

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

August 10, 2009

CHANGE NOTICE NO 2
OF
CONTRACT NO. 071B7200309
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR Road Runr Maintenance, Inc. 691 Orchard Lake Road Pontiac, MI 48341 <p style="text-align: right;">Email: vhebel@roadrunr.com</p>	TELEPHONE: Vincent Hebel (248) 332-4242 Fax: (248) 332-0006
	VENDOR NUMBER/MAIL CODE
	BUYER/CA (517) 241-1218 Brandon Samuel
Contract Compliance Inspector: Steven Jenkins <p style="text-align: center;">Janitorial Services – Michigan State Fair</p>	
CONTRACT PERIOD: From: August 18, 2007 To: September 13, 2009	
TERMS <p style="text-align: center;">Net 30 Days</p>	SHIPMENT <p style="text-align: center;">N/A</p>
F.O.B. <p style="text-align: center;">N/A</p>	SHIPPED FROM <p style="text-align: center;">N/A</p>
MINIMUM DELIVERY REQUIREMENTS <p style="text-align: center;">N/A</p>	
MISCELLANEOUS INFORMATION:	

NATURE OF CHANGE(S):

Effective August 19, 2009, this Contract is hereby EXTENDED through September 13, 2009.

Also effective August 19, 2009, this Contract is hereby INCREASED by \$95,865.00. NOTE: The DMB Buyer for this Contract is changed to Brandon Samuel (517) 241-1218.

All other terms, conditions, specifications, and pricing remain unchanged.

AUTHORITY/REASON:

Per agency request, vendor agreement, Ad Board approval on 7/21/09, and DMB/Purchasing Operations' approval.

REVISED CURRENT AUTHORIZED SPEND LIMIT: \$329,159.00

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

May 8, 2008

CHANGE NOTICE NO 1
OF
CONTRACT NO. 071B7200309
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR Road Runr Maintenance, Inc. 691 Orchard Lake Road Pontiac, MI 48341 Email: vhebel@roadrunr.com	TELEPHONE: Vincent Hebel (248) 332-4242 Fax: (248) 332-0006
	VENDOR NUMBER/MAIL CODE
	BUYER/CA (517) 373-7374 Joan Bosheff
Contract Compliance Inspector: Steven Jenkins Janitorial Services – Michigan State Fair	
CONTRACT PERIOD: From: August 18, 2007 To: August 18, 2009	
TERMS Net 30 Days	SHIPMENT N/A
F.O.B. N/A	SHIPPED FROM N/A
MINIMUM DELIVERY REQUIREMENTS N/A	
MISCELLANEOUS INFORMATION:	

NATURE OF CHANGE(S):

Effective immediately this Contract is EXTENDED to August 18, 2009.

All other terms, conditions and pricing remain the same.

AUTHORITY/REASON:

**Per DMB Purchasing Operations and State Administrative Board approval
on May 6, 2008.**

INCREASE: \$120,000.00

TOTAL REVISED ESTIMATED CONTRACT VALUE: \$233, 294.00

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

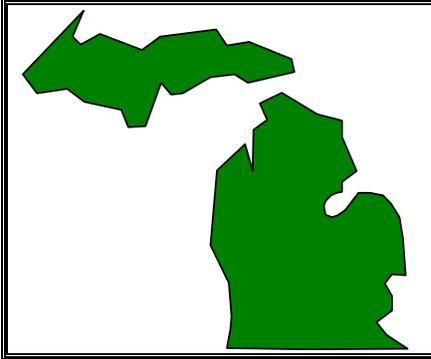
July 18, 2007

NOTICE
OF
CONTRACT NO. 071B7200309
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR Road Runr Maintenance, Inc. 691 Orchard Lake Road Pontiac, MI 48341 <p style="text-align: right;">Email: vhebel@roadrunr.com</p>	TELEPHONE: Vincent Hebel (248) 332-4242 Fax: (248) 332-0006
	VENDOR NUMBER/MAIL CODE
	BUYER/CA (517) 373-7374 Joan Bosheff
Contract Compliance Inspector: Steven Jenkins <p style="text-align: center;">Janitorial Services – Michigan State Fair</p>	
CONTRACT PERIOD: From: August 18, 2007 To: August 18, 2008	
TERMS <p style="text-align: center;">Net 30 Days</p>	SHIPMENT <p style="text-align: center;">N/A</p>
F.O.B. <p style="text-align: center;">N/A</p>	SHIPPED FROM <p style="text-align: center;">N/A</p>
MINIMUM DELIVERY REQUIREMENTS <p style="text-align: center;">N/A</p>	
MISCELLANEOUS INFORMATION:	

The terms and conditions of this Contract are those of ITB #07117200203, this Contract Agreement and the vendor's quote dated June 18, 2007. 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: \$113,294.00



STATE OF MICHIGAN
DEPARTMENT OF MANAGEMENT AND BUDGET
PURCHASING OPERATIONS

CONTRACT No. 071B7200309

JANITORIAL SERVICES – MICHIGAN STATE FAIR

Buyer Name: Joan Bosheff
Telephone Number: (517) 373-7374
E-Mail Address: bosheffj@michigan.gov

**JANITORIAL SERVICES
MICHIGAN STATE FAIR**

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Article 1 – Statement of Work (SOW)

1.0 Project Identification

1.001 Project Identification

This contract is Janitorial Services for the Annual Michigan State Fair, Detroit, Michigan.

1.1 Purpose/Objectives/Scope of Work

1.101 Purpose/Objectives/Scope of Work

- The annual Michigan State Fair is a 13-day event beginning on a Wednesday and ending on Labor Day. Gates are open to the public at 10:00 a.m. and close at 10:00 p.m. One service gate is open 24 hours. For the 2007 Fair, dates are August 22 through September 3, 2007.
- Although there will be continuous liaison with the Contractor team, the client agency's project director will meet daily during the Fair, at a minimum, with the Contractor's project manager for the purpose of reviewing progress and providing necessary guidance to the Contractor in solving problems that arise.
- Contractor shall submit daily reports which outline the work accomplished during the reporting period; problems, real or anticipated, which should be brought to the attention of the client agency's project director; and notification of any significant deviation from previously agreed-upon work plans.
- Necessary staff substitutions due to change of employment status and other unforeseen circumstances may only be made with prior approval of the State.
- Contractor shall provide semi-skilled and unskilled workers as needed to undertake, perform, and complete specified services, required **before, during,** and **after** the annual Michigan State Fair.
- A final inspection by State Fair management and the contractor shall take place before contractor will be released and final payment authorized.

1.102 Environment

The janitorial services requested involve cleaning various locations on the Michigan State Fair Grounds during the hours of 8:00 a.m. and 10:00 p.m.

All work shall be done in accordance with all regulations governing the State Fair with minimum possible interference with the proper functioning of the activities of the State Fair. Supplies, materials, equipment, etc. shall be confined so as not to unduly encumber the premises. The Contractor shall be held to have visited the site prior to submitting a proposal for this contract and checked with the authorities the working conditions and the methods of carrying out the work and to have included in the contract amount all costs for meeting such working conditions. The vendor shall schedule the walk-thru inspection through Purchasing Operations and the Contract Compliance Inspector.

**1.103 Work and Deliverable**

- A. Contractor, through innovation, technology, or other means, shall perform and provide the required cleaning services and staff to complete the frequencies determined by the State and shall otherwise do all things necessary for or incidental to the performance of work. Compliance will be based on the State's overall evaluation and interpretation in accordance with method of performance, frequencies and method of performance, as set forth in this document (See § 1.5, *Acceptance*, for acceptance/evaluation/inspection criteria).
- B. Contractor shall provide all janitorial service related items and services necessary for or incidental to the performance of work in accordance with this CONTRACT including, but not limited to:
1. All personnel;
 2. Equipment;
 3. Tools;
 4. Cleaning Supplies;
 5. Plastic Trash Can Liners;
 6. Materials;
 7. Training;
 8. Supervision of Staff.
- C. **Location:**
Contractor shall provide services to the location listed below.

**MICHIGAN STATE FAIR GROUNDS
1120 WEST STATE FAIR
DETROIT, MI 48203**

- D. **Description of Service:**
Contractor shall perform the task descriptions that follow, which are the minimum acceptable cleaning performance standards under this Agreement:
1. General clean up of assigned buildings, consisting of sweeping floors, washing floors, graffiti removal, collecting trash, emptying trash receptacles, replacing trash can liners, cleaning restrooms.
 2. Cleaning of Bathrooms – Matron and porter services shall be provided between the hours of 8:00 a.m. and 10:00 p.m. each day of the fair to keep the restrooms clean. Tasks will include, but not necessarily be limited to:
 - a. Scrubbing sinks, toilets, floors, shower stalls, and urinals
 - b. Unplugging toilets
 - c. Scrubbing drinking fountains
 - d. Sweeping and mopping floors
 - e. Restocking toilet tissue, soap, hand towels
 - f. All other work to keep restrooms clean and sanitary

Grounds/Liter pickup crews: The Contractor shall provide services to include, but not necessarily be limited to:

1. Sweeping curbs and walkways.



2. Pickup up ground trash from entire fairgrounds including lawn and flower areas, curbs and walkways, parking lots and all fence lines, camping areas, outdoor storage and staging areas, midway, and walkways along Eight Mile Road, State Fair Avenue and Woodward Avenue.
3. Emptying trash receptacles.
4. Replacing trash receptacle liners both inside and out.

The Contractor will be required to conduct a pre-fair cleaning of all buildings, restrooms, and grounds beginning seven (7) days prior to the start of the annual fair. For 2007, the beginning date is Wednesday, August 22.

1. Pre-cleaning shall include the cleaning of the Coliseum after the livestock show ring and dirt have been set in place.
2. Contractor shall conduct a post-fair cleaning of all buildings, restrooms, and grounds beginning on Tuesday, September 4, 2007.

Cleaning of the Coliseum, Dairy Building, East Mall and Agriculture/Field house shall be completed by 6 a.m., Monday, September 10, 2007. The balance of the buildings and grounds shall be completed by 11 p.m., Friday, September 14, 2007.

To successfully complete the requirements of the contract, may require contractor to operate a 24-hour operation during the annual State Fair.

E. **EQUIPMENT/SUPPLIES**

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

Contractor must utilize cleaning equipment that meets with the approval of the State Agency Contract Compliance Inspector (CCI). The use of any powdered scouring cleansers is expressly prohibited.

1.2 **Roles and Responsibilities**

1.201 **Contractor Roles & Responsibilities**

A. PERSONNEL

1. Contractor shall be responsible for all administrative functions and resources related to its personnel including staff recruitment, interviewing, use of electronic equipment (e.g., computers, telephones, etc).
2. Contractor shall authorize a project-manager to oversee this Contract and provide contact information (that includes contact-availability 24 hours per day, seven days per week, in case of an emergency or in case the State otherwise needs to contact Contractor outside of the approved, regular schedule).
3. Contractor must provide name of all staff authorized to be on the premises and include the contact telephone number(s) of any supervisor(s) for that staff.
4. Contractor shall identify and provide contact information for all staff employed in the implementation of the State approved project work plan (including executive staff and



management) and shall indicate the specific functions of each assigned individual staff for at least the following positions:

- Project Manager
 - Supervisor(s) or Inspector(s)
 - Staff providing or implementing service(s)
 - Subcontractor(s)
5. Contractor agrees that the agency's Contract Compliance Inspector (CCI) shall issue final determination and approval of Contractor staff and suitability for assignment to a specific location. (Issues, problems, or denial of a staff appointment will be addressed with the Contractor's Project Manager.)
6. Contractor further agrees that:
- The State reserves the right to approve all personnel for this Contract and to require replacement of any staff determined to be unacceptable at any time during implementation of the project. (See §Article 2); and,
 - The agency Contract Compliance Inspector (CCI) may require Contractor to immediately remove any of its staff from the State premises; and
 - It will assume any and all responsibilities relating to such a removal; and further agrees that,
 - Any Contractor employee so removed may **not** be placed relocated to another state agency.
7. Contractor shall be responsible for repair, replacement, or cleanup as necessary due to the contractor or its staff's implementation of services under this Agreement.

B. SUPERVISION

Contractor shall provide all supervision as may be necessary to oversee its personnel in the implementation and delivery of service:

1. Contractor shall exercise all supervisory control and general control over all day-to-day operations of his/her employees including control over all worker duties and worker performance:
 - At the conclusion of each scheduled workday, the contractor shall assure inspection of services delivered to the premises for completion and performance quality.
 - Contractor shall also be responsible for payment of all wages to employees, taxes and all required and optional fringe benefits (i.e., sick leave, pension benefits, vacations, medical benefits, life insurance, or unemployment compensation, etc.).
 - Contractor shall discipline his/her employees, as needed, including firing and hiring.
2. Contractor must maintain a secure environment while cleaning the fair grounds. The contractor shall comply with all security regulations and special working conditions as required by State Fair (and agrees that it shall not disseminate security information without prior State approval), including but not limited to:
 - No staff is allowed onto the premises other than those individuals responsible for performing janitorial services and approved by the State's Location Manager/Contract Compliance Inspector.



3. The agency CCI may require that Contractor immediately remove any contractual employee(s) from the agency's premises for just cause. The Contractor will assume any and all responsibilities relating to this removal. Any employee so removed may not be placed in another state agency.
4. The agency CCI shall make final determination of a contractual employee's suitability for assignment to a specific location. Problems of this nature will be addressed with the Contractor's management.

