terminates the work covered by the Stop Work Order, for reasons other than material breach, the termination is a termination for convenience under Section 2.16, Termination by the State, and the State will pay reasonable costs resulting from the Stop Work Order in arriving at the termination settlement. The State is not liable to the Contractor for lost profits because of a Stop Work Order issued under Section 2.18, Stop Work.

2.19 Reserved

2.20 Dispute Resolution

2.20.1 General

(a) The Contractor must submit any claim related to this Contract to the State under Section 2.3.6, Notices, together with all supporting documentation for the claim.

(b) The representatives of the Contractor and the State must meet as often as the parties reasonably deem necessary to gather and furnish to each other all information related to the claim.

(c) During the course of negotiations, each party will honor all reasonable requests made by the other for non-privileged information reasonably related to the claim.

2.20.2 Informal Dispute Resolution

(a) If, after a reasonable time following submission of a claim under Section 2.20.1, General, and the parties are unable to resolve the claim, the parties must meet with the Director of DTMB-Procurement, or his or her designee, for the purpose of attempting to resolve the dispute without the need for formal legal proceedings.



(b) Within 60 calendar days of the meeting with the Director of DTMB- Procurement, or such other time as agreed to by the parties, the Director of DTMB- Procurement will issue a written recommendation regarding settlement of the claim. The Contractor must notify DTMB- Procurement within 21 days after the recommendation is issued whether the Contractor accepts or rejects the recommendation. Acceptance by the Contractor constitutes the final resolution of the claim addressed in the recommendation, and the Contractor may not assert that claim in any future litigation or other proceeding between the parties.

(c) The recommendation of the Director of DTMB- Procurement is not admissible in any future litigation or other proceeding between the parties. The conduct and statements made during the course of negotiations or dispute resolution under Section 2.20, Dispute Resolution, are subject to Michigan Rule of Evidence 408 and are not admissible in any future litigation or other proceeding between the parties.

(d) This section will not be construed to prohibit either party from instituting formal proceedings to avoid the expiration of any applicable limitations period, to preserve a superior position with respect to other creditors, or under Section 2.20.3, Injunctive Relief.

(e) DTMB- Procurement will not mediate disputes between the Contractor and any other entity, except State agencies, concerning responsibility for performance of work.

2.20.3 Injunctive Relief

A claim between the State and the Contractor is not subject to the provisions of Section 2.20.2, Informal Dispute Resolution, where a party makes a good faith determination that a breach of the Contract by the other party will result in damages so immediate, so large or severe, and so incapable of adequate redress that a temporary restraining order or other injunctive relief is the only adequate remedy.

2.20.4 Continued Performance

Each party will continue performing its obligations under the Contract while a claim is being resolved, except to the extent the claim precludes performance and without limiting either party's right to terminate the Contract as provided in Section 2.16, Termination by the State or Section 2.17, Termination by the Contractor. A claim involving payment does not preclude performance.

2.21 Disclosure Responsibilities

2.21.1 Disclosure of Litigation

(a) Within 30 days after receiving notice of any litigation, investigation, arbitration, or other proceeding (collectively, "Proceeding") that arises during the term of this Contract, the Contractor must disclose the following to the Contract Administrator:

- (i) A criminal Proceeding involving the Contractor or any of its officers or directors;
- (ii) A parole or probation Proceeding;
- (iii) A Proceeding involving the Contractor or any of its officers or directors under the Sarbanes-Oxley Act; and
- (iv) A civil Proceeding to which the Contractor (or, if the Contractor is aware) is a party, and which involves (A) a claim that might reasonably be expected to adversely affect the viability or financial stability of the Contractor; or (B) a claim or written allegation of fraud against the Contractor (or, if the Contractor is aware) by a governmental or public entity arising out of the Contractor's business dealings with governmental or public entities.

(b) Information provided to the State from the Contractor's publicly filed documents will satisfy the requirements of this Section.

