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

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

June 25, 2007

NOTICE
TO
CONTRACT NO. 071B7200300
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR **Reliable Disposal, Inc.** **7227 Reliable Path** **Stevensville, MI 49127** **graffeniuss@repsrv.com**	TELEPHONE (269) 465-5513 **Steve Graffenius** VENDOR NUMBER/MAIL CODE BUYER/CA (517) 241-1145 **Lymon C. Hunter, CPPB**
Contract Compliance Inspector: Mike Terrell **Rubbish Removal Services – MRO – Southwest Region - DNR**	
CONTRACT PERIOD: From: **July 1, 2007**	To: **July 1, 2010**
TERMS **N/A**	SHIPMENT **N/A**
F.O.B. **N/A**	SHIPPED FROM **N/A**
MINIMUM DELIVERY REQUIREMENTS **N/A**	

The terms and conditions of this Contract are those of ITB No. 071I7200180, this Contract Agreement and the vendor's quote dated 3/29/2007. In the event of any conflicts between the specifications, terms and conditions indicated by the State and those indicated by the vendor, those of the State take precedence.

Estimated Contract Value: $44,332.80

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THIS IS NOT AN ORDER: This Contract Agreement is awarded on the basis of our inquiry bearing the ITB No. 071I7200180. Orders for delivery may be issued directly by the Department of Natural Resources through the issuance of a Purchase Order Form.

All terms and conditions of the invitation to bid are made a part hereof.

FOR THE VENDOR:	**FOR THE STATE:**
Reliable Disposal, Inc. Firm Name	Signature
Authorized Agent Signature	**Lymon C. Hunter, CPPB, Buyer Specialist** Name/Title
Authorized Agent (Print or Type)	**Services Division, Purchasing Operations** Division
Date	Date

STATE OF MICHIGAN
Department of Management and Budget
Purchasing Operations

Contract No. 071B7200300
RUBBISH/WASTE REMOVAL SERVICES
SUPERIOR, NORTH, GRAND & SOUTHWEST REGIONS
(Statewide)

Buyer Name: Lymon C. Hunter, CPPB
Telephone Number: 517.241.1145
E-Mail Address: HunterL@Michigan.gov

Estimated Timeline:

Key Milestone:	**Date:**
Issue Date	1/12/07
Pre-Bid Meeting/Site Visit	2/1-2/15/07
Questions Due	2/09/07
Bid Due Date	2/21/07
Award Recommendation Date	4/16/07
Anticipated State Administrative Board Approval	5/15/07
Contract Start Date	7/01/07

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LOCATION SPECIFICATION SHEETS

Article 1 – Statement of Work (SOW)

1.0 PROJECT IDENTIFICATION

1.001 PROJECT REQUEST/DESCRIPTION OF SERVICES

This Contract is to establish an agreement for general rubbish removal service for various State of Michigan facilities as detailed on the attached location specification sheet(s). Section I is designed to provide contractors with information requirements associated with this contract.

1.1 SCOPE OF WORK AND DELIVERABLES

1. Furnish, install, set in place, and service containers as specified on the Pricing Sheets. Facility Manager or designee will determine location of containers, collection frequency, and times.

2. Holidays will be included in pick-up times unless no pick up is required by mutual agreement with the agency.

3. The Contractor must have equipment and personnel to adequately perform the specified service. In the event of mechanical breakdown of trucks or equipment the Contractor will be expected to provide backup service so that pick-ups will be performed as required.

4. All containers are to be "NEW" at the beginning of the Contract. Thereafter**,** containers shall be clean and well painted and kept in like new condition. Containers shall have tight fitting top loading split covers with lid positioners.

5. Any of the locations may be canceled from the proposed Contract if the service is no longer required.

6. The State Prison of Southern Michigan owns all necessary compactor boxes. All other containers will be the property of the Contractor and maintenance of those containers shall be the responsibility of the Contractor.

7. The agency shall notify the Contractor by phone of all pick-ups identified on the pricing sheets as "**on call**". The Contractor is to respond to the agency **"on-call"** request for pick-up within 24-hours. This may include Saturday.

8. All refuse containers will be handled carefully and with caution to avoid damage or abuse that would cause them to be unsightly. Any Contractor owned container that presents a hazard to the agency or public must be immediately removed and replaced by the Contractor.

9. Refuse and accumulations spilled from container while being serviced must be immediately cleaned up by Contractor's collector.

10. When excess refuse is stacked against full containers, this material must also be picked up with collection.

11. Collection vehicles shall not be parked longer than necessary to make vicinity collections.

12. Refuse accumulation shall include any and all materials that are discarded by agency during the use, operation and maintenance of the facility.

13. Invoice billings shall be rendered on a monthly basis to the agency where the service is performed. Please refer to individual location specification sheets (LSS) for specific invoicing addresses.

FOR CORRECTIONAL FACILITIES ONLY:

1. Contractors vehicle (truck) must be able to be locked when entering the facility. If the driver leaves the cab it must be locked.

2. The Contractor is to pick-up trash at each facility with an empty truck and proceed immediately to landfill to dispose of waste. Copies of receipts from landfill must be sent to the state prior to payment to verify tonnage disposed.

3. Each individual entering a correctional facility must possess a Michigan license and be cleared on the State Police LEIN check.

4. The possibility exists of an approximate wait of 5 to 20 minutes before vehicle will be able to enter the facility. However, every reasonable effort will be made by the facility to limit waiting time.

5. If other vehicles are waiting to enter the sallyport gate, which causes a delay, Contractor may return later the same day for pick-up.

6. If a facility is experiencing a Lock Down, the Contractor's truck may be turned away.

7. **ALL UNCOMPACTED RUBBISH MUST BE COMPACTED AT CONTAINER SITE BEFORE VEHICLE LEAVES FACILITY.**

8. Contractor must meet with agency representative at site to arrange schedules and to receive necessary orientation and security clearances prior to start of any contracted service.

9. **PICK-UPS SHALL BE BETWEEN THE HOURS OF 7:00 AM TO 4:00 PM MONDAY THROUGH FRIDAY. CONTRACTOR VEHICLES WILL NOT BE ALLOWED TO ENTER FACILITIES DURING THE LUNCH COUNT (10:45 AM – 12:15 PM).**

10. Contractor vehicles and personnel entering and leaving the facility property shall be searched.

1.4 PROJECT MANAGEMENT

1.401 ISSUE MANAGEMENT

When issues or discrepancies against the specifications and terms of the Contract occur, the Contract Compliance Inspector will contact the Contractor's designated representative.

All issues or discrepancies must be taken care by a mutually agreed time period between the agency and the Contractor. Agencies reserve the right to initiate Contractor performance documentation in MAIN to record relevant performance activities.

If issues are not resolved in the designated time, the Contract Compliance Inspector will follow their agency's procedures for Contractor performance resolution.