C. EMPLOYEE CONDUCT:

1. Contractor hereby AGREES that its employees, subcontractor personnel, and all other individuals Contractor permits on State property, for purposes of implementing this Agreement, shall be subject to the rules and guidelines established by State Administrative Guide § 0210.06, Conduct on State Property, as well as subject to the respective departmental policies and procedures relating to the location site.
2. Further, Contractor AGREES that its employees, subcontractor personnel, and all other individuals Contractor permits on State property, for purposes of implementing this Agreement, shall:
 - a. Wear a badge in plain view indicating the employee's name and company name in letters not less than 1/4 inch in height.
 - b. Wear clean and neat clothing or uniforms, supplied by the Contractor, at all times while working.
 - c. Report immediately and turnover all lost and found articles recovered to the Contract Compliance Inspector.
 - d. Not bring or meet personal visitors (i.e., children, relatives, etc.) at the location-site.
 - e. Not consume food or beverages in public view while on duty.
 - f. Not consume alcoholic beverages nor use narcotics while on duty nor be under the influence when reporting for duty.
 - g. Not receive or initiate personal telephone calls from state owned or operated telephones or other communication equipment.
 - h. Not play radios or other sound equipment without the Contract Compliance Inspector's approval.
 - i. Not fraternize with agency staff, clients, tenants, or visitors to the building nor unnecessarily disrupt tenants from their work while performing their contractual duties.

1.202 State Staff Roles & Responsibilities

The State shall assign a Contract Compliance Inspector or agency/departmental designee who:

- A. Shall provide the Contractor, prior to the term of the contract, the general and specific orders detailing janitorial services, including approval of the Final Work Plan.
- B. Give additional written or oral instructions to clarify the desired performance as is determined by the State to be needed.



- C. Provide necessary, registered and returnable keys (if needed) or other needed security information for the Contractor's entrance to areas of the buildings necessary for the completion of described work after award of contract.
- D. Assure that an area is furnished, when necessary, for storage of the Contractor's equipment and supplies; however, Contractor must be held solely responsible for all items stored or secured on State premises.
- E. State Agency/Departmental Contract Compliance Inspector/Facility Site Manager:

The Contract Compliance Inspector is the day-to-day Facility/Site-Manager, and is identified on the Location Specification now incorporated with this contract by reference.

- 1. This role includes:
 - a. Contract compliance inspection, and monitoring;
 - b. Verifying service and work product delivery;
 - c. Validation of contractor invoices prior to final State approval and payment; and,
 - d. Contractor performance evaluation.
- 2. However, management or administration of any contract implies no authority to change, modify, clarify, amend, or otherwise alter the prices, terms, conditions, and specifications to this contract: that authority is retained solely by Department of Management and Budget's Business Services Administration – Purchasing Operations.

1.203 Contract Implementation Period/Transition/Orientation

The State Contract Compliance Inspector (CCI) will administer the contract on a day-to-day basis during the term of the impending contract. However, administration of any contract implies no authority to change, modify, clarify, amend, or otherwise alter the terms, conditions and specification of such contract. That authority is retained by the DMB – Business Services Administration - Purchasing Operations.

- A. Before commencement of work by a new contractor, the State CCI will:
 - 1. Schedule a meeting with the Contractor to walk-through the facility to identify where closets are located, water sources, alarms, and any other information or specifics related to the building or location that is needed to implement the services described in this Agreement;
 - 2. Exchange emergency telephone numbers where the Contractor can be reached day or night and where you can be reached;
 - 3. Review and approve a list of Contractor's cleaning supplies and Material Safety Data Sheets (MSDS) from Contractor (which may also include personally inspecting or verifying the products);
 - 4. Issue written approval of a final schedule for delivery of all basic services and for delivery of all periodic services to be provided;
 - 5. Provide keys to the building and/or any security clearances or other information to the Contractor as may be required for its staff to begin delivering services.



6. Initiate and complete any required background checks on Contractor-staff, including liens or criminal history checks, pursuant to respective State Departmental Polic(y)ies (see Article II for more information regarding Background checks);
 7. Issue written approval of Contractor's Final Work Plan.
- B. Once contractor begins providing service, the State CCI:
1. Shall provide written correspondence to the Contractor after each meeting, verifying any actions agreed to, informing Contractor of any deficiencies and allowing the opportunity to correct such deficiencies. (However, if deficiencies continue, a formal complaint to vendor or vendor performance report will be filed.)
 2. Inform contractor where to forward invoices for immediate processing and payment.
 3. Be available to answer questions from the Contractor.

1.204 Other Roles & Responsibilities - RESERVED

1.3 Project Plan

1.301 Project Plan Management

- A. A final location work plan for managing implementation of the janitorial services shall be specified and submitted to the CCI for review and approval.
- B. Project management plan shall identify methods, tools and processes proposed to oversee the project, address issues and changes as may arise, and keep the appropriate parties apprised of progress.
- C. Contractor will carry out this project under the direction and control of the specified Contract Compliance Inspector (CCI) for the respective locations where services are to be performed.

1.302 Reports/Meetings

Reports--Contractor shall submit daily reports which outline the work accomplished during the reporting period; problems, real or anticipated, which should be brought to the attention of the client agency's project director; and notification of any significant deviation from previously agreed-upon work plans.

Meetings--Although there will be continuous liaison with the Contractor team, the client agency's project director will meet daily during the Fair, at a minimum, with the Contractor's project manager for the purpose of reviewing progress and providing necessary guidance to the Contractor in solving problems that arise.

1.4 Project Management

1.401 Issue Management and Inspection and Correction of Deficiencies

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



- B. CCI will also maintain a record comprised of complaints from agency or departmental staff and provide record of this to the Contractor at the beginning of each workday; this record will identify the areas requiring special attention on that day, which must be completed by Contractor immediately upon its receipt.
- C. Contractor must remain responsible to make any necessary changes if the CCI determines that any task has not been performed adequately or satisfactorily. Contractor must correct the deficiency immediately upon receipt of notice of the deficiency.
- D. Should the Contractor fail to correct specification deficiencies, a Vendor Performance form will be filed by the Contract Compliance Inspector. Repeated failure to correct specification deficiencies resulting in issuance of subsequent Vendor Performance form may result in cancellation of the contract and/or the assessment of liquidated damages as defined in Section 2.073 by Purchasing Operations.

1.402 Risk Management - RESERVED

1.403 Change Management

- A. If a proposed contract change is requested by the Contract Compliance Inspector and approved by the agency purchasing/procurement office, then the request for change will be submitted to the Department of Management and Budget, Purchasing Operations Buyer, who will then make recommendations to the Director of Purchasing Operations regarding ultimate approval/disapproval of change request.
- B. If the DMB Purchasing Administration Director agrees with the proposed modification, and all required approvals are obtained (including State Administrative Board), the assigned Buyer will issue an addendum to the Contract, via a Contract Change Notice.
- C. A Contractor which provides or delivers products or services outside the description in this Agreement, prior to the issuance of a Contract Change Notice by the DMB Office of Purchasing Operations, risks non-payment for the out-of-scope/pricing products and/or services.

1.5 Acceptance

1.501 Criteria for Vendor Performance

The following criteria will be used by the State to determine "Acceptance" of the Services provided under this SOW (also see § 2.070, *Performance*).

- A. Frequency of tasks (i.e., Daily,.); and,
- B. Completion of the tasks that will include:
 - Staffing;
 - Intermittent inspections (Refer to Section 1 Attachment B, D & E);
 - Complaints received; and,
 - Agency Inspection Report.

1.502 Acceptance and Inspection

Acceptance of Vendor's Cleaning Inspection Reports will be defined as State approval and sign-off on Contractor submitted reports, and shall verify that Contractor has met minimum cleaning performance standards as stated in §1.104, *Work and Deliverable*:

**1.503 Contract Close-Out and Final Inspection**

(Also, see § 2.210, *Termination or Cancellation by the State.*)

- A. On a date not later than 30 days before expiration of the contract, the Contractor shall coordinate and schedule an inspection with the CCI/designee, and the Contractor and the CCI, or a designee, shall conduct a complete inspection together of all locations where services were rendered during performance of this Contract.
- B. The CCI will then prepare a Deficiency Final Inspection Report (DFIR) listing all deficiencies noted during the inspection (i.e., tasks not complete, etc.) and not later than five (5) working days following the inspection, furnish a copy of the report to the Contractor.
- C. Contractor will prepare a corrective action report for within ten (10) working days following notice of DFIR, identifying all actions to correct the deficiency.
- D. The Contractor will, before contract expiration, pursuant to the corrective action plan as approved by the CCI, correct all deficiencies notice in the DFIR.
- E. The CCI will complete a final evaluation summary, describing whether the contractor has satisfactorily complied with the terms of this Contract AGREEMENT.

1.6 Compensation and Payment**1.601 Compensation and Payment****Payment / Reimbursement Method:**

Contractor agrees that –

- 1. CONTRACT AGREEMENT shall be a FIXED, not to exceed, maximum amount.
- 2. Payment will be issued as a rate per unit of service, as described in the price-quotation.
- 3. The unit rate quoted and established shall remain FIXED for the entire period of the Agreement, except as follows:
 - a. Rate/prices are subject to change only at the end of each 365-day period.
 - b. Such changes shall be based on changes in actual costs for delivery of services.
 - c. Documentation of such changes must be provided with the request for price change in order to substantiate any requested change.
 - d. Purchasing Operations reserves the right to consider various pertinent information sources to evaluate price increase requests (such as CPI, PPI, and US City Average, as published by the US Department of Labor, Bureau of Labor Statistics).
 - e. Purchasing Operations also reserves the right to consider other information related to special economic and/or industry market circumstances, when evaluating a price change request.
 - f. Purchasing Operations reserves the right to deny a vendor's request for a rate-change and have the original quoted rates remain in effect for the life of the Agreement.
 - g. Changes may be either increase or decreases, and may be requested by either party.
 - h. Approved changes shall be firm for the remainder of the Contract period unless further revised at the end of the next 365-day period.



- i. Requests for price changes shall be RECEIVED IN WRITING AT LEAST sixty (60) days PRIOR TO THEIR EFFECTIVE DATE, and are subject to written acceptance and approval by the State before becoming effective.
 - j. In the event new prices are not acceptable, the CONTRACT may be cancelled.
 - k. The continued payment of any charges due after September 30 of any fiscal year will be subject to the availability of an appropriation for this purpose.
4. 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 the Agreement. These records shall also document the specific units billed to the State under the Agreement.
5. A "Statement of Expenditures" for the fair year shall accurately represent the units of service delivered, the reimbursement rate by type of service, and the total amount being claimed, must be submitted to the State, within ten (10) from the end of the fair.
6. 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.
7. 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.
8. 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.



Article 2 – General Terms and Conditions

2.010 Contract Structure and Administration

2.011 Definitions

Capitalized terms used in this Contract (including its Attachments and Exhibits) shall have the meanings given below, unless the context requires otherwise:

- (a) "Days" means calendar days unless otherwise specified.
- (b) "24x7x365" means 24 hours a day, seven days a week, and 365 days a year (including the 366th day in a leap year).
- (c) "Additional Service" means any Services/Deliverables within the scope of the Contract, but not specifically provided under any Statement of Work, that once added will result in the need to provide the Contractor with additional consideration.
- (d) "Business Day," whether capitalized or not, shall mean any day other than a Saturday, Sunday or State-recognized legal holiday (as identified in the Collective Bargaining Agreement for State employees) from 8:00am EST through 5:00pm EST unless otherwise stated.
- (e) "Deliverable" means physical goods and/or commodities as required or identified by a Statement of Work
- (f) "Key Personnel" means any Personnel designated in **Article 1, Section 1.201** as Key Personnel.
- (g) "State Location" means any physical location where the State performs work. State Location may include state-owned, leased, or rented space.
- (h) "Subcontractor" means a company Contractor delegate's performance of a portion of the services to, but does not include independent contractors engaged by Contractor solely in a staff augmentation role.
- (i) "State" means the State of Michigan.
- (j) "Department" means the Department of Management and Budget of the State of Michigan.
- (k) "Director" means the State Purchasing Director.
- (l) "Agency" means the unit of State government covered by this contract.
- (m) "Representative" means the person designated by the agency to coordinate and supervise the security service.
- (n) "Contractor" means a person, firm or corporation licensed by the Michigan State Police to provide security services.

2.014 Issuing Office

This Contract is issued by the Department of Management and Budget, Office of Purchasing Operations ("OAS") and (collectively, including all other relevant State of Michigan departments and agencies, the "State") included and listed on the Location Specification Sheet(s) included as attachments with this ITB. OAS is the sole point of contact in the State with regard to all procurement and contractual matters relating to the Contract. **OAS is the only State office authorized to change, modify, amend, alter or clarify the prices, specifications, terms and conditions of this Contract.** The Contractor Administrator within the DMB – Purchasing Operations for this Contract is:



Joan Bosheff, Buyer Specialist
Purchasing Operations
Department of Management and Budget
Mason Bldg, 2nd Floor
PO Box 30026
Lansing, MI 48909
Phone: (517) 373-7374
bosheffj@michigan.gov

2.015 Contract Compliance Inspector (CCI)

Upon receipt at OAS of the properly executed Contract, it is anticipated that the Director of DMB Purchasing Operations, in consultation with the client State Agency, will direct that the person named below, or any other person so designated, be authorized to monitor and coordinate the activities for the Contract on a day-to-day basis during its term. However, monitoring of this Contract implies **no authority to change, modify, clarify, amend, or otherwise alter the prices, terms, conditions and specifications of such Contract as that authority is retained by the Office of Purchasing Operations.** The Contract Compliance Inspector for this Contract is:

Steve Jenkins
Michigan State Fair
1120 West State Fair Avenue
Detroit, MI 48203
Telephone: (313) 369-8250
Email: jenkinss@michigan.gov

2.016 Project Manager--Reserved

2.020 Contract Objectives/Scope/Background

2.021 Background

Refer to Article 1 for information.

2.022 Purpose

Refer to Article 1 for information.

2.023 Objectives and Scope

Refer to Article 1 for information.

2.024 Interpretation

Sections 2.021 through 2.023 are intended to provide background and context for this Contract and are not intended to expand the scope of the obligations under this Contract or to alter the plain meaning of the terms and conditions of this Contract. However, to the extent the terms and conditions of this Contract are unclear or otherwise ambiguous, such terms and conditions are to be interpreted and construed in light of the provisions of this Section.