(c) If any Proceeding that is disclosed to the State 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 the Contractor to continue to perform this Contract; or (ii) whether the Contractor is engaged in conduct that is similar in nature to the conduct alleged in the Proceeding and would constitute a breach of this Contract or a violation of federal or state law, regulations, or public policy, then the Contractor must provide the State all requested reasonable assurances that the Contractor will be able to continue to perform this Contract.



2.21.2 Other Disclosures

The Contractor must notify DTMB- Procurement within 30 days of:

- (a) becoming aware that a change in the Contractor's ownership or officers has occurred or is certain to occur; or
- (b) any changes to company affiliations.

2.21.3 Call Center Disclosure

The Contractor involved in the performance of this Contract providing call or contact center services to the State must disclose the location of its call or contact center services to inbound callers. Failure to disclose this information is a material breach of this Contract.

2.22 Extended Purchasing

2.22.1 MiDEAL Requirements – Deleted – Not Applicable

2.22.2 MiDEAL Administrative Fee – Deleted – Not Applicable

2.22.3 State Employee Purchase Requirements – Deleted – Not Applicable

2.23 Laws

2.23.1 Governing Law

This Contract is 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 another jurisdiction to the extent not inconsistent with or preempted by federal law.

2.23.2 Compliance with Laws

The Contractor must comply with all applicable federal, state, and local laws and ordinances in providing the Deliverable(s).

2.23.3 Jurisdiction

Any dispute arising from the Contract must be resolved in the State of Michigan. With respect to any claim between the parties, the Contractor consents to venue in Ingham County, Michigan, and irrevocably waives any objections to this venue that it may have, such as lack of personal jurisdiction or *forum non conveniens*. The Contractor must appoint agents in the State of Michigan to receive service of process.

2.23.4 Nondiscrimination

In the performance of the Contract, the 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. This covenant is required under the Elliott-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 the Contract.

2.23.5 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 MCL 423.322. This information is compiled by the United States National Labor Relations Board. A Contractor of the State, in relation to the Contract, must not enter into a contract with a Subcontractor, manufacturer, or supplier whose name appears in this register. Under MCL 423.324, the State may void any Contract if, after award of the Contract, the name of the Contractor as an employer or the name of the Subcontractor, manufacturer or supplier of the Contractor appears in the register.



2.23.6 Environmental Provision

For the purposes of this section, "Hazardous Materials" include 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:

(a) The Contractor must use, handle, store, dispose of, process, transport, and transfer any Hazardous Material according to all federal, State, and local laws. The State must immediately advise the Contractor of the presence of any known Hazardous Material at the work site. If the Contractor encounters material reasonably believed to be Hazardous Material that may present a substantial danger, the Contractor must: (i) immediately stop all affected work; (ii) notify the State in accordance with Section 2.3.6, Notices; (iii) notify any entities required by law; and (iv) take appropriate health and safety precautions.

(b) The State may issue a Stop Work Order if the material is a Hazardous Material that may present a substantial danger and the Hazardous Material was not brought to the site by the Contractor, or does not wholly or partially result 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 may remove the Hazardous Material, render it harmless, or terminate the affected work for the State's convenience.

(c) If the Hazardous Material was brought to the site by the Contractor, or wholly or partially results 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.

2.23.7 Freedom of Information

This Contract and all information submitted to the State by the Contractor is subject to the Michigan Freedom of Information Act (FOIA), 1976 PA 442, MCL 15.231, *et seq.*

2.23.8 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>.

2.23.9 Prevailing Wage – Deleted - Not Applicable

2.23.10 Abusive Labor Practices

The Contractor may not furnish any Deliverable(s) that were produced fully or partially by forced labor, convict labor, forced or indentured child labor, or indentured servitude.

"Forced or indentured child labor" means all work or service (1) 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 (2) performed by any person under the age of 18 under a contract the enforcement of which can be accomplished by process or penalties.