1.402 RESERVED

1.403 CHANGE MANAGEMENT

If a proposed Contract change is approved by the Contract Compliance Inspector, the Contract Compliance Inspector will submit a request for change to the Department of Management and Budget, Purchasing Operations Buyer, who will make recommendations to the Director of Purchasing Operations regarding ultimate approval/disapproval of change request. If the DMB Purchasing Operations Director agrees with the proposed modification, and all required approvals are obtained (including State Administrative Board), the Purchasing Operations Buyer will issue an addendum to the Contract, via a Contract Change Notice. **Contractors who provide products or services prior to the issuance of a Contract Change Notice by the DMB Office of Purchasing Operations, risk non-payment for the out-of-scope/pricing products and/or services.**

Article 2 – General Terms and Conditions

2.0 INTRODUCTION

2.001 GENERAL PURPOSE

The Contract is for **Rubbish Removal Services for Multiple Agencies and Locations** for the State of Michigan. Exact quantities to be purchased are unknown, however the Contractor will be required to furnish all such materials and services as may be ordered during the CONTRACT period. Quantities specified if any, are estimates based on prior purchases, and the State is not obligated to purchase in these or any other quantities. Orders for delivery will be issued directly to the Contractor by various State Agencies on the Purchase Order Contract Release Form.

2.002 ISSUING OFFICE AND CONTRACT ADMINISTRATOR

The Contract is issued by Purchasing Operations, State of Michigan, Department of Management and Budget, hereinafter known as Purchasing Operations, for multiple State Agencies identified within this document. Where actions are a combination of those of Purchasing Operations and the State agencies, the authority will be known as the State.

Purchasing Operations is the sole point of contact in the State with regard to all procurement and Contractual matters relating to the commodities and/or services described herein. Purchasing Operations is the only office authorized to negotiate, change, modify, amend, alter, clarify, etc., the specifications, terms, and conditions of the Contract. Purchasing Operations will remain the SOLE POINT OF CONTACT throughout the procurement process.

Contractor proceeds at its own risk if it takes negotiation, changes, modification, alterations, amendments, clarification, etc., of the specifications, terms, or conditions of the Contract from any individual or office other than Purchasing Operations and the listed Contract administrator

All communications covering this procurement must be addressed to Contract administrator indicated below:

Lymon C. Hunter, CPPB
Purchasing Operations
Department of Management and Budget
Mason Bldg, 2nd Floor
PO Box 30026
Lansing, MI 48909
HunterL@Michigan.Gov
517.241.1145

2.003 NOTICE

Any notice given to a party under this Contract must be written and shall be deemed effective, if addressed to such party as addressed below upon (i) delivery, if hand delivered; (ii) receipt of a confirmed transmission by facsimile if a copy of the notice is sent by another means specified in this section; (iii) the third (3rd) Business Day after being sent by U.S. mail, postage pre-paid, return receipt requested; or (iv) the next Business Day after being sent by a nationally recognized overnight express courier with a reliable tracking system.

2.004 CONTRACT TERM

The term of this Contract will be for three (3) years and will commence with the issuance of a Contract. This will be approximately **July 1, 2007 through July 1, 2010**.

2.005 GOVERNING LAW

The Contract shall in all respects be governed by, and construed in accordance with, the laws of the State of Michigan. By signing this agreement, Contractor consents to personal jurisdiction in the state of Michigan. Any dispute arising herein shall be resolved in the State of Michigan.

2.006 APPLICABLE STATUTES

The following statutes, rules, and laws are applicable to the performance of this Contract; some statutes are reflected in the clauses of this Contract. This list is NOT exhaustive.

MI Uniform Commercial Code (MIUCC) MCL 440. (All sections unless otherwise altered by agreement)
MI OSHA MCL §§ 408.1001 – 408.1094
Freedom of Information Act (FIOA) MCL §§ 15.231, et seq.
Natural Resources and Environmental Protection Act MCL §§ 324.101, et seq.
MI Consumer Protection Act MCL §§ 445.901 – 445.922
Laws relating to wages, payments of wages, and fringe benefits on state projects MCL §§ 408.551 – 408.558, 408.471 – 408.490, 1965 PA 390.
Department of Civil Service Rules and regulations
Elliot Larsen Civil Rights Act MCL §§ 37.2201, et seq.
Persons with disabilities Civil Rights Act MCL §§ 37.1101, et seq.
MCL §§ 423.321, et seq.
MCL § 18.1264 (law regarding debarment)
Davis-Bacon Act (DBA) 40 USCU §§ 276(a), et seq.
Contract Work Hours and Safety Standards Act (CWHSAA) 40 USCS § 327, et seq.
Business Opportunity Act for Persons with Disabilities MCL §§ 450.791 – 450.795
Rules and regulations of the Environmental Protection Agency
Internal Revenue Code
Rules and regulations of the Equal Employment Opportunity Commission (EEOC)
The Civil Rights Act of 1964, USCS Chapter 42
Title VII, 42 USCS §§ 2000e et seq.
The Americans with Disabilities Act (ADA), 42 USCS §§ 12101 et seq.
The Age Discrimination in Employment Act of 1967 (ADEA), 29 USCS §§ 621, 623 et seq.
The Old Workers Benefit and Protection Act of 1990 (OWBPA), 29 USCS §§ 626, et seq.
The Family Medical Leave Act of 1993 (FMLA), 29 USC §§ 651 et seq.
The Fair Labor Standards Act (FLSA), 29 USC §§ 201 et seq.
Pollution Prevention Act of 1990 (PPA) 42 U.S.C. §13106
Sherman Act, 15 U.S.C.S. § 1 et seq.
Robinson-Patman Act, 15 U.S.C.S. § 13 et. seq.
Clayton Act, 15 U.S.C.S. § 14 et seq.

2.007 RELATIONSHIP OF THE PARTIES

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

2.008 HEADINGS

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

2.009 MERGER

This document constitutes the complete, final, and exclusive agreement between the parties. All other prior writings and negotiations are ineffective.

2.010 SEVERABILITY

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

2.011 SURVIVORSHIP

Any provisions of the Contract that impose continuing obligations on the parties including, but not limited to the Contractor's indemnity and other obligations shall survive the expiration or cancellation of the Contract for any reason.

2.012 NO WAIVER OF DEFAULT

The failure of a party to insist upon strict adherence to any term of the Contract shall not be considered a waiver or deprive the party of the right thereafter to insist upon strict adherence to that term or any other term of the Contract.

2.013 PURCHASE ORDERS

Orders for delivery of commodities and/or services may be issued directly by the State Departments through the issuance of a Purchase Order Form referencing this Contract (Blanket Purchase Order) agreement and the terms and conditions contained herein. Contractor is asked to reference the Purchase Order Number on all invoices for payment.