2.025 Form, Function and Utility

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



2.030 Legal Effect and Term

2.031 Legal Effect

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

2.032 Contract Term

This Contract is for a period of one (1) year commencing on the date that the last signature required to make the Contract enforceable is obtained (date by which the contract is executed). All outstanding Purchase Orders shall also expire upon the termination (cancellation for any of the reasons listed in 2.210) of the Contract, unless otherwise extended pursuant to the Contract. Absent an early termination for any reason, Purchase Orders issued but not expired, by the end of the Contract's stated term, will remain in effect for the balance of the fiscal year for which they were issued.

2.033 Renewal(s)

This Contract may be renewed in writing by mutual agreement of the parties not less than thirty (30) days before its expiration. Four (4) one-year options are included for the contract term.

2.040 Contractor Personnel

2.041 Contractor Personnel

- (a) Personnel Qualifications. All persons assigned by Contractor to the performance of Services under this Contract shall be employees of Contractor or its majority-owned (directly or indirectly, at any tier) subsidiaries (or a State-approved Subcontractor) and shall be fully qualified to perform the work assigned to them. Contractor shall include a similar provision in any subcontract entered into with a Subcontractor. For the purposes of this Contract, independent contractors engaged by Contractor solely in a staff augmentation role shall be treated by the State as if they were employees of Contractor for this Contract only; however, the State understands that the relationship between Contractor and Subcontractor is an independent contractor relationship.
- (b) Key Personnel
 - (i) In discharging its obligations under this ITB, Contractor shall provide the named Key Personnel on the terms indicated for location(s) as identified on the Work Plan and/or LSS including an organizational chart showing the roles of certain Key Personnel, if any.
 - (ii) Key Personnel shall be dedicated as defined in **Article 1** to the Project for its duration in the applicable Statement of Work with respect to other individuals designated as Key Personnel for that Statement of Work.
 - (iii) The State will have the right to recommend and approve in writing the initial assignment, as well as any proposed reassignment or replacement, of any Key Personnel. Before assigning an individual to any Key Personnel position, Contractor will notify the State of the proposed assignment, will introduce the individual to the appropriate State representatives, and will provide the State with a resume and any other information about the individual reasonably requested by



the State. The State reserves the right to interview the individual before granting written approval. In the event the State finds a proposed individual unacceptable, the State will provide a written explanation including reasonable detail outlining the reasons for the rejection. Additionally, the State's request shall be based on legitimate, good faith reasons. Proposed alternative for the individual denied, shall be fully qualified for the position.

- (iv) Contractor shall not remove any Key Personnel from their assigned roles or the Contract without the prior written consent of the State. If the Contractor does remove Key Personnel without the prior written consent of the State, it shall be considered an unauthorized removal ("Unauthorized Removal"). It shall not be considered an Unauthorized Removal if Key Personnel must be replaced for reasons beyond the reasonable control of Contractor, including illness, disability, leave of absence, personal emergency circumstances, resignation or for cause Termination of the Key Personnel's employment. It shall not be considered an Unauthorized Removal if Key Personnel must be replaced because of promotions or other job movements allowed by Contractor personnel policies or Collective Bargaining Agreement(s) as long as the State receives prior written notice before shadowing occurs and Contractor provides thirty (30) days of shadowing unless parties agree to a different time period. The Contractor with the State shall review any Key Personnel replacements, and appropriate transition planning will be established. Any Unauthorized Removal may be considered by the State to be a material breach of the Contract, in respect of which the State may elect to exercise its rights under **Section 2.210**.
- (v) It is acknowledged that an Unauthorized Removal will interfere with the timely and proper completion of the Contract, to the loss and damage of the State, and that it would be impracticable and extremely difficult to fix the actual damage sustained by the State as a result of any Unauthorized Removal. Therefore, Contractor and the State agree that in the case of any Unauthorized Removal in respect of which the State does not elect to exercise its rights under **Section 2.210**, the State may assess liquidated damages against Contractor as specified below.

2.042 Contractor Identification

Contractor employees shall be clearly identifiable while on State property by wearing a issued badge, and/or uniforms as required by the CCI. Contractor employees are required to clearly identify themselves and the company they work for whenever making contact with State personnel by telephone or other means.

2.043 Cooperation with Third Parties

Contractor agrees to cause its personnel and the personnel of any Subcontractors to cooperate with the State and its agents and other contractors including the State's Quality Assurance personnel, and, as reasonably requested by the State, to provide to the State's agents and other contractors with reasonable access to Contractor's Project personnel, systems and facilities to the extent they relate to activities specifically associated with this Contract and will not interfere or jeopardize the safety or operation of the systems or facilities and provided Contractor receives reasonable prior written notice of such request. The State acknowledges that Contractor's time schedule for the Contract is very specific and agrees not to unnecessarily or unreasonably interfere with, delay or otherwise impeded Contractor's performance under this Contract with such requests for access.



2.044 Subcontracting by Contractor

- (a) Contractor shall have full responsibility for the successful performance and completion of all of the Services and Deliverables. The State will consider Contractor to be the sole point of contact with regard to all contractual matters under this Contract, including payment of any and all charges for Services and Deliverables.
- (b) Contractor shall not delegate any duties under this Contract to a Subcontractor unless the Department of Management and Budget, Office of Purchasing Operations has given written consent to such delegation. The State shall have the right of prior written approval of all Subcontractors and to require Contractor to replace any Subcontractors found, in the reasonable judgment of the State, to be unacceptable. The State's request shall be written with reasonable detail outlining the reasons for the removal request. Additionally, the State's request shall be based on legitimate, good faith reasons. Replacement Subcontractor(s) for the removed Subcontractor shall be fully qualified for the position. If the State exercises this right, and the Contractor cannot immediately replace the removed Subcontractor, the State will agree to an equitable adjustment in schedule or other terms that may be affected by the State's required removal. If any such incident with a removed Subcontractor results in delay not reasonable anticipatable under the circumstances and which is attributable to the State, the applicable SLAs for the affected Work will not be counted in **Section 2.076** for a time agreed upon by the parties.
- (c) In any subcontracts entered into by Contractor for the performance of the Services, Contractor shall require the Subcontractor, to the extent of the Services to be performed by the Subcontractor, to be bound to Contractor by the terms of this Contract and to assume toward Contractor all of the obligations and responsibilities that Contractor, by this Contract, assumes toward the State. The State reserves the right to receive copies of and review all subcontracts, although Contractor may delete or mask any proprietary information, including pricing, contained in such contracts before providing them to the State. The management of any Subcontractor will be the responsibility of Contractor, and Contractor shall remain responsible for the performance of its Subcontractors to the same extent as if Contractor had not subcontracted such performance. Contractor shall make all payments to Subcontractors or suppliers of Contractor. Except as otherwise agreed in writing by the State and Contractor, the State will not be obligated to direct payments for the Services other than to Contractor. The State's written approval of any Subcontractor engaged by Contractor to perform any obligation under this Contract shall not relieve Contractor of any obligations or performance required under this Contract. Attached as **Exhibit A** is a list of the Subcontractors, if any, approved by the State as of the execution of this Contract, together with a copy of the applicable subcontract.
- (d) Except where specifically approved in writing by the State on a case-by-case basis, Contractor shall flow down the obligations in **Sections 2.040, 2.110, 2.150, 2.160, 2.171(c), 2.172(b), 2.180, 2.260, 2.276, 2.297** in all of its agreements with any Subcontractors.
- (e) 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.

2.045 Contractor Responsibility for Personnel

Contractor shall be responsible for all acts and omissions of its employees, as well as the acts and omissions of any other personnel furnished by Contractor to perform the Services.



2.050 State Standards

2.051 Existing Technology Standards - RESERVED

2.52 PM Methodology Standards – RESERVED

2.053 Adherence to Portal Technology Tools - RESERVED

2.054 Acceptable Use Policy

To the extent that Contractor has access to the State computer system, Contractor must comply with the State's Acceptable Use Policy, see <http://www.michigan.gov/ditservice/0,1607,7-179-25781-73760--,00.html>. All Contractor employees must be required, in writing, to agree to the State's Acceptable Use Policy before accessing the State system. The State reserves the right to terminate Contractor's access to the State system if a violation occurs.

2.060 Deliverables

2.061 Ordering

- (a) Any Services/Deliverables to be furnished under this Contract shall be ordered by issuance of written Purchase Orders/Blanket Purchase Order by the State after approval by the Contract Administrator or his/her designee. All orders are subject to the terms and conditions of this Contract. In the event of conflict between an order and this Contract, the Contract shall take precedence as stated in **Section 2.293**. In no event shall any additional terms and conditions contained on a Purchase Order/Blanket Purchase Order be applicable, unless specifically contained in that Purchase Order/Blanket Purchase Order's accompanying Statement of Work.

2.062 Software - RESERVED

2.063 Hardware - RESERVED

2.064 Equipment to be New and Prohibited Products - RESERVED

2.070 Performance

2.071 Performance, In General

The State engages Contractor to execute the Contract and perform the Services/provide the Deliverables, and Contractor undertakes to execute and complete the Contract in its entirety in representatives as specified in this Contract.

2.072 Time of Performance

- (a) Contractor shall use commercially reasonable efforts to provide the resources necessary to complete all Services and Deliverables in accordance with the time schedules contained in the Statements of Work and other Exhibits governing the work, and with professional quality.
- (b) Without limiting the generality of **Section 2.072(a)**, Contractor shall notify the State in a timely manner upon becoming aware of any circumstances that may reasonably be expected to jeopardize the timely and successful completion of any Deliverables/Services on the scheduled due dates in the latest State-approved delivery schedule and, in such event, shall inform the State of the projected actual delivery date.
- (c) If Contractor believes that a delay in performance by the State has caused or will cause Contractor to be unable to perform its obligations in accordance with specified Contract time periods, Contractor shall notify the State in a timely manner and shall use commercially reasonable efforts to perform its obligations in accordance with such



Contract time periods notwithstanding the State's failure. Contractor will not be in default for a delay in performance to the extent such delay is caused by the State.

2.073 Liquidated Damages - RESERVED

2.074 Bankruptcy

If Contractor shall file for protection under the bankruptcy laws, or if an involuntary petition shall be filed against Contractor and not removed within thirty (30) days, or if the Contractor becomes insolvent, be adjudicated bankrupt, or if it should make a general assignment for the benefit of creditors, or if a receiver shall be appointed due to its insolvency, and Contractor and/or its affiliates are unable to provide reasonable assurances that Contractor and/or its affiliates can deliver the services provided herein, the State may, without prejudice to any other right or remedy, terminate this Contract, in whole or in part, and, at its option, may take possession of the "Work in Process" and finish such Works in Process by whatever appropriate method the State may deem expedient. Contractor will fix appropriate notices or labels on the Work in Process to indicate ownership by the State. To the extent reasonably possible, materials and Work in Process shall be stored separately from other stock and marked conspicuously with labels indicating ownership by the State.

To secure the State's progress payments before the delivery of any services or materials required for the execution of Contractor's obligations hereunder, and any work which Contractor may subcontract in the support of the performance of its obligations hereunder, title shall vest in the State to the extent the State has made progress payments hereunder.

2.075 Time is of the Essence

The Contractor agrees that time is of the essence in the performance of the Contractor's obligations under this Contract.

2.076 Service Level Agreements (SLAs)- RESERVED

2.080 Delivery and Acceptance of Deliverables

2.081 Delivery Responsibilities - RESERVED

2.082 Delivery of Deliverables

Where applicable, the Statements of Work/POs contain lists of the Deliverables to be prepared and delivered by Contractor including, for each Deliverable, the scheduled delivery date and a designation of whether the Deliverable is a document ("Written Deliverable"), a good ("Physical Deliverable") or a Service. All Deliverables shall be completed and delivered for State review and written approval and, where applicable, installed in accordance with the State-approved delivery schedule and any other applicable terms and conditions of the Contract.

2.083 Testing - RESERVED

2.084 Approval of Deliverables, In General

See § 1.5, *Acceptance*

2.085 Process for Approval of Written Deliverables - RESERVED

2.086 Process for Approval of Services

The State Review Period for approval of Services is governed by the applicable Statement of Work (failing which the State Review Period, by default, shall be thirty (30) Business Days for Services). The State agrees to notify Contractor in writing by the end of the State Review



Period either stating that the Service is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Services (or at the State's election, subsequent to approval of the Service). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within thirty (30) Business Days resubmit the Service in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon implementation of a corrected Service from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Service for conformity and that the identified deficiencies have been corrected.

2.087 Process for Approval of Physical Deliverables

The State Review Period for approval of Physical Deliverables is governed by the applicable Statement of Work (failing which the State Review Period, by default, shall be thirty (30) continuous Business Days for a Physical Deliverable). The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Deliverable (or at the State's election, subsequent to approval of the Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within thirty (30) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected.

2.088 Final Acceptance

Unless otherwise stated in the Statement of Work or Purchase Order, "Final Acceptance" of each Deliverable shall occur when each Deliverable/Service has been approved by the State following the State Review Periods identified in **Sections 2.080-2.087**. Payment will be made for Deliverables installed and accepted. Upon acceptance of a Service, the State will pay for all Services provided during the State Review Period that conformed to the acceptance criteria.

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**). 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** unless 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**.