2.24 General Provisions

2.24.1 Bankruptcy and Insolvency

The State may, without prejudice to any other right or remedy, fully or partially terminate this Contract and, at its option, take possession of the work-in-progress and finish the work-in-progress by whatever method the State deems appropriate if:

- (a) the Contractor files for bankruptcy protection;
- (b) an involuntary petition is filed against the Contractor and not dismissed within 30 days;
- (c) the Contractor becomes insolvent or 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 provide the Deliverable(s) under this Contract.



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

2.24.2 Media Releases

News releases (including promotional literature and commercial advertisements) pertaining to the RFP and this Contract or the project to which it relates will not be made without prior approval by the State, and only in accordance with the instructions from the State.

2.24.3 Contract Distribution

DTMB- Procurement Services retains the sole right of Contract distribution to all State agencies and local units of government unless other arrangements are authorized by DTMB- Procurement.

2.24.4 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 Contract.

2.24.5 Website Incorporation

The State is not bound by any content on the Contractor's website unless incorporated directly into this Contract.

2.24.6 Future Bidding Preclusion – Deleted - Not Applicable

2.24.7 Antitrust Assignment

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

2.24.8 Disaster Recovery

Contractor and the State recognize that the State provides essential services in times of natural or man-made disasters. Therefore, except as mandated by federal disaster response requirements, Contractor personnel dedicated to providing Deliverable(s) under this Contract will provide the State with priority.

2.24.9 Legal Effect

The State is not liable for costs incurred by the Contractor or for payment(s) under this Contract until the Contractor is authorized to perform under Section 1.2.4, Ordering.

2.24.10 Entire Agreement

This Contract constitutes the entire agreement between the parties and supersedes all prior agreements, whether written or oral, with respect to the subject matter. All attachments referenced in this Contract are incorporated in their entirety and form part of this Contract.

2.24.11 Order of Precedence

Any inconsistency in the terms associated with this Contract will be resolved by giving precedence to the terms in the following descending order:

- (a) Mandatory sections (2.1.1, Contract Term, 2.24.9, Legal Effect, 2.2.2, Payment Deadlines, 2.14, Insurance, 2.15, Indemnification, 2.16, Termination, 2.23, Governing Law, 2.15.7, Limitation of Liability);
- (b) The most recent Statement of Work related to this Contract;
- (c) All sections from Article 2 - Terms and Conditions, not listed in subsection (a);
- (d) Any attachment or exhibit to the Contract documents;
- (e) Any Purchase Order, Direct Voucher, or Procurement Card Order issued under the Contract; and
- (f) Bidder Responses contained in any of the RFP documents.

**2.24.12 Headings**

The captions and section headings used in this Contract are for convenience only and may not be used to interpret the scope and intent of this Contract.

2.24.13 Form, Function and Utility

If this Contract is for statewide use, but the Deliverable(s) does not meet the form, function, and utility required by a State agency, that agency may, subject to State purchasing policies, procure the Deliverable(s) from another source.

2.24.14 Reformation and Severability

Each provision of the Contract is severable from all other provisions of the Contract. If any provision of this Contract is held unenforceable, then the Contract will be modified to reflect the parties' original intent. All remaining provisions of the Contract remain in full force and effect.

2.24.15 Approval

Unless otherwise provided in this Contract, approval(s) must be in writing and must not be unreasonably withheld or delayed.

2.24.16 No Waiver of Default

Failure by a party to insist upon strict adherence to any term of the Contract does not waive that party's right to later insist upon strict adherence to that term, or any other term, of the Contract.

2.24.17 Survival

The provisions of this Contract that impose continuing obligations, including warranties, indemnification, and confidentiality, will survive the expiration or termination of this Contract.