2.090 FINANCIAL

2.091 PRICING

(a) Fixed Prices for Services/Deliverables
Each Statement of Work/PO issued under this Contract shall specify (or indicate by reference to the appropriate Contract Exhibit) the firm, fixed prices for all Services/Deliverables, and the associated payment milestones and payment amounts. To the extent the parties agree that certain specific Services will be provided on a time and materials basis, such Services shall be provided at the Amendment Labor Rates (**Article 1, Attachment A**). The State may make progress payments to the Contractor when requested as work progresses, but not more frequently than monthly, in amounts approved by the Contract Administrator, after negotiation. Contractor must show verification of measurable progress at the time of requesting progress payments.
(b) Adjustments for Reductions in Scope of Services/Deliverables
If the scope of the Services/Deliverables under any Statement of Work issued under this Contract is subsequently reduced by the State, the parties shall negotiate an equitable reduction in Contractor's charges under such Statement of Work commensurate with the reduction in scope, using the rates in **Article 1, Attachment A, u**nless specifically identified in an applicable Statement of Work.
(c) Services/Deliverables Covered
For all Services/Deliverables to be provided by Contractor (and its Subcontractors, if any) under this Contract, the State shall not be obligated to pay any amounts in addition to the charges specified in this Contract.
(d) Labor Rates
All time and material charges will be at the rates specified in **Article 1, Attachment A**.

2.1 CONTRACTOR/CONTRACTOR OBLIGATIONS

2.101 ACCOUNTING RECORDS

The Contractor and all subcontractors shall maintain all pertinent financial and accounting records and evidence pertaining to the Contract in accordance with generally accepted principles of accounting and other procedures specified by the State of Michigan. Financial and accounting records shall be made available, upon request, to the State of Michigan, its designees, or the Michigan Auditor General at any time during the Contract period and any extension thereof, and for three years from expiration date and final payment on the Contract or extension thereof.

2.102 NOTIFICATION OF OWNERSHIP

The Contractor shall make the following notifications in writing:

1. When the Contractor becomes aware that a change in its ownership or officers has occurred, or is certain to occur, that could result in changes in the valuation of its capitalized assets in the accounting records, the Contractor shall notify Purchasing Operations within 30 days.

2. The Contractor shall also notify the Purchasing Operations within 30 days whenever changes to asset valuations or any other cost changes have occurred or are certain to occur as a result of a change in ownership or officers.

The Contractor shall:

1. Maintain current, accurate, and complete inventory records of assets and their costs;

2. Provide Purchasing Operations or designated representative ready access to the records upon request;

3. Ensure that all individual and grouped assets, their capitalized values, accumulated depreciation or amortization, and remaining useful lives are identified accurately before and after each of the Contractor's ownership or officer changes; and

4. Retain and continue to maintain depreciation and amortization schedules based on the asset records maintained before each Contractor ownership or officer change.

2.103 SOFTWARE COMPLIANCE - RESERVED

2.104 RESERVED

2.105 PARE - RESERVED

2.106 PREVAILING WAGE - RESERVED

2.107 PAYROLL AND BASIC RECORDS - RESERVED

2.108 COMPETITION IN SUB-CONTRACTING

The Contractor shall select subcontractors (including suppliers) on a competitive basis to the maximum practical extent consistent with the objectives and requirements of the Contract.

2.109 RESERVED

2.2 CONTRACT PERFORMANCE

2.201 TIME IS OF THE ESSENCE

Contractor/Contractor is on notice that time is of the essence in the performance of this Contract. Late performance will be considered a material breach of this Contract, giving the State a right to invoke all remedies available to it under this Contract.

2.202 CONTRACT PAYMENT SCHEDULE

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

2.203 POSSIBLE PROGRESS PAYMENTS - RESERVED

2.204 POSSIBLE PERFORMANCE-BASED PAYMENTS - RESERVED

2.205 ELECTRONIC PAYMENT AVAILABILITY

Electronic transfer of funds is mandatory for State Contractors. Contractors must register with the State of Michigan Office of Financial Management so the State can make payments related to this Contract electronically at www.cpexpress.state.mi.us. Effective October 1, 2005, Act 533 of 2004 requires that all State Contracts for the purchase of goods or services provide payments be made by electronic funds transfer (EFT).

2.206 PERFORMANCE OF WORK BY CONTRACTOR - RESERVED

2.3 CONTRACT RIGHTS AND OBLIGATIONS

2.301 INCURRING COSTS

The State of Michigan is not liable for any cost incurred by the Contractor prior to signing of the Contract. The State fiscal year is October 1st through September 30th. The Contractor(s) should realize that payments in any given fiscal year are contingent upon enactment of legislative appropriations. Total liability of the State is limited to terms and conditions of the Contract.

2.302 CONTRACTOR RESPONSIBILITIES

The Contractor will be required to assume responsibility for all contractual activities, whether or not that Contractor performs them. Further, the State will consider the Contractor to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the anticipated Contract. If any part of the work is to be subcontracted, the Contract must include a list of subcontractors, including firm name and address, contact person and a complete description of work to be subcontracted. The State reserves the right to approve subcontractors and to require the Contractor to replace subcontractors found to be unacceptable. The Contractor is totally responsible for adherence by the subcontractor to all provisions of the Contract. Any change in subcontractors must be approved by the State, in writing, prior to such change.

2.303 ASSIGNMENT AND DELEGATION

The Contractor shall not have the right to assign this Contract, to assign its rights under this Contract, or delegate any of its duties or obligations under the Contract to any other party (whether by operation of law or otherwise), without the prior written consent of the State. Any purported assignment in violation of this Section shall be null and void. Further, the Contractor may not assign the right to receive money due under the Contract without the prior written consent of the Director of Purchasing Operations.

The Contractor shall not delegate any duties or obligations under the Contract to a subcontractor other than a subcontractor named and approved in the bid unless the Director of Purchasing Operations has given written consent to the delegation.

Bidder must obtain the approval of the Director of Purchasing Operations before using a place of performance that is different from the address that bidder provided in the bid.

2.304 TAXES

Sales Tax: For purchases made directly by the State of Michigan, the State is exempt from State and Local Sales Tax. Prices shall not include such taxes. Exemption Certificates for State Sales Tax will be furnished upon request.

Federal Excise Tax: The State of Michigan may be exempt for Federal Excise Tax, or such taxes may be reimbursable, if articles purchased under this Contract are used for the State's exclusive use. Certificates exclusive use for the purposes of substantiating a tax-free, or tax-reimbursable sale will be sent to the Contractor upon request. If a sale is tax exempt or tax reimbursable under the Internal Revenue Code, prices shall not include the Federal Excise Tax.

The State's Tax Exempt Certification is available for Contractor viewing upon request to the Contract Administrator.