2.092 Invoicing and Payment Procedures and Terms

- (a) **Invoicing and Payment – In General**
 - (i) Each Statement of Work issued under this Contract shall list (or indicate by reference to the appropriate Contract Exhibit) the prices for all Services/Deliverables, equipment and commodities to be provided, and the associated payment milestones and payment amounts.
 - (ii) Each Contractor invoice will show details as to charges by Service/Deliverable component and location at a level of detail reasonably necessary to satisfy the State's accounting and charge-back requirements. The charges for Services billed on a time and materials basis shall be determined based on the actual number of hours of Services performed, at the applicable Labor Rates specified in **Article 1**. Invoices for Services performed on a time and materials basis will show, for each individual, the number of hours of Services performed during the billing period, the billable skill/labor category for such person and the applicable hourly billing rate. Prompt payment by the State is contingent on the Contractor's invoices showing the amount owed by the State minus any holdback amount to be retained by the State, pursuant to §1.6, *Compensation Payment*.
 - (iii) Correct invoices will be due and payable by the State, in accordance with the State's standard payment procedure as specified in 1984 Public Act No. 279, MCL 17.51 et seq., within forty-five (45) days after receipt, provided the State determines that the invoice was properly rendered.
- (b) **Taxes (See Section 2.305 and Article 3, Section 3.022-3.024 for additional)**
The State is exempt from Federal Excise Tax, State and Local Sales Taxes, and Use Tax with respect to the sale to and use by it of tangible personal property. Such taxes shall not be included in Contract prices as long as the State maintains such exemptions. Copies of all tax exemption certificates shall be supplied to Contractor, if requested.
- (c) **Out-of-Pocket Expenses**
Contractor acknowledges that the out-of-pocket expenses that Contractor expects to incur in performing the Services/ providing the Deliverables (such as, but not limited to, travel and lodging, document reproduction and shipping, and long distance telephone) are included in Contractor's fixed price for each Statement of Work. Accordingly, Contractor's out-of-pocket expenses are not separately reimbursable by the State unless, on a case-by-case basis for unusual expenses, the State has agreed in advance and in writing to reimburse Contractor for such an expense at the State's current travel reimbursement rates. See http://www.mi.gov/dmb/0,1607,7-150-9141_13132---.00.html for current rates.
- (d) **Pro-ration**
To the extent there are any Services that are to be paid for on a monthly basis, the cost of such Services shall be pro-rated for any partial month.
- (e) **Antitrust Assignment**
The Contractor assigns to the State any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the Contractor, toward fulfillment of this Contract.



(f) Final Payment

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

2.093 State Funding Obligation

The State's obligation under this Contract is payable only and solely from funds appropriated for the purpose of this Contract. Contractor acknowledges and agrees that all funds for payments after the end of the current fiscal year are subject to the availability of a legislative appropriation for the purpose of this Contract. Events of non-appropriation are addressed further in **Section 2.210** of this Contract.

2.094 Holdback - RESERVED

2.095 Electronic Payment Availability

Public Act 533 of 2004 **requires** that payments under this contract be processed by electronic funds transfer (EFT). Contractor is required to register to receive payments by EFT at the Contract & Payment Express website (www.cpexpress.state.mi.us).

2.100 Contract Management

2.101 Contract Management Responsibility

- (a) Contractor shall have overall responsibility for managing and successfully performing and completing the Services/Deliverables, subject to the overall direction and supervision of the State and with the participation and support of the State as specified in this Contract. Contractor's duties will include monitoring and reporting the State's performance of its participation and support responsibilities (as well as Contractor's own responsibilities) and providing timely notice to the State in Contractor's reasonable opinion if the State's failure to perform its responsibilities in accordance with **Article 1 (Project Plan)** is likely to delay the timely achievement of any Contract tasks.
- (b) The Services/Deliverables will be provided by the Contractor either directly or through its affiliates, subsidiaries, subcontractors or resellers. Regardless of the entity providing the Service/Deliverable, the Contractor will act as a single point of contact coordinating these entities to meet the State's need for Services/Deliverables. Nothing in this Contract, however, shall be construed to authorize or require any party to violate any applicable law or regulation in its performance of this Contract.

2.102 Problem and Contract Management Procedures

The Contract and the applicable Statements of Work will govern problem Management and Contract Management procedures.

2.103 Reports and Meetings - RESERVED

2.104 System Changes - RESERVED

2.105 RESERVED



2.106 Change Requests

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

If the State requests or directs the Contractor to perform any Services/Deliverables that are outside the scope of the Contractor's responsibilities under the Contract ("New Work"), the Contractor must notify the State promptly, and before commencing performance of the requested activities, that it believes the requested activities are New Work. If the Contractor fails to notify the State before commencing performance of the requested activities, any such activities performed before the Contractor gives notice shall be conclusively considered to be in-scope Services/Deliverables, not New Work.

If the State requests or directs the Contractor to perform any services or provide deliverables that are consistent with and similar to the Services/Deliverables being provided by the Contractor under the Contract, but which the Contractor reasonably and in good faith believes are not included within the Statements of Work, then before performing such services or providing such deliverables, the Contractor shall notify the State in writing that it considers the services or deliverables to be an Additional Service/Deliverable for which the Contractor should receive additional compensation. If the Contractor does not so notify the State, the Contractor shall have no right to claim thereafter that it is entitled to additional compensation for performing that service or providing that deliverable. If the Contractor does so notify the State, then such a service or deliverable shall be governed by the Change Request procedure in this Section. In the event prices or service levels are not acceptable to the State, the Additional Services or New Work shall be subject to competitive bidding based upon the specifications.

(a) Change Requests

(i) State Requests

If the State should require Contractor to perform New Work, Additional Services or make changes to the Services that would affect the Contract completion schedule or the amount of compensation due Contractor (a "Change"), the State shall submit a written request for Contractor to furnish a proposal for carrying out the requested Change (a "Change Request").

(ii) Contractor Recommendations

Contractor shall be entitled to propose a Change to the State, on its own initiative, should it be of the opinion that this would benefit the Contract.

(iii) Upon receipt of a Change Request or on its own initiative, Contractor shall examine the implications of the requested Change on the technical specifications, Contract schedule and price of the Deliverables and Services and shall submit to the State without undue delay a written proposal for carrying out the Change. Contractor's proposal will include any associated changes in the technical specifications, Contract schedule and price and method of pricing of the Services. If the Change is to be performed on a time and materials basis, the Amendment Labor Rates shall apply to the provision of such Services. If Contractor provides a written proposal and should Contractor be of the opinion that a requested Change is not to be recommended, it shall communicate its opinion to the State but shall nevertheless carry out the Change as specified in the written proposal if the State directs it to do so.



- (iv) By giving Contractor written notice within a reasonable time, the State shall be entitled to accept a Contractor proposal for Change, to reject it or to reach another agreement with Contractor. Should the parties agree on carrying out a Change, a written Contract Change Notice shall be prepared and issued under this Contract, describing the Change and its effects on the Services and any affected components of this Contract (a "Contract Change Notice").
- (v) No proposed Change shall be performed until the proposed Change has been specified in a duly executed Contract Change Notice issued by the Department of Management and Budget, Office of Purchasing Operations.
- (vi) If the State requests or directs Contractor to perform any activities that Contractor believes constitute a Change, Contractor must notify the State that it believes the requested activities are a Change prior to commencing the performance of the requested activities. If Contractor fails to so notify the State prior to commencing performance of the requested activities, such activities shall be considered to be performed gratuitously by Contractor, and Contractor shall not have any right thereafter to assert any claim for additional compensation or time for the performance of such activities. If Contractor commences performance of gratuitous services outside the scope of this Contract and subsequently elects to stop performing such out-of-scope services, Contractor must, at the request of the State, back out or reverse any changes resulting from such performance that would adversely affect the Contract.

2.107 Management Tools - RESERVED

2.110 Records and Inspections

2.111 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.

2.112 Errors

- (a) If the audit demonstrates any errors in the statements provided to the State, then the amount in error shall be reflected as a credit or debit on the next invoice and in subsequent invoices until the amount is paid or refunded in full. However, a credit or debit may not be carried for more than four (4) quarterly statements. If a balance remains after four (4) quarterly statements, then the remaining amount will be due as a payment or refund within forty-five (45) days of the last quarterly statement that the balance appeared on or termination of the contract, whichever is earlier.
- (b) In addition to other available remedies, the difference between the payment received and the correct payment amount is greater than ten percent (10%), then the Contractor shall pay all of the reasonable costs of the audit.

2.120 State Responsibilities

2.121 State Performance Obligations

- (a) Equipment and Other Resources. To facilitate Contractor's performance of the Services/Deliverables, the State shall provide to Contractor such equipment and resources as identified in the Statements of Work or other Contract Exhibits as items to be provided by the State.
- (b) Facilities. The State shall designate space as determined by the CCI as long as it is available and as provided in the Statement of Work, to house Contractor's personnel whom the parties agree will perform the Services/Deliverables at State facilities



- (collectively, the "State Facilities"). Contractor shall have reasonable access to, and unless agreed otherwise by the parties in writing shall observe and comply with all rules and regulations relating to, each of the State Facilities (including hours of operation) used by Contractor in the course of providing the Services. Contractor agrees that it will not, without the prior written consent of the State, use any State Facilities or access any State information systems provided for Contractor's use, or to which Contractor otherwise gains access in the course of performing the Services, for any purpose other than providing the Services to the State.
- (c) Return. Contractor shall be responsible for returning 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.
- (d) Except as otherwise provided in **Section 2.220**, the State's failure to perform its responsibilities, as set forth in this Contract shall not be deemed to be grounds for termination by Contractor. However, Contractor will not be liable for any default or delay in the performance of its obligations under this Contract to the extent such default or delay is caused by nonperformance of the State's obligations under this Contract, provided Contractor provides the State with reasonable written notice of such nonperformance and Contractor uses commercially reasonable efforts to perform notwithstanding the State's failure to perform. In addition, if the State's nonperformance of its responsibilities under this Contract materially increases the time required for Contractor's performance or Contractor's cost of performance, Contractor shall be entitled to seek an equitable extension via the Change Request process described in **Section 2.106**.

2.130 Security

2.131 Background Checks

The Contractor shall authorize the investigation of its personnel proposed to have access to State facilities and systems on a case-by-case basis.

The scope of the background check is at the discretion of the State and the results will be used to determine Contractor personnel eligibility for working within State facilities and systems. Such investigations will include Michigan State Police Background checks (ICHAT) and may include the National Crime Information Center (NCIC) Finger Prints.

Proposed Contractor personnel may be required to complete and submit an RI-8 Fingerprint Card for the NCIC Finger Print Check. Any request for background checks will be initiated by the State and will be reasonably related to the type of work requested.

All Contractor personnel will also be expected to comply with the State's security and acceptable use policies for State IT equipment and resources. See <http://www.michigan.gov/ditservice/0,1607,7-179-25781-73760--,00.html>. Furthermore, Contractor personnel will be expected to agree to the State's security and acceptable use policies before the Contractor personnel will be accepted as a resource to perform work for the State.

It is expected the Contractor will present these documents to the prospective employee before the Contractor presents the individual to the State as a proposed resource. Contractor staff will be expected to comply with all Physical Security procedures in place within the facilities where they are working.

2.140 Reserved



2.150 Confidentiality

2.151 Freedom of Information

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

2.152 Confidentiality

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

2.153 Protection of Confidential Information

The State and Contractor will each use at least the same degree of care to prevent disclosing to third parties the Confidential Information of the other as it employs to avoid unauthorized disclosure, publication or dissemination of its own confidential information of like character, but in no event less Information of the other except as contemplated by this Contract, (ii) acquire any right in or assert any lien against the Confidential Information of the other, or (iii) if requested to do so, refuse for any reason to promptly return the other party's Confidential Information to the other party. Each party will limit disclosure of the other party's Confidential Information to employees and Subcontractors who must have access in order to fulfill the purposes of this Contract. Disclosure to, and use by, a Subcontractor is permissible where (A) use of a Subcontractor is authorized under this Contract, (B) such disclosure is necessary or otherwise naturally occurs in connection with work that is within such Subcontractor's scope of responsibility, and (C) Contractor obligates the Subcontractor in a written Contract to maintain the State's Confidential Information in confidence. At the State's request, any employee of Contractor and of any Subcontractor having access or continued access to the State's Confidential Information may be required to execute an acknowledgment that the employee has been advised of Contractor's and the Subcontractor's obligations under this Section and of the employee's obligation to Contractor or Subcontractor, as the case may be, to protect such Confidential Information from unauthorized use or disclosure.

2.154 Exclusions

Notwithstanding the foregoing, the provisions of this Section will not apply to any particular information which the State or Contractor can demonstrate (i) was, at the time of disclosure to it, in the public domain; (ii) after disclosure to it, is published or otherwise becomes part of the public domain through no fault of the receiving party; (iii) was in the possession of the receiving party at the time of disclosure to it without an obligation of confidentiality; (iv) was received after disclosure to it from a third party who had a lawful right to disclose such information to it without any obligation to restrict its further disclosure; or (v) was independently developed by the receiving party without reference to Confidential Information of the furnishing party. Further, the provisions of this Section will not apply to any particular Confidential Information to the extent



the receiving party is required by law to disclose such 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 such disclosure as reasonably requested by the furnishing party.

2.155 No Implied Rights

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

2.156 Remedies

Each party acknowledges that, if it breaches (or attempts or threatens to breach) its obligations under this Section, the other party may be irreparably harmed. Accordingly, if a court of competent jurisdiction should find that a party has breached (or attempted or threatened to breach) any such obligations, the non-breaching party shall be entitled to seek an injunction preventing such breach (or attempted or threatened breach).

2.157 Security Breach Notification

In the event of a breach of this Section, Contractor shall take (i) prompt corrective action to cure any such deficiencies and (ii) any action pertaining to such unauthorized disclosure required by applicable federal and state laws and regulations. Contractor and the State will cooperate to mitigate, to the extent practicable, the effects of any breach, intrusion, or unauthorized use or disclosure. Contractor shall report to the State in writing any use or disclosure of Confidential Information, whether suspected or actual, other than as provided for by the Contract within ten (10) days of becoming aware of such use or disclosure or such shorter time period as is reasonable under the circumstances.

2.158 Survival

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

2.159 Destruction of Confidential Information

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

2.160 Proprietary Rights - RESERVED

2.170 Warranties and Representations

The foregoing express warranties are in lieu of all other warranties and each party expressly disclaims all other warranties, express or implied, by operation of law or otherwise including but not limited to, the implied warranties of merchantability and fitness for a particular purpose.