2.25 Additional Terms**2.25.1 Most Favored Customer**

Contractor represents that all prices, terms and benefits offered under this Contract are equal or better than the equivalent prices, terms and benefits being offered by the Contractor to any other organization or local government unit in the State of Michigan with the following exceptions: (1) charitable donations (2) private or public higher education institutions, GSA schedule and sales errors or misquotes. Should Contractor, during the term of this Contract, enter into any contract, agreement or arrangement that provides lower prices, more favorable terms or greater benefits to any other such government or local government customer, this agreement shall thereupon be deemed amended to provide the same price or prices, terms and benefits the State and other authorized users of the Contract.



Attachment A, Location Specification Sheet

**DEPARTMENT OF MILITARY & VETERANS AFFAIRS
GRAND RAPIDS HOME FOR VETERANS
PART I: LOCATION SPECIFICATIONS**

LOCATION SPECIFICATIONS

A. CONTRACT AND CCI INFORMATION

GRAND RAPIDS HOME FOR VETERANS

<i>CONTRACT INFORMATION</i>			
ESTIMATED NEW CONTRACT START DATE:	2/8/2012	ESTIMATED CONTRACT END DATE:	10/31/2014
<i>PREVIOUS CONTRACT #:</i>	071B7200317		
<i>NUMBER OF YEARS:</i>	Two (2) Year and Eight (8) Month Contract with 1, One year Option to Extend		
CONTRACTING AGENCY NAME:	DTMB - FOR THE DEPARTMENT OF MILITARY & VETERANS AFFAIRS		
BUILDING NAME AND NUMBER:	MCLEISH, RANKIN, MANN / GRAND RAPIDS HOME FOR VETERANS		
BUILDING ADDRESS:	3000 MONROE AVENUE, NE, GRAND RAPIDS, MI 49505		
IS THIS LOCATION CURRENTLY ON CRO "SET ASIDE" STATUS?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
REGION and COUNTY:	Region: 11 County: KENT		
<i>PROCUREMENT CONTACT INFORMATION</i>			
PROCUREMENT OFFICE NAME:	PURCHASING AND CONTRACTS (DMVA)		
PROCUREMENT OFFICE CONTACT NAME:	Kimberly Graham	CONTACT TELEPHONE #:	517- 481-7643
PROCUREMENT OFFICE CONTACT E-MAIL:	graham@michigan.gov	CONTACT FACISIMILE #:	517-481-7644
CONTRACT COMPLIANCE INSPECTOR (CCI) / FACILITY MANAGER (FM) NAME:	BRIAN STEDMAN – FACILITY MANAGER	CONTACT TELEPHONE #:	616-364-5409
CCI / FM CONTACT E-MAIL:	stedmanb@michigan.gov	CONTACT FACISIMILE #:	616-364-5398

B. BUILDING SPECIFICATION INFORMATION

BUILDING LOCATION INFORMATION			
OFFICIAL WORKING DAYS OF BUILDING OCCUPANTS:	7 DAYS A WEEK	OFFICIAL WORKING HOURS OF BUILDING OCCUPANTS:	24/7/365 INCLUDING HOLIDAYS
NUMBER OF EMPLOYEES:	N/A	APPROXIMATE DAILY VISITORS:	VARIES
IDENTIFY DAYS OF LAUNDRY SORTING SERVICE:	7 DAYS A WEEK	IDENTIFY HOURS OF LAUNDRY SORTING SERVICE:	7:00 AM - 3:30 PM
		NUMBER OF STORIES IN BUILDING:	N/A



Attachment B, Price Terms

MICHIGAN DEPARTMENT OF MILITARY AND VETERANS AFFAIRS – GRAND RAPIDS HOME FOR VETERANS

LAUNDRY SERVICES

Type of Employee	Number of Employees	Multiply	Number of Hrs/Day	Multiply	Hourly Rate	Multiply	Number of working days	=	Annual Bid
Sorters	3	X	24	X	\$14.39	X	365	=	\$126,056.00
Sorters	3	X	24	X	\$14.39	X	260	=	\$89,794.00
Supervisor	1	X	8	X	\$25.45	X	260	=	\$52,936.00
									\$268,786.00