2.305 INDEMNIFICATION

General Indemnification

To the fullest extent permitted by law, the Contractor shall indemnify, defend and hold harmless the State, its departments, divisions, agencies, sections, commissions, officers, employees and agents, from and against all losses, liabilities, penalties, fines, damages and claims (including taxes), and all related costs and expenses (including reasonable attorneys' fees and disbursements and costs of investigation, litigation, settlement, judgments, interest and penalties), arising from or in connection with any of the following:

1. Any claim, demand, action, citation or legal proceeding against the State, its employees and agents arising out of or resulting from (1) the product provided or (2) performance of the work, duties, responsibilities, actions or omissions of the Contractor or any of its subcontractors under this Contract.

2. Any claim, demand, action, citation or legal proceeding against the State, its employees and agents arising out of or resulting from a breach by the Contractor of any representation or warranty made by the Contractor in the Contract;

3. Any claim, demand, action, citation or legal proceeding against the State, its employees and agents arising out of or related to occurrences that the Contractor is required to insure against as provided for in this Contract;

4. Any claim, demand, action, citation or legal proceeding against the State, its employees and agents arising out of or resulting from the death or bodily injury of any person, or the damage, loss or destruction of any real or tangible personal property, in connection with the performance of services by the Contractor, by any of its subcontractors, by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable; provided, however, that this indemnification obligation shall not apply to the extent, if any, that such death, bodily injury or property damage is caused solely by the negligence or reckless or intentional wrongful conduct of the State;

5. Any claim, demand, action, citation or legal proceeding against the State, its employees and agents which results from an act or omission of the Contractor or any of its subcontractors in its or their capacity as an employer of a person.

Patent/Copyright Infringement Indemnification

To the fullest extent permitted by law, the Contractor shall indemnify, defend and hold harmless the State, its employees and agents from and against all losses, liabilities, damages (including taxes), and all related costs and expenses (including reasonable attorneys' fees and disbursements and costs of investigation, litigation, settlement, judgments, interest and penalties) incurred in connection with any action or proceeding threatened or brought against the State to the extent that such action or proceeding is based on a claim that any piece of equipment, software, commodity or service supplied by the Contractor or its subcontractors, or the operation of such equipment, software, commodity or service, or the use or reproduction of any documentation provided with such equipment, software, commodity or service infringes any United States or foreign patent, copyright, trade secret or other proprietary right of any person or entity, which right is enforceable under the laws of the United States. In addition, should the equipment, software, commodity, or service, or the operation thereof, become or in the Contractor's opinion be likely to become the subject of a claim of infringement, the Contractor shall at the Contractor's sole expense (i) procure for the State the right to continue using the equipment, software, commodity or service or, if such option is not reasonably available to the Contractor, (ii) replace or modify the same with equipment, software, commodity or service of equivalent function and performance so that it becomes non-infringing, or, if such 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.

Code Indemnification

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

Indemnification Obligation Not Limited

In any and all claims against the State of Michigan, or any of its agents or employees, by any employee of the Contractor or any of its subcontractors, the indemnification obligation under the Contract shall 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 benefits acts, or other employee benefits acts. This indemnification clause is intended to be comprehensive. Any overlap in sub clauses, 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 sub clause.

Continuation of Indemnification Obligation

The duty to indemnify will continue in full force and affect not withstanding the expiration or early termination of the Contract with respect to any claims based on facts or conditions, which occurred prior to termination.

Indemnification Procedures

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

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

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

In the event the insurer's attorney represents the State pursuant to this Section, the insurer's attorney may be required to be designated as a Special Assistant Attorney General by the Attorney General of the State of Michigan.

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

2.306 LIMITATION OF LIABILITY

Except as set forth herein, neither the Contractor nor the State shall be liable to the other party for indirect or consequential damages, even if such party has been advised of the possibility of such damages. Such limitation as to indirect or consequential damages shall not apply to claims for infringement of United States patent, copyright, trademarks 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; to Contractor's indemnification obligations (2.305); or to court costs or attorney's fees awarded by a court in addition to damages after litigation based on this Contract.

The State's liability for damages to the Contractor shall be limited to the value of the Contract.

2.307 CONTRACT DISTRIBUTION

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

2.308 FORM, FUNCTION, AND UTILITY

If the Contract is for use of more than one State agency and if the good or service provided under this Contract do not the meet the form, function, and utility required by a State agency, that agency may, subject to State purchasing policies, procure the good or service from another source.

2.309 ASSIGNMENT OF ANTITRUST CAUSE OF ACTION

For and in consideration of the opportunity to submit a quotation and other good and valuable consideration, the bidder hereby assigns, sells and transfers to the State of Michigan all rights, title and interest in and to all causes of action it may have under the antitrust laws of the United States or this State for price fixing, which causes of action have accrued prior to the date of payment and which relate solely to the particular goods, commodities, or services purchased or procured by this State pursuant to this transaction.

2.310 PURCHASING FROM OTHER STATE AGENCIES - RESERVED

2.311 TRANSITION ASSISTANCE

If this Contract is not renewed at the end of this term, or is canceled prior to its expiration, for any reason, the Contractor must provide for up to 60-days after the expiration or cancellation of this Contract, all reasonable transition assistance requested by the State, to allow for the expired or canceled portion of the Services to continue without interruption or adverse effect, and to facilitate the orderly transfer of such services to the State or its designees. Such transition assistance will be deemed by the parties to be governed by the terms and conditions of this Contract, (notwithstanding this expiration or cancellation) except for those Contract terms or conditions that do not reasonably apply to such transition assistance.

The State shall pay the Contractor for any resources utilized in performing such transition assistance at the most current rates provided by the Contract for Contract performance.

2.312 RESERVED

2.313 RESERVED

2.314 WEBSITE INCORPORATION

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

2.4 CONTRACT REVIEW AND EVALUATION

2.401 CONTRACT COMPLIANCE INSPECTOR

Upon receipt at DMB, Purchasing Operations of the properly executed Contract Agreement(s), the person named below will be allowed to oversee the Contract performance on a day-to-day basis during the term of the Contract. However, overseeing the Contract implies **no authority to negotiate, change, modify, clarify, amend, or otherwise alter the terms, conditions, and specifications of such Contract(s). That authority is retained by DMB, Purchasing Operations**.

2.402 PERFORMANCE REVIEWS

Purchasing Operations in conjunction with the Department of Military and Veterans Affairs may review with the Contractor their performance under the Contract. Performance reviews shall be conducted quarterly, semi-annually or annually depending on Contractor's past performance with the State. Performance reviews shall include, but not limited to, quality of products/services being delivered and provided, timeliness of delivery, percentage of completion of orders, the amount of back orders, status of such orders, accuracy of billings, customer service, completion and submission of required paperwork, the number of substitutions and the reasons for substitutions, and other requirements of the Contract.

Upon a finding of poor performance, which has been documented by Purchasing Operations, the Contractor shall be given an opportunity to respond and take corrective action. If corrective action is not taken in a reasonable amount of time as determined by Purchasing Operations, the Contract may be canceled for default. Delivery by the Contractor of unsafe and/or adulterated or off-condition products to any State agency is considered a material breach of Contract subject to the cancellation provisions contained herein.