2.171 Warranties and Representations

The Contractor represents and warrants:

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



- (b) The Contract Appendices, Attachments and Exhibits identify the equipment and software and services necessary for the Deliverable(s) to perform and Services to operate in compliance with the Contract's requirements and other standards of performance.
- (c) It 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 licensed use, as applicable, of any and all Deliverables. None of the Deliverables provided by Contractor to the State under this Contract, nor their use by the State, will infringe the patent, copyright, trade secret, or other proprietary rights of any third party.
- (d) 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 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.
- (e) The contract signatory has the power and authority, including any necessary corporate authorizations, necessary to enter into this Contract, on behalf of 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, 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.
- (h) Neither Contractor nor any Affiliates, nor any employee of either has accepted or shall accept anything of value based on an understanding that the actions of the Contractor or Affiliates or employee on behalf of the State would be influenced. Contractor shall not attempt to influence any State employee by the direct or indirect offer of anything of value.
- (i) Neither 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 Contractor or such 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 prices proposed by Contractor were arrived at independently, without consultation, communication, or agreement with any other bidder for the purpose of restricting competition; the prices quoted were not knowingly disclosed by Contractor to any other bidder; and no attempt was made by Contractor to induce any other person to submit or not submit a proposal for the purpose of restricting competition.
- (k) All financial statements, reports, and other information furnished by Contractor to the State as part of its response to the RFP 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 has been no material adverse change in the business, properties, financial condition, or results of operations of Contractor.

- (m) 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.
- (n) It is not in material default or breach of any other contract or agreement that it may have with the State or any of its departments, commissions, boards, or agencies. Contractor further represents and warrants that it has not been a party to any contract with the State or any of its departments that was terminated by the State or such department within the previous five (5) years for the reason that Contractor failed to perform or otherwise breached an obligation of such contract.

2.172 Consequences for Breach

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

2.180 Insurance

2.181 Liability Insurance

- (a) Liability Insurance

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

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

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

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

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

See http://www.mi.gov/cis/0,1607,7-154-10555_22535---,00.html.



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

Before both parties sign the Contract or before the purchase order is issued by the State, the Contractor must furnish to the Director of Purchasing Operations, certificate(s) of insurance verifying insurance coverage ("Certificates"). The Certificate must be on the standard "accord" form or equivalent. **THE CONTRACT OR PURCHASE ORDER NO. MUST BE SHOWN ON THE CERTIFICATE OF INSURANCE TO ASSURE CORRECT FILING.** All Certificate(s) are to be prepared and submitted by the Insurance Provider. All Certificate(s) shall contain a provision indicating that coverage's afforded under the policies WILL NOT BE CANCELLED, MATERIALLY CHANGED, OR NOT RENEWED without THIRTY (30) days prior written notice, except for ten (10) days for non-payment of premium, having been given to the Director of Purchasing Operations, Department of Management and Budget. The notice must include the Contract or Purchase Order number affected and be mailed to: Director, Purchasing Operations, Department of Management and Budget, P.O. Box 30026, Lansing, Michigan 48909. Failure to provide evidence of coverage, may, at the State's sole option, result in this Contract's termination.

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

1. Commercial General Liability with the following minimum coverage:

\$2,000,000 General Aggregate Limit other than Products/Completed Operations
 \$2,000,000 Products/Completed Operations Aggregate Limit
 \$1,000,000 Personal & Advertising Injury Limit
 \$1,000,000 Each Occurrence Limit
 \$500,000 Fire Damage Limit (any one fire)

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

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

The Contractor must list the State of Michigan, its departments, divisions, agencies, offices, certificate. The Contractor also agrees to provide evidence that insurance policies contain a waiver of subrogation by the insurance company.

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



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

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

4. Employers liability insurance with the following minimum limits:

\$100,000 each accident

\$100,000 each employee by disease

\$500,000 aggregate disease

(b) Subcontractors

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

(c) Certificates of Insurance and Other Requirements

Contractor shall furnish to the Office of Purchasing Operations certificate(s) of insurance verifying insurance coverage or providing satisfactory evidence of self-insurance as required in this Section (the "Certificates"). Before the Contract is signed, and not less than 20 days before the insurance expiration date every year thereafter, the Contractor shall provide evidence that the State and its agents, officers and employees are listed as additional insured's under each commercial general liability and commercial automobile liability policy. In the event the State approves the representation of the State by the insurer's attorney, the attorney may be required to be designated as a Special Assistant Attorney General by the Attorney General of the State of Michigan.

Contractor shall maintain all required insurance coverage throughout the term of the Contract and any extensions thereto and, in the case of claims-made Commercial General Liability policies, shall secure tail coverage for at least three (3) years following the expiration or termination for any reason of this Contract. The minimum limits of coverage specified above are not intended, and shall not be construed, to limit any liability or indemnity of Contractor under this Contract to any indemnified party or other persons. Contractor shall be responsible for all deductibles with regard to such insurance. If Contractor fails to pay any premium for required insurance as specified in this Contract, or if any insurer cancels or significantly reduces any required insurance as specified in this Contract without the State's written consent, at the State's election (but without any obligation to do so) after the State has given Contractor at least thirty (30) days written notice, the State may pay such premium or procure similar insurance coverage from another company or companies; and at the State's election, the State may deduct the entire cost (or part thereof) from any payment due Contractor, or Contractor shall pay the entire cost (or any part thereof) upon demand by the State.



2.190 Indemnification

2.191 Indemnification

- (a) **General Indemnification**
To the extent permitted by law, the Contractor shall indemnify, defend and hold harmless the State from liability, including all claims and losses, and all related costs and expenses (including reasonable attorneys' fees and costs of investigation, litigation, settlement, judgments, interest and penalties), accruing or resulting to any person, firm or corporation that may be injured or damaged by the Contractor in the performance of this Contract and that are attributable to the negligence or tortuous acts of the Contractor or any of its subcontractors, or by anyone else for whose acts any of them may be liable.
- (b) **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.
- (c) **Employee Indemnification**
In any and all claims against the State of Michigan, its departments, divisions, agencies, sections, commissions, officers, employees and agents, by any employee of the Contractor or any of its subcontractors, the indemnification obligation under 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 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.
- (d) **Patent/Copyright Infringement Indemnification**
To the extent permitted by law, the Contractor shall indemnify, defend and hold harmless the State from and against all losses, liabilities, damages (including taxes), and all related costs and expenses (including reasonable attorneys' fees and costs of investigation, litigation, settlement, judgments, interest and penalties) incurred in connection with any action or proceeding threatened or brought against the State to the extent that 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 patent, copyright, trademark or trade secret of any person or entity, which is enforceable under the laws of the United States.
In addition, should the equipment, software, commodity, or service, or its operation, become or in the State's or Contractor's opinion be likely to become the subject of a claim of infringement, 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 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 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.



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

2.192 Continuation of Indemnification Obligations

The Contractor's duty to indemnify pursuant to this Section 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 prior to expiration or cancellation.

2.193 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 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.

2.200 Limits of Liability and Excusable Failure

2.201 Limits of Liability

The Contractor's liability for damages to the State shall be limited to two times the value of the Contract or \$200,000 which ever is higher. The foregoing limitation of liability 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; 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.

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

2.202 Excusable Failure

Neither party will be liable for any default, damage or delay in the performance of its obligations under the Contract to the extent such default, damage or delay is caused by government regulations or requirements (executive, legislative, judicial, military or otherwise), power failure, electrical surges or current fluctuations, lightning, earthquake, war, water or other forces of nature or acts of God, delays or failures of transportation, equipment shortages, suppliers' failures, or acts or omissions of common carriers, fire; riots, civil disorders; strikes or other labor disputes, embargoes; injunctions (provided the injunction was not issued as a result of any fault or negligence of the party seeking to have its default or delay excused); or any other cause beyond the reasonable control of 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 commercially reasonable efforts to recommence performance or observance whenever and to whatever extent possible without delay and provided further that such party promptly notifies the other party in writing of the inception of the excusable failure occurrence, and also of its abatement or cessation.

If any of the above-enumerated circumstances substantially prevent, hinder, or delay Contractor's performance of the Services/provision of Deliverables for more than ten (10) Business Days, and the State determines that performance is not likely to be resumed within a period of time that is satisfactory to the State in its reasonable discretion, then at the State's option: (a) the State may procure the affected Services/Deliverables from an alternate source, and the State shall not be liable for payment for the unperformed Services/ Deliverables not



provided under the Contract for so long as the delay in performance shall continue; (b) the State may terminate any portion of the Contract so affected and the charges payable there under shall be equitably adjusted to reflect those Services/Deliverables terminated; or (c) the State may terminate the affected Statement of Work without liability to Contractor as of a date specified by the State in a written notice of termination to Contractor, except to the extent that the State shall pay for Services/Deliverables provided through the date of termination.

Contractor will not have the right to any additional payments from the State as a result of any Excusable Failure occurrence or to payments for Services not rendered/Deliverables not provided as a result of the Excusable Failure condition. Defaults or delays in performance by Contractor which are caused by acts or omissions of its Subcontractors will not relieve Contractor of its obligations under the Contract except to the extent that a Subcontractor is itself subject to an Excusable Failure condition described above and Contractor cannot reasonably circumvent the effect of the Subcontractor's default or delay in performance through the use of alternate sources, workaround plans or other means.

2.203 Disaster Recovery

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

2.210 Termination/Cancellation by the State

The State may terminate 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:

2.211 Termination for Cause

- (a) In the event that Contractor breaches any of its material duties or obligations under this 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 (such time period not to be less than thirty (30) days), 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 termination to Contractor, terminate this Contract in whole or in part, for cause, as of the date specified in the notice of termination.
- (b) In the event that this Contract is terminated for cause, in addition to any legal remedies otherwise available to the State by law or equity, Contractor shall be responsible for all costs incurred by the State in terminating this Contract, including but not limited to, State administrative costs, reasonable attorneys' fees and court costs, and any reasonable additional costs the State may incur to procure the Services/Deliverables required by this Contract from other sources. Re-procurement costs shall not be considered by the parties to be consequential, indirect or incidental damages, and shall not be excluded by any other terms otherwise included in this Contract, provided such costs are not in excess of fifty percent (50%) more than the prices for such Service/Deliverables provided under this Contract.
- (c) In the event the State chooses to partially terminate this Contract for cause, charges payable under this Contract will be equitably adjusted to reflect those Services/Deliverables that are terminated and the State shall pay for all Services/Deliverables for which Final Acceptance has been granted provided up to the termination date. Services and related provisions of this Contract that are terminated for cause shall cease on the effective date of the termination.



- (d) In the event this Contract is terminated for cause pursuant to this Section, and it is determined, for any reason, that Contractor was not in breach of contract pursuant to the provisions of this section, that termination for cause shall be deemed to have been a termination for convenience, effective as of the same date, and the rights and obligations of the parties shall be limited to that otherwise provided in this Contract for a termination for convenience.

2.212 Termination for Convenience

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

2.213 Non-Appropriation

- (a) Contractor acknowledges that, if this Contract extends for several fiscal years, continuation of this Contract is subject to appropriation or availability of funds for this Contract. If funds to enable the State to effect continued payment under this Contract are not appropriated or otherwise made available, the State shall have the right to terminate this Contract and all affected Statements of Work, in whole or in part, at the end of the last period for which funds have been appropriated or otherwise made available by giving written notice of termination to Contractor. The State shall give Contractor at least thirty (30) days advance written notice of termination for non-appropriation or unavailability (or such time as is available if the State receives notice of the final decision less than thirty (30) days before the funding cutoff).
- (b) If funding for the Contract is reduced by law, or funds to pay Contractor for the agreed-to level of the Services or production of Deliverables to be provided by Contractor are not appropriated or otherwise made available, the State may, upon thirty (30) days written notice to Contractor, reduce the level of the Services or the change the production of Deliverables in such manner and for such periods of time as the State may elect. The charges payable under this Contract will be equitably adjusted to reflect any equipment, services or commodities not provided by reason of such reduction.
- (c) In the event the State terminates this Contract, eliminates certain Deliverables, or reduces the level of Services to be provided by Contractor pursuant to this Section, the State shall pay Contractor for all Work-in-Process performed through the effective date of the termination or reduction in level, as the case may be and as determined by the State, to the extent funds are available. For the avoidance of doubt, this Section will not preclude Contractor from reducing or stopping Services/Deliverables and/or raising against the State in a court of competent jurisdiction, any claim for a shortfall in payment for Services performed or Deliverables finally accepted before the effective date of termination.

**2.214 Criminal Conviction**

The State may terminate this Contract immediately and without further liability or penalty in the event Contractor, an officer of Contractor, or an owner of a 25% or greater share of Contractor is convicted of a criminal offense incident to the application for, or performance of, a State, public or private Contract or subcontract; convicted of a criminal offense, including 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 Contractor's business integrity.

2.215 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, § 5, and Civil Service Rule 7-1. 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.

2.216 Rights and Obligations Upon Termination

- (a) If this Contract is terminated by the State for any reason, Contractor shall (a) stop all work as specified in the notice of termination, (b) take any action that may be necessary, or that the State may direct, for preservation and protection of Deliverables or other property derived or resulting from this Contract that may be in Contractor's possession, (c) return all materials and property provided directly or indirectly to Contractor by any entity, agent or employee of the State, (d) in the event that the Contractor maintains title in Deliverables that is intended to be transferred to the State at the termination of the Contract, Contractor will transfer title in, and deliver to, the State, unless otherwise directed, all Deliverables intended to be transferred to the State at the termination of the Contract and which are resulting from the Contract (which shall be provided to the State on an "As-Is" basis except to the extent the amounts paid by the State in respect of such items included compensation to Contractor for the provision of warranty services in respect of such materials), and (e) take any action to mitigate and limit any potential damages, or requests for Contractor adjustment or termination settlement costs, to the maximum practical extent, including terminating or limiting as otherwise applicable those subcontracts and outstanding orders for material and supplies resulting from the terminated Contract.
- (b) In the event the State terminates this Contract prior to its expiration for its own convenience, the State shall pay Contractor for all charges due for Services provided prior to the date of termination and, if applicable, as a separate item of payment pursuant to this Contract, for Work In Process, on a percentage of completion basis at the level of completion determined by the State. All completed or partially completed Deliverables prepared by Contractor pursuant to this Contract shall, at the option of the State, become the State's property, and Contractor shall be entitled to receive equitable fair compensation for such Deliverables. Regardless of the basis for the termination, the State shall not be obligated to pay, or otherwise compensate, Contractor for any lost expected future profits, costs or expenses incurred with respect to Services not actually performed for the State.
- (c) Upon a good faith termination, the State shall have the right to assume, at its option, any and all subcontracts and agreements for services and deliverables provided under this Contract, and may further pursue completion of the Services/Deliverables under this Contract by replacement contract or otherwise as the State may in its sole judgment deem expedient.



2.217 Reservation of Rights

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

2.218 Contractor Transition Responsibilities

In the event this contract is terminated, for convenience or cause, dissolved, voided, rescinded, nullified, expires or is otherwise rendered unenforceable, the Contractor agrees to comply with direction provided by the State to assist in the orderly transition of equipment, services, software, leases, etc. to the State or a third party designated by the State. In the event of termination or the expiration of this Contract, the Contractor agrees to make all reasonable efforts to effect an orderly transition of services within a reasonable period of time that in no event will exceed ninety (90) days. These efforts shall include, but are not limited to, the following:

- (a) Personnel - The Contractor shall work with the State, or a specified third party, to develop a transition plan setting forth the specific tasks and schedule to be accomplished by the parties, to effect an orderly transition. The Contractor shall allow as many personnel as practicable to remain on the job to help the State, or a specified third party, maintain the continuity and consistency of the services required by this Contract. In addition, during or following the transition period, in the event the State requires the Services of the Contractor's subcontractors or vendors, as necessary to meet its needs, Contractor agrees to reasonably, and with good-faith, work with the State to use the Services of Contractor's subcontractors or vendors. Contractor will notify all of Contractor's subcontractors of procedures to be followed during transition.
- (b) Information - The Contractor agrees to provide reasonable detailed specifications for all Services/Deliverables needed by the State, or specified third party, to properly provide the Services/Deliverables required under this Contract. The Contractor will provide the State with asset management data generated from the inception of this Contract through the date on which this Contractor is terminated in a comma-delineated format unless otherwise requested by the State. The Contractor will deliver to the State any remaining owed reports and documentation still in Contractor's possession subject to appropriate payment by the State.
- (d) Software. - The Contractor shall reasonably assist the State in the acquisition of any Contractor software required to perform the Services/use the Deliverables under this Contract. This shall include any documentation being used by the Contractor to perform the Services under this Contract. If the State transfers any software licenses to the Contractor, those licenses shall, upon expiration of the Contract, transfer back to the State at their current revision level. Upon notification by the State, Contractor may be required to freeze all non-critical changes to Deliverables/Services.
- (e) Payment - If the termination provisions of this Contract shall govern the transition results from a termination for any reason, reimbursement. If the transition results from expiration, the Contractor will be reimbursed for all reasonable transition costs (i.e. costs incurred within the agreed period after contract expiration that result from transition operations) at the rates specified by **Article 1**. The Contractor will prepare an accurate accounting from which the State and Contractor may reconcile all outstanding accounts.

2.219 State Transition Responsibilities

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

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



Termination by Contractor

2.221 Termination by Contractor

If the State materially breaches its obligation to pay Contractor undisputed amounts due and owing under this Contract in accordance with **Section 2.090**, or if the State breaches its other obligations under this Contract to an extent that makes it impossible or commercially impractical for Contractor to perform the Services, and if the State does not cure the breach within the time period specified in a written notice of breach provided to the State by Contractor (such time period not to be less than thirty (30) days), then Contractor may terminate this Contract, in whole or in part based on Statement of Work for cause, as of the date specified in the notice of termination; provided, however, that Contractor must discharge its obligations under **Section 2.250** before any such termination.

2.230 Stop Work - RESERVED

2.231 Stop Work Orders

The State may, at any time, by written stop work order to Contractor, require that Contractor stop all, or any part, of the work called for by the Contract for a period of up to ninety (90) calendar days after the stop work order is delivered to Contractor, and for any further period to which the parties may agree. The stop work order shall be specifically identified as such and shall indicate that it is issued under this **Section 2.230**. Upon receipt of the stop work order, 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) terminate the work covered by the stop work order as provided in **Section 2.210**.

2.232 Cancellation or Expiration of Stop Work Order

If a stop work order issued under this **Section 2.230** is canceled or the period of the stop work order or any extension thereof expires, Contractor shall resume work. The parties shall agree upon 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 Contractor's costs properly allocable to, the performance of any part of the Contract; and (b) Contractor asserts its right to an equitable adjustment within thirty (30) calendar days after the end of the period of work stoppage; provided that, if the State decides the facts justify the action, the State may receive and act upon a Contractor proposal submitted at any time before final payment under the Contract. Any adjustment will conform to the requirements of **Section 2.106**.

2.233 Allowance of Contractor Costs

If the stop work order is not canceled and the work covered by the stop work order is terminated for reasons other than material breach, such termination shall be deemed to be a termination for convenience under **Section 2.212**, and the State shall allow reasonable costs resulting from the stop work order in arriving at the termination settlement. For the avoidance of doubt, the State shall not be liable to Contractor for loss of profits because of a stop work order issued under this **Section 2.230**.

2.240 Reserved



2.250 Dispute Resolution

2.251 In General

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

2.252 Informal Dispute Resolution

- (a) All operational disputes between the parties shall be resolved under the Contract Management procedures developed pursuant to **Section 2.100**. If the parties are unable to resolve any disputes after compliance with such processes, the parties shall meet with the Director of Purchasing Operations, DMB, or designee, for the purpose of attempting to resolve such dispute without the need for formal legal proceedings, as follows:
 - (i) The representatives of Contractor and the State shall meet as often as the parties reasonably deem necessary in order to gather and furnish to each other all information with respect to the matter in issue which the parties believe to be appropriate and germane in connection with its resolution. The representatives shall discuss the problem and negotiate in good faith in an effort to resolve the dispute without the necessity of any formal proceeding.
 - (ii) During the course of negotiations, all reasonable requests made by one party to another for non-privileged information reasonably related to the Contract will be honored in order that each of the parties may be fully advised of the other's position.
 - (iii) The specific format for the discussions will be left to the discretion of the designated State and Contractor representatives, but may include the preparation of agreed upon statements of fact or written statements of position.
 - (iv) Following the completion of this process within sixty (60) calendar days, the Director of Purchasing Operations, DMB, or designee, shall issue a written opinion regarding the issue(s) in dispute within thirty (30) calendar days. The opinion regarding the dispute shall be considered the State's final action and the exhaustion of administrative remedies.
- (b) This **Section 2.250** will not be construed to prevent either party from instituting, and a party is authorized to institute, formal proceedings earlier to avoid the expiration of any applicable limitations period, to preserve a superior position with respect to other creditors, or pursuant to **Section 2.253**.
- (c) The State will not mediate disputes between the Contractor and any other entity, except state agencies, concerning responsibility for performance of work pursuant to the Contract.

2.253 Injunctive Relief

The only circumstance in which disputes between the State and Contractor will not be subject to the provisions of **Section 2.252** is where a party makes a good faith determination that a breach of the terms of the Contract by the other party is such that the damages to such party resulting from the breach will be so immediate, so large or severe and so incapable of adequate redress after the fact that a temporary restraining order or other immediate injunctive relief is the only adequate remedy.



2.254 Continued Performance

Each party agrees to continue performing its obligations under the Contract while a dispute is being resolved except to the extent the issue in dispute precludes performance (dispute over payment shall not be deemed to preclude performance) and without limiting either party's right to terminate the Contract as provided in **Section 2.210** and **2.220**, as the case may be.

2.260 Federal and State Contract Requirements

2.261 Nondiscrimination

In the performance of the Contract, Contractor agrees not to discriminate against any employee or applicant for employment, with respect to his or her hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, national origin, ancestry, age, sex, height, weight, marital status, physical or mental disability. Contractor further agrees that every subcontract entered into for the performance of this Contract or any purchase order resulting from this Contract will contain a provision requiring non-discrimination in employment, as specified here, binding upon each Subcontractor. This covenant is required pursuant to the Elliot Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, *et seq.*, and the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, *et seq.*, and any breach of this provision may be regarded as a material breach of the Contract.

2.262 Unfair Labor Practices

Pursuant to 1980 PA 278, MCL 423.231, *et seq.*, the State shall 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 pursuant to section 2 of the Act. The United States National Labor Relations Board compiles this information. A Contractor of the State, in relation to the Contract, shall not enter into a contract with a Subcontractor, manufacturer, or supplier whose name appears in this register. Pursuant to section 4 of 1980 PA 278, MCL 423.324, the State may void any Contract if, subsequent to award of the Contract, the name of Contractor as an employer or the name of the Subcontractor, manufacturer or supplier of Contractor appears in the register.

2.263 Workplace Safety and Discriminatory Harassment

In performing Services for the State, the Contractor shall 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 shall 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>.

2.270 Litigation

2.271 Disclosure of Litigation

- (a) Disclosure. Contractor must disclose any material criminal litigation, investigations or proceedings involving the Contractor (and each Subcontractor) or any of its officers or directors or any litigation, investigations or proceedings under the Sarbanes-Oxley Act. In addition, each Contractor (and each Subcontractor) must notify the State of any material civil litigation, arbitration or proceeding which arises during the term of the Contract and extensions thereto, to which Contractor (or, to the extent Contractor is aware, any Subcontractor hereunder) is a party, and which involves: (i) disputes that might reasonably be expected to adversely affect the viability or financial stability of Contractor or any Subcontractor hereunder; or (ii) a claim or written allegation of fraud against Contractor or, to the extent Contractor is aware, any Subcontractor hereunder by a governmental or public entity arising out of their business dealings with governmental or public entities. Any such



litigation, investigation, arbitration or other proceeding (collectively, "Proceeding") must be disclosed in a written statement to the Contract Administrator within thirty (30) days of its occurrence. Details of settlements, which are prevented from disclosure by the terms of the settlement, may be annotated as such. Information provided to the State from Contractor's publicly filed documents referencing its material litigation will be deemed to satisfy the requirements of this Section.

- (b) Assurances. In the event that any such Proceeding disclosed to the State pursuant to this Section, or of which the State otherwise becomes aware, during the term of this Contract would cause a reasonable party to be concerned about:
- (i) the ability of Contractor (or a Subcontractor hereunder) to continue to perform this Contract in accordance with its terms and conditions, or
 - (ii) whether Contractor (or a Subcontractor hereunder) in performing Services for the State is engaged in conduct which is similar in nature to conduct alleged in such Proceeding, which conduct would constitute a breach of this Contract or a violation of Michigan law, regulations or public policy, then Contractor shall be required to provide the State all reasonable assurances requested by the State to demonstrate that:
 - (A) Contractor and/or its Subcontractors hereunder will be able to continue to perform this Contract and any Statements of Work in accordance with its terms and conditions, and
 - (B) Contractor and/or its Subcontractors hereunder have not and will not engage in conduct in performing the Services which is similar in nature to the conduct alleged in such Proceeding.
- (c) Contractor shall make the following notifications in writing:
- (1) Within thirty (30) days of Contractor becoming aware that a change in its ownership or officers has occurred, or is certain to occur, or a change that could result in changes in the valuation of its capitalized assets in the accounting records, Contractor shall notify the Office of Purchasing Operations.
 - (2) Contractor shall also notify the Office of Purchasing Operations within thirty (30) days whenever changes to asset valuations or any other cost changes have occurred or are certain to occur as a result of a change in ownership or officers.
 - (3) Contractor shall also notify Purchasing Operations within thirty (30) days whenever changes to company affiliations occur.

2.272 Governing Law

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

2.273 Compliance with Laws

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

2.274 Jurisdiction

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



2.280 Environmental Provision

2.281 Environmental Provision

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

- (a) The Contractor shall use, handle, store, dispose of, process, transport and transfer any material considered a Hazardous Material in accordance with all federal, State and local laws. The State shall provide a safe and suitable environment for performance of Contractor's Work. Prior to the commencement of Work, the State shall advise Contractor of the presence at the work site of any Hazardous Material to the extent that the State is aware of such Hazardous Material. If the Contractor encounters material reasonably believed to be a Hazardous Material and which may present a substantial danger, the Contractor shall immediately stop all affected Work, give written notice to the State of the conditions encountered, and take appropriate health and safety precautions.
- (b) Upon receipt of a written notice, the State will investigate the conditions. If (a) the material is a Hazardous Material that may present a substantial danger, and (b) the Hazardous Material was not brought to the site by the Contractor, or does not result in whole or in part from any violation by the Contractor of any laws covering the use, handling, storage, disposal of, processing, transport and transfer of Hazardous Materials, the State shall order a suspension of Work in writing. The State shall proceed to have the Hazardous Material removed or rendered harmless. In the alternative, the State shall terminate the affected Work for the State's convenience.
- (c) Once the Hazardous Material has been removed or rendered harmless by the State, the affected Work shall be resumed as directed in writing by the State. Any determination by the Michigan Department of Community Health and/or the Michigan Department of Environmental Quality (whichever is applicable) that the Hazardous Material has either been removed or rendered harmless shall be binding upon the State and Contractor for the purposes of resuming the Work.
- (d) If the Hazardous Material was brought to the site by the Contractor, or results in whole or in part from any violation by the Contractor of any laws covering the use, handling, storage, disposal of, processing, transport and transfer of Hazardous Material, or from any other act or omission within the control of the Contractor, the Contractor shall bear its proportionate share of the delay and costs involved in cleaning up the site and removing and rendering harmless the Hazardous Material in accordance with Applicable Laws to the condition approved by applicable regulatory agency(ies). If the Contractor fails to take appropriate action pursuant to Applicable Laws and consistent with the State requirements, then the State may take appropriate action.