2.403 AUDIT OF CONTRACT COMPLIANCE/ RECORDS AND INSPECTIONS

The Contractor agrees that the State may, upon 24-hour notice, perform an audit at Contractor's location(s) to determine if the Contractor is complying with the requirements of the Contract. The Contractor agrees to cooperate with the State during the audit and produce all records and documentation that verifies compliance with the Contract requirements.

2.5 QUALITY AND WARRANTIES

2.501 PROHIBITED PRODUCTS - RESERVED

2.502 QUALITY ASSURANCE - RESERVED

2.503 INSPECTION - RESERVED

2.504 GENERAL WARRANTIES - RESERVED

2.505 CONTRACTOR WARRANTIES

The Contract will contain customary representations and warranties by the Contractor, including, without limitation, the following:

1. The Contractor will perform all services in accordance with high professional standards in the industry;

2. The Contractor will use adequate numbers of qualified individuals with suitable training, education, experience and skill to perform the services;

3. The Contractor will use its best efforts to use efficiently any resources or services necessary to provide the services that are separately chargeable to the State;

4. The Contractor will use its best efforts to perform the services in the most cost effective manner consistent with the required level of quality and performance;

5. The Contractor will perform the services in a manner that does not infringe the proprietary rights of any third party;

6. The Contractor will perform the services in a manner that complies with all applicable laws and regulations;

7. The Contractor has duly authorized the execution, delivery and performance of the Contract;

8. The Contractor is capable in all respects of fulfilling and shall fulfill all of its obligations under this Contract.

9. The Contract appendices, attachments, and exhibits identify all equipment and software services necessary for the deliverable(s) to perform and operate in compliance with the Contract's requirements.

10. The Contractor is the lawful owner or licensee of any Deliverable licensed or sold to the state by Contractor or developed by Contractor under this Contract, and Contractor has all of the rights necessary to convey to the state the ownership rights or license use, as applicable, of any and all Deliverables.

11. If, under this Contract, Contractor procures any equipment, software or other Deliverable for the State (including equipment, software and other Deliverables manufactured, re-marketed or otherwise sold by Contractor under Contractor's name), then in addition to Contractor's other responsibilities with respect to such items as set forth in this Contract, Contractor shall assign or otherwise transfer to the State or its designees, or afford the State the benefits of, any manufacturer's warranty for the Deliverable.

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

13. The Contractor is qualified and registered to transact business in all locations where required.

14. Neither the Contractor nor any Affiliates, nor any employee of either, has, shall have, or shall acquire, any contractual, financial, business, or other interest, direct or indirect, that would conflict in any manner or degree with Contractor's performance of its duties and responsibilities to the State under this Contract or otherwise create an appearance of impropriety with respect to the award or performance of this Agreement. Contractor shall notify the State within two (2) days of any such interest that may be incompatible with the interests of the State.

15. All financial statements, reports, and other information furnished by Contractor to the State as part of its response to the ITB or otherwise in connection with the award of this Contract fairly and accurately represent the business, properties, financial condition, and results of operations of Contractor as of the respective dates, or for the respective periods, covered by such financial statements, reports, other information. Since the respective dates or periods covered by such financial statements, reports, or other information, there have been no material adverse changes in the business, properties, financial condition, or results of operations of Contractor. All written information furnished to the State by or behalf of Contractor in connection with this Contract, including its bid, it true, accurate, and complete, and contains no untrue statement of material fact or omits any material fact necessary to make such information not misleading.

2.506 STAFF - RESERVED

2.507 RESERVED

2.508 EQUIPMENT WARRANTY - RESERVED

2.509 RESERVED

2.6 BREACH OF CONTRACT

2.601 BREACH DEFINED

Failure to comply with articles, sections, or subsections of this agreement, or making any false statement in this agreement will be considered a material breach of this agreement giving the state authority to invoke any and all remedies available to it under this agreement.

2.602 NOTICE AND THE RIGHT TO CURE

In the event of a curable breach by the Contractor, the State shall provide the Contractor written notice of the breach and a time period to cure said breach described in the notice. This section requiring notice and an opportunity to cure shall not be applicable in the event of successive or repeated breaches of the same nature or if the State determines in its sole discretion that the breach poses a serious and imminent threat to the health or safety of any person or the imminent loss, damage or destruction of any real or tangible personal property.

2.603 EXCUSABLE FAILURE

1. Neither party shall be liable for any default or delay in the performance of its obligations under the Contract if and to the extent such default or delay is caused, directly or indirectly, by: fire, flood, earthquake, elements of nature or acts of God; riots, civil disorders, rebellions or revolutions in any country; the failure of the other party to perform its material responsibilities under the Contract (either itself or through another Contractor); 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 such party;

provided the non-performing party and its subcontractors are without fault in causing such default or delay, and such 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. In such event, the non-performing party will be excused from any further performance or observance of the obligation(s) so affected for as long as such circumstances prevail and such party continues to use its best efforts to recommence performance or observance whenever and to whatever extent possible without delay provided such party promptly notifies the other party in writing of the inception of the excusable failure occurrence, and also of its abatement or cessation.

2. If any of the above enumerated circumstances substantially prevent, hinder, or delay performance of the services necessary for the performance of the State's functions for more than 14 consecutive days, and the State determines that performance is not likely to be resumed within a period of time that is satisfactory to the State in its reasonable discretion, then at the State's option: (a) the State may procure the affected services from an alternate source, and the State shall not be liable for payments for the unperformed services under the Contract for so long as the delay in performance shall continue; (b) the State may cancel any portions of the Contract so affected and the charges payable hereunder shall be equitably adjusted to reflect those services canceled; or (c) the Contract will be canceled without liability of the State to the Contractor as of the date specified by the State in a written notice of cancellation to the Contractor. The Contractor will not have the right to any additional payments from the State as a result of any excusable failure occurrence or to payments for services not rendered as a result of the excusable failure condition. Defaults or delays in performance by the Contractor which are caused by acts or omissions of its subcontractors will not relieve the Contractor of its obligations under the Contract except to the extent that a subcontractor is itself subject to any excusable failure condition described above and the Contractor cannot reasonably circumvent the effect of the subcontractor's default or delay in performance through the use of alternate sources, workaround plans or other means.

2.7 REMEDIES

2.701 CANCELLATION

The State may cancel this Contract without further liability or penalty to the State, its departments, divisions, agencies, offices, commissions, officers, agents, and employees for any of the following reasons:

1. Material Breach by the Contractor. In the event that the Contractor breaches any of its material duties or obligations under the Contract, which are either not capable of or subject to being cured, or are not cured within the time period specified in the written notice of breach provided by the State, or pose a serious and imminent threat to the health and safety of any person, or the imminent loss, damage or destruction of any real or tangible personal property, the State may, having provided written notice of cancellation to the Contractor, cancel this Contract in whole or in part, for cause, as of the date specified in the notice of cancellation.