2.290 General

2.291 Amendments

The Contract may not be modified, amended, extended, or augmented, except by a writing executed by the parties.

**2.292 Assignment**

- (a) Neither party shall have the right to assign the Contract, or to assign 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 other party; provided, however, that the State may assign the Contract to any other State agency, department, division or department without the prior consent of Contractor and Contractor may assign the Contract to an affiliate so long as such affiliate is adequately capitalized and can provide adequate assurances that such affiliate can perform the Contract. Any purported assignment in violation of this Section shall be null and void. It is the policy of the State of Michigan to withhold consent from proposed assignments, subcontracts, or notations when such transfer of responsibility would operate to decrease the State's likelihood of receiving performance on the Contract or the State's ability to recover damages.
- (b) Contractor may not, without the prior written approval of the State, assign its right to receive payments due under the Contract. In the event of any such permitted assignment, Contractor shall not be relieved of its responsibility to perform any duty imposed upon it herein, and the requirement under the Contract that all payments shall be made to one entity shall continue.

2.293 Entire Contract; Order of Precedence

- (a) The Contract, including any Statements of Work and Exhibits, to the extent not contrary to the Contract, each of which is incorporated for all purposes, constitutes the entire agreement between the parties with respect to the subject matter and supersedes all prior agreements, whether written or oral, with respect to such subject matter and as additional terms and conditions on the purchase order shall apply as limited by **Section 2.061**.
- (b) In the event of any inconsistency between the terms of the Contract and a Statement of Work, the terms of the Statement of Work will take precedence (as to that Statement of Work only); provided, however, that a Statement of Work may not modify or amend the terms of **Sections 2.110 through 2.220** of the Contract, which may be modified or amended only by a formal Contract amendment.

2.294 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 the Contract.

2.295 Relationship of the Parties (Independent Contractor Relationship)

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

2.296 Notices

- (a) Any notice given to a party under the Contract 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.



State of Michigan:
Joan Bosheff, Buyer Specialist
Purchasing Operations
Business Services Administration
Department Of Management And Budget
Mason Bldg, 2nd Floor
PO Box 30026
Lansing, MI 48909
Phone: (517) 373-7374
Email: bosheffj@michigan.gov

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

- (b) **Binding Commitments**
Representatives of Contractor identified in **Article 1, Attachment B** shall have the authority to make binding commitments on Contractor's behalf within the bounds set forth in such table. Contractor may change such representatives from time to time upon written notice.

2.297 Media Releases and Contract Distribution

- (a) **Media Releases**
Neither Contractor nor the State will make any news releases, public announcements or public disclosures, nor will they have any conversations with representatives of the news media, pertaining to the Contract, the Services or the Contract without the prior written approval of the other party, and then only in accordance with explicit written instructions provided by that party. In addition, neither Contractor nor the State will use the name, trademarks or other proprietary identifying symbol of the other party or its affiliates without such party's prior written consent. Prior written consent of the Contractor must be obtained from authorized representatives.
- (b) **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.

2.298 Reformation and 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.

2.299 Consents and Approvals

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

2.300 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.

2.301 Survival

Any provisions of the Contract that impose continuing obligations on the parties including the parties' respective warranty, indemnity and confidentiality obligations, shall survive the



expiration or termination of the Contract for any reason. Specific references to survival in the Contract are solely for identification purposes and not meant to limit or prevent the survival of any other section.

2.302 Covenant of Good Faith

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

2.303 Permits

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

2.304 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.

2.305 Taxes

Vendors are expected to collect and pay all applicable federal, state, and local employment taxes, including the taxes defined in Section 3.022 for all persons involved in the resulting Contract.

The State may refuse to award a contract to any Vendor who has failed to pay any applicable State taxes. The State may refuse to accept Vendor's bid, if Vendor has any outstanding debt with the State. Prior to any award, the State will verify whether Vendor has any outstanding debt with the State.

2.306 Prevailing Wage - RESERVED

2.307 Call Center Disclosure

Contractor and/or all subcontractors 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 shall be a material breach of this Contract.

2.308 Future Bidding Preclusion

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

2.310 Reserved

**2.320 Extended Purchasing****2.321 MiDEAL - RESERVED****2.322 State Employee Purchases - RESERVED****2.330 Federal Grant Requirements****2.331 Federal Grant Requirements**

The following links contain certifications and terms, which may be required for some purchases paid via Federal funds. They are included here to be utilized as required.

Lobbying Certifications are usually for agreements over \$100,000. The debarment certification is required for all agreements. The last link is where you can go and search for debarred or suspended contractors.

http://straylight.law.cornell.edu/uscode/html/uscode31/usc_sec_31_00001352----000-.html

http://www.archives.gov/federal_register/codification/executive_order/12549.html

http://www.archives.gov/federal_register/executive_orders/pdf/12869.pdf

<http://www.epls.gov/epls/servlet/EPLSsearchMain/1>



JANITORIAL SERVICES - ITB #071I7200203

PART I: SPECIFICATIONS

PART II: VENDOR'S LOCATION WORK PLAN

PART III: VENDOR'S LOCATION PRICE QUOTE

Consideration for award is based on Work Plan, Price Quotation in accordance with the specifications, terms and conditions as stated within this solicitation. Janitorial contract awards are subject to the Sheltered Workshop Sections of P.A. 431 of 1984 (MCL 18.1293 – 18.1297). In order to receive further award consideration, a bidder's work plan and location pricing SHALL indicate that you make a profit. Bids submitted indicating a loss shall be considered non-responsive.

I. SPECIFICATIONS

A. CONTRACT AND CCI INFORMATION

STATE FAIR

CONTRACT INFORMATION			
APPROXIMATE START DATE:	August 22, 2007	CONTRACT END DATE:	October 1, 2010
PREVIOUS CONTRACT #:	State Fair executed contract		
NUMBER OF YEARS / OPTIONS EFFECTIVE:	3 years/2 one year options, Contract is for janitorial services during the State Fair time only.		
CONTRACTING AGENCY NAME:	DEPARTMENT OF MANAGEMENT & BUDGET – STATE FAIR		
BUILDING NAME AND NUMBER:	STATE FAIR GROUNDS		
BUILDING ADDRESS:	1120 W. STATE FAIR, Detroit, MI 48203		
IS THIS LOCATION CURRENTLY ON CRO "SET ASIDE" STATUS?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
REGION and COUNTY:	Region: 22 County: Wayne		
PROCUREMENT CONTACT INFORMATION			
PROCUREMENT OFFICE NAME:	DMB-FINANCIAL SERVICES, OPERATIONS, PROCUREMENT UNIT		
PROCUREMENT OFFICE CONTACT NAME:	Natalie Spaniolo	CONTACT TELEPHONE #:	517-373-3696
PROCUREMENT OFFICE CONTACT E-MAIL:	SpanioloN@Michigan.gov	CONTACT FACISIMILE #:	517-241-4856
CONTRACT COMPLIANCE INSPECTOR (CCI) / FACILITY MANAGER (FM) NAME:	Steve Jenkins	CONTACT TELEPHONE #:	313-369-8250
CCI / FM CONTACT E-MAIL:	JenkinsS@Michigan.gov	CONTACT FACISIMILE #:	313-369-8499



B. BUILDING SPECIFICATION INFORMATION

BUILDING LOCATION INFORMATION

OFFICIAL WORKING DAYS OF BUILDING OCCUPANTS:	█	OFFICIAL WORKING HOURS OF BUILDING OCCUPANTS:	
NUMBER OF EMPLOYEES:	█	APPROXIMATE DAILY VISITORS:	
IDENTIFY DAYS OF CLEANING SERVICE:	█	IDENTIFY HOURS OF CLEANING SERVICE:	
TOTAL BUILDING SQ. FT. TO BE CLEANED:	█	NUMBER OF STORIES IN BUILDING:	
TOTAL SQ. FT. OF CARPET TO BE CLEANED:		AREA(S):	
TOTAL SQ. FT. OF "HIGH TRAFFIC" CARPET AREA(S) TO BE CLEANED:		AREA(S):	
TOTAL SQ. FT. OF VINYL TO BE CLEANED:		AREA(S):	
TOTAL SQ. FT. OF CERAMIC TO BE CLEANED:		AREA(S):	
TOTAL SQ. FT. OF CEMENT TO BE CLEANED:		AREA(S):	
TOTAL SQ. FT. OF TERRAZO TO BE CLEANED:		AREA(S):	
TOTAL SQ. FT. OF RUBBER TO BE CLEANED:		AREA(S):	
NUMBER OF RESTROOMS IN BUILDING:		NUMBER OF TOTAL UNITS FOR BUILDINGS RESTROOM(S):	
		<i>NOTE, INCLUDES: SINKS, SHOWERS, TOILETS, URINALS</i>	
Is window cleaning to be included on this contract? <i>Note: Specify if Interior and / or Exterior and Number of Floors – typically 1st Floor for Exterior.</i>	NO		
Does location have child play area(s), gymnasium, locker room, etc? If so, please identify along with cleaning standard.			
What is the RECOMMENDED Level of Insurance Risk for this Contract? [EXAMPLE: LOW, MODERATE OR HIGH] NOTE: DMB-OAS & AGENCY to determine			
ADDITIONAL INFORMATION: (Note additional building information, including, but not limited to, particular security requirements {keys, etc.} or known building environmental issues that a Contractor should be aware of if performing janitorial services for this location):			



C. DESCRIPTION OF SERVICE NEEDS

TASK AND FREQUENCIES

SERVICES	BATHROOM AND SHOWER AREAS								
BASIC SERVICES – RESTROOM AND SHOWER CLEANING: Scrubbing sinks toilets, floors, shower stalls, and urinals. Unplugging toilets. Scrubbing drinking fountains. Sweeping and mopping floors. Restocking toilet tissue, soap, and hand towels.									
	Bathrooms Areas:					Shower Areas:			
	Men's: Sinks	Urinals	Toilets	Women's: Sinks	Toilets	Men's Sinks	Showers	Women's Sinks	Showers
Buildings:									
Kiddieland	4	4	16	9	28				
Michigan Mart	4	4	3	4	6				
Plaza Bathrooms	6	7	5	7	9				
Entry office	1		1						
Chrysler Pavilion	2	1	2	1	1		1		
Carnie Restrooms	1	5	14	10	26		2	2	
Multi-Purpose Barn	3	1	2	3	3				
Youth Bldg			1	1	1				
Administration Building	2	2	2	2	3				
Volunteer Headquarters	1	1	1	2	2				
Bandshell	2	2	2	2	4				
Grant House	2	2					1		
Dumars Building	5	2	6	7	9				
Youthside Restrooms Dumars Building	3	1	5	3	7				
Poultry Barn	4	2	4	2	4		2		1
Dairy Barn	4	4	3	5	6				
Dairy Barn (The Hill)						1	3	3	1
Community Arts	6	5	4	7	8				
Community Arts (basement)			1		1	1	1	1	1
Coliseum	25	23	28	14	18	2	32		
Totals	75	66	100	79	136	4	42	6	3

NOTE:

Services requested by the Facility Manager and performed by the contractor, which are beyond the scope of this service contract, shall be billed separately at the hourly rate quoted by the contractor for additional/emergency services.

SUPPLEMENTARY TASKS*

- **The annual Michigan State Fair is a 13-day event beginning on a Wednesday and ending on Labor Day. Gates are open to the public at 10:00 a.m. and close at 10:00 p.m. One service gate is open 24 hours. For the 2007 Fair, dates are August 22nd through September 3, 2007.**
- Although there shall be continuous liaison with the Contractor team, the client agency's project director shall meet daily during the Fair, at a minimum, with the Contractor's project manager for the purpose of reviewing progress and providing necessary guidance to the Contractor in solving problems that arise.
- Contractor shall submit daily reports which outline the work accomplished during the reporting period; problems, real or anticipated, which should be brought to the attention of the client agency's project director; and notification of any significant deviation from previously agreed-upon work plans.
- Necessary staff substitutions due to change of employment status and other unforeseen circumstances may only be made with prior approval of the State.
- Contractor shall provide semi-skilled and unskilled workers as needed to undertake, perform, and complete activities that shall include, but not be limited to the following services, required **before, during, and after** the annual Michigan State Fair.
 3. General clean up of assigned buildings, consisting of sweeping floors, washing, floors, graffiti removal, collecting trash, emptying trash receptacles, replacing trash can liners, cleaning restrooms.
 4. Cleaning of Bathrooms – matron and porter services shall be provided between the hours of 8:00 a.m. and 10:00 p.m. to keep the restrooms clean that shall include, but not necessarily be limited to:
 - a. Scrubbing sinks, toilets, floors, shower stalls, and urinals
 - b. Unplugging toilets
 - c. Scrubbing drinking fountains
 - d. Sweeping and mopping floors
 - e. Restocking toilet tissue, soap, hand towels
 - f. All other work to keep restrooms clean and sanitary
- **Grounds/Liter pickup crews:** The Contractor shall provide services to include, but not necessarily be limited to:
 5. Sweeping curbs and walkways
 6. Pickup up ground trash from entire fairgrounds including lawn and flower areas, curbs and walkways, parking lots and all fence lines, camping areas, outdoor storage and staging areas, midway, and walkways along Eight Mile Road, State Fair Avenue and Woodward Avenue.
 7. Emptying trash receptacles
 8. Replacing trash receptacle liners both inside and out.
- The Contractor shall be required to conduct a pre-fair cleaning of all buildings, restrooms, and grounds beginning seven (7) days prior to the start of the annual fair. For 2007, the beginning date is Wednesday, August 22nd.
 3. Pre-cleaning shall include the cleaning of the Coliseum after the livestock show ring and dirt have been set in place.
 4. Contractor shall conduct a post-fair cleaning of all buildings, restrooms, and grounds beginning on Tuesday, September 4th.