   In the event that this Contract is cancelled for cause, in addition to any legal remedies otherwise available to the State by law or equity, the Contractor shall be responsible for all costs incurred by the State in canceling the Contract, including but not limited to, State administrative costs, attorneys fees and court costs, and any additional costs the State may incur to procure the services required by this Contract from other sources. All excess re-procurement costs and damages shall not be considered by the parties to be consequential, indirect or incidental, and shall not be excluded by any other terms otherwise included in the Contract.

   In the event the State chooses to partially cancel this Contract for cause charges payable under this Contract will be equitably adjusted to reflect those services that are cancelled.

In the event this Contract is cancelled for cause pursuant to this section, and it is therefore determined, for any reason, that the Contractor was not in breach of Contract pursuant to the provisions of this section, that cancellation for cause shall be deemed to have been a cancellation for convenience, effective as of the same date, and the rights and obligations of the parties shall be limited to that otherwise provided in the Contract for a cancellation for convenience.

2. Cancellation For Convenience By the State. The State may cancel this Contract for its convenience, in whole or part, if the State determines that such a cancellation is in the State's best interest. Reasons for such cancellation shall be left to the sole discretion of the State and may include, but not limited to (a) the State no longer needs the services or products specified in the Contract, (b) relocation of office, program changes, changes in laws, rules, or regulations make implementation of the Contract services no longer practical or feasible, and (c) unacceptable prices for additional services requested by the State. The State may cancel the Contract for its convenience, in whole or in part, by giving the Contractor written notice 30 days prior to the date of cancellation. If the State chooses to cancel this Contract in part, the charges payable under this Contract shall be equitably adjusted to reflect those services that are cancelled.

3. Non-Appropriation. In the event that funds to enable the State to effect continued payment under this Contract are not appropriated or otherwise made available. The Contractor acknowledges that, if this Contract extends for several fiscal years, continuation of this Contract is subject to appropriation or availability of funds for this project. If funds are not appropriated or otherwise made available, the State shall have the right to cancel this Contract at the end of the last period for which funds have been appropriated or otherwise made available by giving written notice of cancellation to the Contractor. The State shall give the Contractor written notice of such non-appropriation or unavailability within 30 days after it receives notice of such non-appropriation or unavailability.

4. Criminal Conviction. In the event 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 incident to the application for or performance of a State, public or private Contract or subcontract; or convicted of a criminal offense including but not limited to any of the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, attempting to influence a public employee to breach the ethical conduct standards for State of Michigan employees; convicted under State or federal antitrust statutes; or convicted of any other criminal offense which in the sole discretion of the State, reflects upon the Contractor's business integrity.

5. Approvals Rescinded. The State may terminate this Contract without further liability or penalty in the event any final administrative or judicial decision or adjudication disapproves a previously approved request for purchase of personal services pursuant to Constitution 1963, Article 11, section 5, and Civil Service Rule 7. Termination may be in whole or in part and may be immediate as of the date of the written notice to Contractor or may be effective as of the date stated in such written notice.

2.702 RIGHTS UPON CANCELLATION

Termination Assistance. If this Contract (or any Statement of Work issued under it) is terminated for any reason prior to completion, Contractor agrees to provide for up to six (6) months after the termination all reasonable termination assistance requested by the State to facilitate the orderly transfer of such Services to the State or its designees in a manner designed to minimize interruption and adverse effect. Such termination assistance will be deemed by the parties to be governed by the terms and conditions of this Contract (notwithstanding its termination) other than any terms or conditions that do not reasonably apply to such termination assistance. Such termination assistance shall be at no additional charge to the State if the termination is for Contractor's Default pursuant to Section 2.602; otherwise the State shall compensate Contractor for such termination assistance on a time and materials basis in accordance with the Amendment Labor Rates identified within this Contract agreement.

2.703 DEDUCTIONS

If the Contractor fails to make a pick-up at any location listed on the collection schedule, it will result in a deduction of $100 for each occurrence.

Procedures for implementing the above:

The first time the Contractor fails to make a pick-up according to the collection schedule, the CONTRACT COMPLIANCE INSPECTOR (CCI) will call for a meeting with the Contractor and review the condition and $100 will be deducted from the invoice, if appropriate.

Should a second missed pick-up occur, a second meeting will be held, followed by a letter of warning and $100 will be deducted from the next invoice, if appropriate.

Should a third missed pick-up occur, a written notice of termination will be sent to the Contractor.

In the event of such termination, the STATE may deem appropriate to perform services similar to those so terminated. The Contractor shall be liable for the additional costs for such services. The Contractor shall not be liable for costs to continue to provide rubbish removal services if the failure to perform the Contract arises out of any cause beyond his/her control and without his/her fault or negligence.

2.704 STOP WORK

1. The State may, at any time, by written stop work order to the Contractor, require that the Contractor stop all, or any part, of the work called for by this Contract for a period of up to 90 days after the stop work order is delivered to the Contractor, and for any further period to which the parties may agree. The stop work order shall be specifically identified as such and shall indicate that it is issued under this section. Upon receipt of the stop work order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the stop work order during the period of work stoppage. Within the period of the stop work order, the State shall either:

   a) Cancel the stop work order; or
   b) Cancel the work covered by the stop work order as provided in the cancellation section of this Contract.

2. If a stop work order issued under this section is canceled or the period of the stop work order or any extension thereof expires, the Contractor shall resume work. The State shall make an equitable adjustment in the delivery schedule, the Contract price, or both, and the Contract shall be modified, in writing, accordingly, if:

   a) The stop work order results in an increase in the time required for, or in the Contractor's costs properly allocable to the performance of any part of this Contract; and
   b) The Contractor asserts its right to an equitable adjustment within 30 days after the end of the period of work stoppage; provided, that if the State decides the facts justify the action, the State may receive and act upon a proposal submitted at any time before final payment under this Contract.

3. If the stop work order is not canceled and the work covered by the stop work order is canceled for reasons other than material breach, the State shall allow reasonable costs resulting from the stop work order in arriving at the cancellation settlement.

4. If a stop work order is not canceled and the work covered by the stop work order is canceled for material breach, the State shall not allow, by equitable adjustment or otherwise, reasonable costs resulting from the stop work order.

An appropriate equitable adjustment may be made in any related Contract of the Contractor that provides for adjustment and is affected by any stop work order under this section. The State shall not be liable to the Contractor for loss of profits because of a stop work order issued under this section.

2.705 SUSPENSION OF WORK

The Contract Administrator may order the Contractor, in writing, to suspend, delay, or interrupt all or any part of the work of this Contract for the period of time that the Contract Administrator determines appropriate for the convenience of the State.

If the performance of all or any part of the work is, for an unreasonable period of time, suspended, delayed, or interrupted (1) by an act of the Contract Administrator in the administration of this Contract, or (2) by the Contract Administrator's failure to act within the time specified in this Contract (or within a reasonable time if not specified), an adjustment shall be made for any increase in the cost of performance of this Contract (excluding profit) necessarily caused by the unreasonable suspension, delay, or interruption, and the Contract modified in writing accordingly. However, no adjustment shall be made under this clause for any suspension, delay, or interruption to the extent that performance would have been so suspended, delayed, or interrupted by any other cause, including the fault or negligence of the Contractor, or for which an equitable adjustment is provided for or excluded under any other term or condition of this Contract.

A claim under this clause shall not be allowed:

(1) For any costs incurred more than 20 days before the Contractor shall have notified the Contract Administrator in writing of the act or failure to act involved (but this requirement shall not apply as to a claim resulting from a suspension order); and
(2) Unless the claim, in an amount stated, is asserted in writing as soon as practicable after the termination of the suspension, delay, or interruption, but not later than the date of final payment under the Contract.

2.8 CHANGES, MODIFICATIONS, AND AMENDMENTS

2.801 APPROVALS

The Contract may not be modified, amended, extended, or augmented except by a writing executed by the parties hereto, and any breach or default by a party shall not be waived or released other than in writing signed by the other party.

2.802 TIME EXTENTIONS

Time extensions for Contract changes will depend upon the extent, if any, by which the changes cause delay in the completion of the various elements of performance as described in the statement of work. The change order granting the time extension may provide that the Contract completion date will be extended only for those specific elements related to the changed work and that the remaining Contract completion dates for all other portions of the work will not be altered. The change order also may provide an equitable readjustment of liquidated damages under the new completion schedule.

2.803 MODIFICATION

Purchasing Operations reserves the right to modify this Contract at any time during the Contract term. Such modification may include changing the locations to be serviced, additional locations to be serviced, method or manner of performance of the work, number of days service is to be performed, addition or deletion of tasks to be performed, addition or deletion of items, and/or any other modifications deemed necessary. Any changes in pricing proposed by the Contractor resulting from the proposed changes are subject to acceptance by the State. Changes may be increases or decreases. IN THE EVENT PRICES ARE NOT ACCEPTABLE TO THE STATE, THE CONTRACT SHALL BE SUBJECT TO COMPETITIVE BIDDING BASED UPON THE NEW SPECIFICATION.

The State reserves the right to add an item(s) that is not described on the item listing and is available from the Contract Contractor. The item(s) may be included on the Contract, only if prior written approval has been granted by Purchasing Operations.

2.804 AUDIT AND RECORDS UPON MODIFICATION

DEFINITION: records includes books, documents, accounting procedures and practices, and other data, regardless of whether such items are in written form, electronic form, or in any other form

Contractor shall be required to submit cost or pricing data with the pricing of any modification of this Contract to the Contract Administrator in Purchasing Operations. Data may include accounting records, payroll records, employee time sheets, and other information the state deems necessary to perform a fair evaluation of the modification proposal. Contract Administrator or authorized representative of the state shall have the right to examine and audit all of the Contractor's records, including computations and projections, related to:

1. The proposal for modification;
2. The discussions conducted on the proposal, including those related to negotiation;
3. Pricing of the modification; or
4. Performance of the modification.

Contractor shall make available at its office at all reasonable times the materials described in the paragraphs above.

If this Contract is completely or partially terminated, the records relating to the work terminated shall be made available for 3 years after any resulting final termination settlement.

2.805 CHANGES

(a) The Contract Administrator may, at any time, without notice to the sureties, if any, by written order designated or indicated to be a change order, make changes in the work within the general scope of the Contract, including changes:

(1) In the specifications (including drawings and designs);
(2) In the method or manner of performance of the work;
(3) In the Government-furnished facilities, equipment, materials, services, or site; or
(4) Directing acceleration in the performance of the work.

(b) Any other written or oral order (which, as used in this paragraph (b), includes direction, instruction, interpretation, or determination) from the Contract Administrator that causes a change shall be treated as a change order under this clause; Provided, that the Contractor gives the Contract Administrator written notice stating:

(1) The date, circumstances, and source of the order; and
(2) That the Contractor regards the order as a change order.

(c) Except as provided in this clause, no order, statement, or conduct of the Contract Administrator shall be treated as a change under this clause or entitle the Contractor to an equitable adjustment.

DEPARTMENT OF Management & Budget

MAINTENANCE, REPAIR & OPERATIONS (MRO)
RUBBISH REMOVAL - GENERAL – CONTRACT#: 071B7200300

LOCATION SPECIFICATION SHEET (LSS)

Consideration for award will be based on Work Plan/Price Quotation in accordance with the specifications, terms and conditions as stated within this solicitation.

SECTION I – PLACE OF SERVICES REQUESTED

LOCATION:

CONTRACT INFORMATION			
ESTIMATED CONTRACT START DATE:	07/01/2007	**CONTRACT END DATE:**	07/01/2010
PREVIOUS BPO #:	751P6200437 – Agency PO		
CONTRACT INFORMATION:	Approximately 3 Year Contract with No Options		
CONTRACTING AGENCY NAME:	Natural Resources		
BUILDING NAME AND NUMBER:	Warren Dunes State Park		
BUILDING ADDRESS:	12032 Red Arrow Highway		
REGION / COUNTY:	Southwest/Berrien		
PROCUREMENT CONTACT INFORMATION			
PROCUREMENT OFFICE NAME:	DNR – Procurement Services		
PROCUREMENT OFFICE CONTACT NAME:	**Jana Harding**	**CONTACT PHONE #:**	**517-373-1190**
PROCUREMENT OFFICE CONTACT E-MAIL:	**HARDINJA@MICHIGAN.GOV**	**CONTACT FAX #:**	**517-373-6507**
CONTRACT COMPLIANCE INSPECTOR (CCI) / FACILITY MANAGER (FM) NAME:	**Mike Terrell**	**CONTACT PHONE #:**	**269-426-4013**
CCI / FM CONTACT E-MAIL:	**TERRELM1@MICHIGAN.GOV**	**CONTACT FAX #:**	**269-426-4829**

LOCATION INFORMATION			
OFFICIAL WORKING DAYS OF BUILDING OCCUPANTS:	**7**	OFFICIAL WORKING HOURS OF BUILDING OCCUPANTS:	**VARIOUS**
ESTIMATE OF AREA TO BE SERVICED: (IF APPLICABLE)	N/A	**(FILL IN IF NEEDED)**	N/A
IDENTIFY DAYS OF SERVICE:	**See Below**	**IDENTIFY HOURS OF SERVICE:**	**See Below**

SPECIFICATIONS

RUBBISH REMOVAL SERVICES

DEPARTMENT OF NATURAL RESOURCES – WARREN DUNES STATE PARK

CONTRACT PERIOD: JULY 1, 2007 TO JULY 1, 2010 (THREE YEARS)

AGENCY CONTACT PERSON: JANA HARDING PHONE: 517-373-119

MICHAEL TERRELL PHONE: 269-426-4013

1. Furnish, install, set in place, and service containers as specified on the Pricing Sheets. Facility Manager or designee will determine location of containers, collection frequency, and times.

2. Holidays will be included in pick-up times unless no pick up is required by mutual agreement with the agency.

3. The contractor must have equipment and personnel to adequately perform the specified service. In the event of mechanical breakdown of trucks or equipment the contractor will be expected to provide backup service so that pick-ups will be performed as required.

4. All containers are to be "NEW" at the beginning of this contract. Thereafter, containers shall be clean and well painted and kept in like new condition. Containers shall have tight fitting top loading split covers with lid positioners.

5. Any of the locations may be canceled from the proposed contract if the service is no longer required.

6. Contractor vehicles and personnel entering and leaving the facility property shall be searched.

7. The agency shall notify the contractor by phone of all pick-ups identified on the pricing sheets as "**on call**". The contractor is to respond to the agency **"on-call"** request for pick-up within 24-hours. This includes Saturday but historically it does not happen very often.

8. All refuse containers will be handled carefully and with caution to avoid damage or abuse that would cause them to be unsightly. Any contractor owned container that presents a hazard to the agency or public must be immediately removed and replaced by the contractor.

9. Refuse and accumulations spilled from container while being serviced must be immediately cleaned up by contractor's collector.

10. When excess refuse is stacked against full containers, this material must also be picked up with collection.

11. Collection vehicles shall not be parked longer than necessary to make vicinity collections.

12. Refuse accumulation shall include any and all materials that are discarded by agency during the use, operation and maintenance of the facility.

13. PICK-UPS SHALL BE DONE BEFORE 8:00AM

14. Invoice billings shall be rendered on a monthly basis to the agency where the service is performed. Bill To Address: Warren Dunes State Park, 12032 Red Arrow Highway Sawyer, MI 49125

PRICING SHEET - A

RUBBISH REMOVAL

DEPARTMENT OF NATURAL RESOURCES
WARREN DUNES STATE PARK

COLLECTION/DISPOSAL FEE:

- **The collection fees represent all costs for the pick up, hauling and disposal of refuse. The estimated pick-ups (collection frequency) indicated below represent the number of round trips anticipated for a weekly or monthly period. The One Year Collection Fee represents the price per month or price per pull multiplied by the estimated number of months or pulls.**

NOTE TO BIDDERS:

- **The State does not own any containers. Bidder must include any container rental charge in the unit price quoted for collection fees.**

COLLECTION FEES – ATTACHMENT A

Container Quantity and Size	Location	Collection Frequency	Collection Time Period	Service Required	Collection Fee	Yearly Fee
2/ 8 CY	Warren Dunes State Park	Once per week on Monday	October 1st through October 31st	Furnish Container, Pick Up, Hauling and Disposal.	$150.40/Month	$150.40
2/ 6 CY towable containers with 2" ball trailer hitch	Warren Dunes State Park	Once per week on Monday	October 1st through October 31st	Furnish Container, Pick Up, Hauling and Disposal.	$120.80/Month	$120.80
2/ 6 CY towable containers with 2" ball trailer hitch	Warren Dunes State Park	Twice per month on Monday	November 1st through March 31st	Furnish Container, Pick Up, Hauling and Disposal.	$77.60/Month	$388.00
13/ 8 CY	Warren Dunes State Park	Twice per week on Monday and Friday	April 1st through May 31st	Furnish Container, Pick Up, Hauling and Disposal.	$1,600.00/Month	$3,200.00
2/ 6 CY towable containers with 2" ball trailer hitch	Warren Dunes State Park	Twice per week on Monday and Friday	April 1st through May 31st	Furnish Container, Pick Up, Hauling and Disposal.	$211.20/Month	$422.40
13/ 8 CY	Warren Dunes State Park	Three times per week on Monday, Wednesday and Friday	June 1st through September 30th	Furnish Container, Pick Up, Hauling and Disposal.	$2,320.00/Month	$9,280.00
2/ 6 CY towable containers with 2" ball trailer hitch	Warren Dunes State Park	Three times per week on Monday, Wednesday and Friday	June 1st through September 30th	Furnish Container, Pick Up, Hauling and Disposal.	$304.00/Month	$1,216.00
Various	Warren Dunes State Park	"On-Call"	October 1st through September 30th	As needed	Pricing will be as listed below	Pricing will be as listed below
Total One Year Collection Fee					**$14,777.60**	

SUMMARY PRICING SHEET – A3

Total One Year Collection/Disposal Fee (A1)	Total Three Year Service Price A1 x 3 Years
$14,777.60	$44,332.80

THE COLLECTION FEE FOR ONE ADDITIONAL PICK UP & HAULING OF THE FOLLOWING CONTAINERS IS:

$32.00 Per Empty one 4 cubic yard container.

$48.00 Per Empty one 6 cubic yard container.

$359.00 Per Empty one 30 cubic yard container.

$425.00 Per Empty one 42 cubic yard compactor.

$270.00 Per Empty one 20 cubic yard open top container

$37.00 Current incinerator/disposal rate: (per ton)

The contract person for Reliable Disposal:

NAME/TITLE: Steven Graffenius, Sales Manager
TELEPHONE: 269-465-5513
FACSIMILE: 269-465-3924
TOLL FREE #: 800-813-3411
E-MAIL: graffeniuss@repsrv.com

LICENSE REQUIREMENTS

All material picked up shall be disposed of in a facility properly licensed under the requirements of Part 115, Solid Waste Management of the Natural Resources & Environmental Protection Act, 1994 PA 451, as amended (NREPA), (formerly known as Act 641 of 1978, as amended) and the administrative rules adopted pursuant to that act. Proper documentation must be provided.

AND

The disposal site shall be in compliance with applicable state and federal laws, rules, regulations, and shall not be a listed Superfund Site or on the Michigan Sites of Environmental Contamination Priority List published pursuant to Act 201 of 1994, PA 401 (formerly Act 307 of 1982). A listed Superfund Site may be used when the State generated waste is disposed of in a portion of the site which is currently engaged in appropriate remedial response activity regarding those portions of the site which are not in compliance.

AND

Solid waste haulers shall provide disposal services at licensed facilities, which are authorized in the applicable Solid Waste Management Plan(s) to accept solid waste from the locations included in this bid. These sites were identified according to Sections 11513 and 11538(6) of Part 115 and Administrative Rule 711 (e) (iii) (C) of the administrative rules promulgated for Part 115.

If at any time the disposal site is not in compliance with the requirements stipulated above, the State reserves the right to amend or cancel the contractual agreement.

Successful vendor must meet with agency representative at the site to arrange schedules and to receive necessary orientation and security clearances prior to start of any contracted service.

Incinerator Address: Forest Lawn Landfill
6230 Forest Lawn Road
Three Oaks, Michigan 49128

Part 115 of NREPA License #8926