Cleaning of the Coliseum, Dairy Building, East Mall and Agriculture/Field house shall be completed by 6 a.m., Monday, September 10, 2007. The balance of the buildings and grounds shall be completed by 11 p.m., Friday, September 14, 2007.

- A final inspection by State Fair management and the contractor shall take place before contractor shall be released and final payment authorized.

To successfully complete the requirements of the contract, the State may require contractor to operate a 24-hour operation during the annual State Fair.



NOTES AND ADDITIONAL INFORMATION

- All cleaning schedules are to be established with and approved by the Contract Compliance Inspector (CCI) at the beginning of the contract period. Service delivery begin date shall be determined by CCI. Any deviation from the established schedule shall be pre-approved by the CCI.
- All periodic services shall be priced and invoiced separately from the basic services. Delivery and performance of all periodic services shall be pre-approved by the CCI or their designee pursuant to the schedule as approved by the CCI.

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

Replenishable Item	Provided by
Paper towels	State of Michigan
Hand soap	State of Michigan
Feminine Sanitary vending supplies & Disposal bags	State of Michigan
Toilet tissue	State of Michigan
Plastic Trash Can Liners	Contractor

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



Part II
JANITORIAL WORK PLAN
(35 POINTS)

A. LOCATION WORK PLAN

1.	<p>Implementation Plan: Provide a complete description of how you intend to accomplish the work described for this location:</p>
	<ul style="list-style-type: none"> • What tasks or responsibilities shall be assigned to each employee assigned to the project? <p><u>Site Manager</u> - Tasks & responsibilities include: Implementing and maintaining the quality of service. Handles all operational aspects of the account including areas of concern, special requests, quality issues, inspections, etc. Ensures that the daily needs of our customers are met according to contract specifications, and implements the actions needed in resolving customer complaints and any additional service requests. Makes sure that all situations are handled promptly, correctly, and that staffing levels accommodate the situation.</p> <p>Ensures efficient work programs and training by guiding site supervisors, leads, and cleaners. Other duties and responsibilities include:</p> <ul style="list-style-type: none"> • Making better use of employee energy and effort • Organizing the assignment and flow of work to facilitate output • Responsible for overseeing and managing assistant supervisors, leads, cleaners and other personnel as required • Customer Inspections • Customer Service, Customer Complaints, Special Requests and Follow-Up • Ensures that all service obligations are being implemented • Schedule and assign tasks and resources to complete the work • Arrange tasks with some flexibility to meet unforeseen events • Have a contingency plan in place in the event that an employee fails to report to work • Cost Control - maintains the operating budget for each account, and works within that budget by exercising proper training and supervision.. • Enforcement of RRM Policies & Procedures • Contingency plan for call offs / no shows / weather. Coordinates, re-assign, and directs support staff in the case of staffing shortages due to absenteeism of any kind. • The customers' contact for any and all operational issues.

Supervisors - Tasks & responsibilities include:

Tasks and responsibilities are similar to the Site Manager. Will assist the Site Manager in implementing and maintaining the quality of service. Handles all operational aspects of the account including areas of concern, special requests, quality issues, inspections, etc. Ensures that the daily needs of our customers are met according to contract specifications, and implements the actions needed in resolving customer complaints and any additional service requests. Makes sure that all situations are handled promptly, correctly, and that staffing levels accommodate the situation.

Other duties and responsibilities include:

- Making better use of employee energy and effort
- Organizing the assignment and flow of work to facilitate output
- Responsible for overseeing and managing leads, and cleaners as required
- Customer Inspections
- Customer Service, Customer Complaints, Special Requests and Follow-Up
- Ensures that all service obligations are being implemented
- Schedule and assign tasks and resources to complete the work
- Arrange tasks with some flexibility to meet unforeseen events
- Have a contingency plan in place in the effect that an employee fails to report to work
- Enforcement of RRM Policies & Procedures
- Contingency plan for call offs / no shows / weather. Coordinates, re-assign, and directs support staff in the case of staffing shortages due to absenteeism of any kind.
- The customers' additional contact for any and all operational issues.

Leads– Tasks & responsibilities include:

Trained to have a thorough knowledge of, and capability to perform all housekeeping job assignments at the festival. Duties include but are not limited to:

- Inspects quality of service being performed
- Supervises the cleaners,
- Ensures that materials, supplies, and equipment are available and sufficient to perform the work required
- Immediate documentation of all accident and/or damage reports to the customer by entering any incident in the building control manual and incident reporting documents.
- Familiar with emergency, fire and disaster plans developed for building security, and in addition to the normal supervisory work of the janitorial crew, the supervisory staff will assume the duties assigned to them by the customer as they relate to these plans.



Utility: Responsible for running street sweeper equipment. These individuals have special skills and training in order to use and care for power equipment and specialty methods of cleaning. Individuals are certified in carpet care by the IICRC and in floor care by Spartan Chemical Company. These employees are responsible for many other specialty services and for emergency services that we perform.

Cleaners: Basic responsibilities are maintaining the cleanliness of festival. Duties include general clean up of assigned area/building; sweeping floors, washing floors, graffiti removal, collecting trash, emptying trash receptacles, replacing trash cans liners. Cleaning restrooms - scrubbing sinks, toilets floors, shower stalls and urinals. Unplugging toilets, scrubbing drinking fountains, sweeping and mopping floors, restocking toilet tissue, soap and hand towels. All other work to keep restrooms clean and sanitary. Grounds/Liter pickup – sweeping curbs and walkways, pickup ground trash from entire fairgrounds including lawn and flower areas, curbs and walkways, parking lots and all fence lines, camping areas, outdoor storage and staging areas, midway, and walkways along Eight Mile Rd., State Fair Ave. and Woodward Ave. Emptying trash receptacles, replacing trash receptacle liners both inside and out.

- Does your company provide uniforms and identification for your employees? If not, how can your employees identified?

Our employees represent both our organization and our customer. We believe that a professional appearance promotes improved levels of service, as well as providing enhanced security.

All employees are furnished with high quality, distinctive uniforms. Uniforms are fitted to present a neat, clean appearance. Uniform shirts and/or smocks will be worn. ID badges are supplied to all employees. All badges prominently display the company logo, the name of the employee, and a picture of the employee along with the employee signature. Employees are required to wear these ID badges at all times.

- What is the number of employees assigned to this location, and what are the total proposed man-hours for both workers and supervisors?

1 Site Supervisor – 208 Hours for Event
 4 Supervisors – 728 Hours for Event
 8 Leads – 864 Hours for Event
 3 Utility – 624 Hours for Event
 60 Cleaners 7070 Hours for Event

PLEASE NOTE - THESE ARE THE ESTIMATED HOURS WE WILL USE FOR THIS PROJECT. DUE TO THIS BEING A FIXED PRICE CONTRACT WE WILL INCREASE/DESCREASE THESE HOURS AS NEEDED.



- Indicate the starting hourly wage per worker.

Hourly wages for workers: Cleaners = \$ 8.00/Hour
 Utility = \$8.75/Hour
 Leads = \$9.00/Hour

- Indicate the hourly wage per supervisor.

Hourly wages for supervisors: Supervisors = \$14.00/Hour
 Site Manger = \$16.00/Hour

2.	<p>Contingency Plan:</p> <ul style="list-style-type: none"> • Describe in the work plan a contingency plan when staff assigned cannot provide the service. <p>Adequate substitute coverage will be maintained. An on-call list will be available for last minute replacement coverage. These employees will be available to come in at a moments notice in order to cover call-offs, no-shows and increases in labor due to attendance levels.</p> <p>Additionally Road Runr uses a Staffing Company as backup to support any shortages that may occur.</p> <p>The Site Manager and Supervisors will coordinate, re-assign, and direct on-call staff to supply coverage in the case of staffing shortages.</p>
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	<ul style="list-style-type: none"> • Include in your work plan if supervisor assist in any cleaning tasks. <p>The Site Manager and Supervisors will NOT be assisting in any cleaning tasks. They are responsible for managing the event and supervising the staff.</p>
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▪ **STAFFING ROLES & RESPONSIBILITIES**

1. **PERSONNEL:**

<p>A.</p>	<p>Explain how you intend to manage the service as described (staffing compared to amount of service) with the number staff you have listed below. Identify the total number of man-hours, the total number of supervisors, the total number of workers (including both supervisors and cleaning staff), and the subcontractor(s) that you propose to utilize in delivering services.</p>
	<p>NUMBER OF STAFF 1 Site Manager is assigned to oversee and manage the festival operations. 4 Supervisors 8 Leads 3 Utility 60 Cleaners</p> <p>MAN HOURS 1 Site Supervisor – 208 Hours for Event 4 Supervisors – 728 Hours for Event 8 Leads – 864 Hours for Event 3 Utility – 624 Hours for Event 60 Cleaners 7070 Hours for Event</p> <p>TOTALS Total Man Hours = 9494 Hours (936 Supervisory & 8558 Worker) Total Number of Supervisors = 5 Total Number of Workers = 76 (5 Supervisory and 71 Workers)</p> <p>SUBCONTRACTORS - None</p> <p>PLEASE NOTE - THESE ARE THE ESTIMATED HOURS WE WILL USE FOR THIS PROJECT. DUE TO THIS BEING A FIXED PRICE CONTRACT WE WILL INCREASE/DESCREASE THESE HOURS AS NEEDED.</p>
<p>B.</p>	<p>Describe the position(s) that shall be responsible for implementing the services and their positions in your organizational structure, as well as their decision-making authority as it relates to this implementation of these services. Identify where these personnel shall be physically located during the transition, implementation, and maintenance management phases of a possible contract. Include an organizational chart or diagram that reflects your company structure</p>

**Ed Tylutki – Site Manager**

Responsible for implementing and maintaining the quality of service. Handles all operational aspects of the account including areas of concern, special requests, quality issues, inspections, etc. Ensures that the daily needs of our customers are met according to contract specifications, and implements the actions needed in resolving customer complaints and any additional service requests. Makes sure that all situations are handled promptly, correctly, and that staffing levels accommodate the situation.

Ensures efficient work programs and training by guiding site supervisors, leads, and cleaners. Other duties and responsibilities include:

- Making better use of employee energy and effort
- Organizing the assignment and flow of work to facilitate output
- Responsible for overseeing and managing assistant supervisors, leads, cleaners and other personnel as required
- Customer Inspections
- Customer Service, Customer Complaints, Special Requests and Follow-Up
- Ensures that all service obligations are being implemented
- Schedule and assign tasks and resources to complete the work
- Arrange tasks with some flexibility to meet unforeseen events
- Have a contingency plan in place in the event that an employee fails to report to work
- Cost Control - maintains the operating budget for each account, and works within that budget by exercising proper training and supervision..
- Enforcement of RRM Policies & Procedures
- Contingency plan for call offs / no shows / weather. Coordinates, re-assign, and directs support staff in the case of staffing shortages due to absenteeism of any kind.
- The customers' contact for any and all operational issues.

**Harold Hughes, Lisa Seabrooks, Ron Sitarski, Hal Payron – Supervisors**

Tasks and responsibilities are similar to the Site Manager. Will assist the Site Manager in implementing and maintaining the quality of service. Handles all operational aspects of the account including areas of concern, special requests, quality issues, inspections, etc. Ensures that the daily needs of our customers are met according to contract specifications, and implements the actions needed in resolving customer complaints and any additional service requests. Makes sure that all situations are handled promptly, correctly, and that staffing levels accommodate the situation.

Other duties and responsibilities include:

- Making better use of employee energy and effort
- Organizing the assignment and flow of work to facilitate output
- Responsible for overseeing and managing leads, and cleaners as required
- Customer Inspections
- Customer Service, Customer Complaints, Special Requests and Follow-Up
- Ensures that all service obligations are being implemented
- Schedule and assign tasks and resources to complete the work
- Arrange tasks with some flexibility to meet unforeseen events
- Have a contingency plan in place in the effect that an employee fails to report to work
- Enforcement of RRM Policies & Procedures
- Contingency plan for call offs / no shows / weather. Coordinates, re-assign, and directs support staff in the case of staffing shortages due to absenteeism of any kind.
- The customers' additional contact for any and all operational issues.

**Bob McGregor - Equipment & Maintenance**

Responsible for ensuring adequate equipment, stock and supply levels are on-hand for event. Ensures that all equipment is repaired and in good working order. Oversees and monitors our Safety Policy and Bloodborne Pathogen Exposure Control Plan.

Other duties and responsibilities include:

- Inventory & Equipment Control & Disbursement: Responsible for maintaining supplies, chemicals and equipment necessary to meet all operational requirements.
- Manages the equipment and vehicle inventory and maintenance programs. Maintain all equipment in working order. This includes transportation of equipment to and from site as needed.
- Insure all stock levels are adequate
- Orders and reorders inventory in a timely manner to ensure products are available on-site to perform job duties as required. Transportation of inventory to site as needed.
- Insure proper organization of janitorial closets including proper labeling of all chemicals and MSDS are in place.

**Leads** – Employee Names to be Determined.

Trained to have a thorough knowledge of, and capability to perform all housekeeping job assignments at the festival. Duties include but are not limited to:

- Inspects quality of service being performed
- Supervises the cleaners,
- Ensures that materials, supplies, and equipment are available and sufficient to perform the work required
- Immediate documentation of all accident and/or damage reports to the customer by entering any incident in the building control manual and incident reporting documents.
- Familiar with emergency, fire and disaster plans developed for building security, and in addition to the normal supervisory work of the janitorial crew, the supervisory staff will assume the duties assigned to them by the customer as they relate to these plans.

Utility – Employee Names to be Determined.

Responsible for running street sweeper equipment. These individuals have special skills and training in order to use and care for power equipment and specialty methods of cleaning. Individuals are certified in carpet care by the IICRC and in floor care by Spartan Chemical Company. These employees are responsible for many other specialty services and for emergency services that we perform.

Cleaners – Employee Names to be Determined.

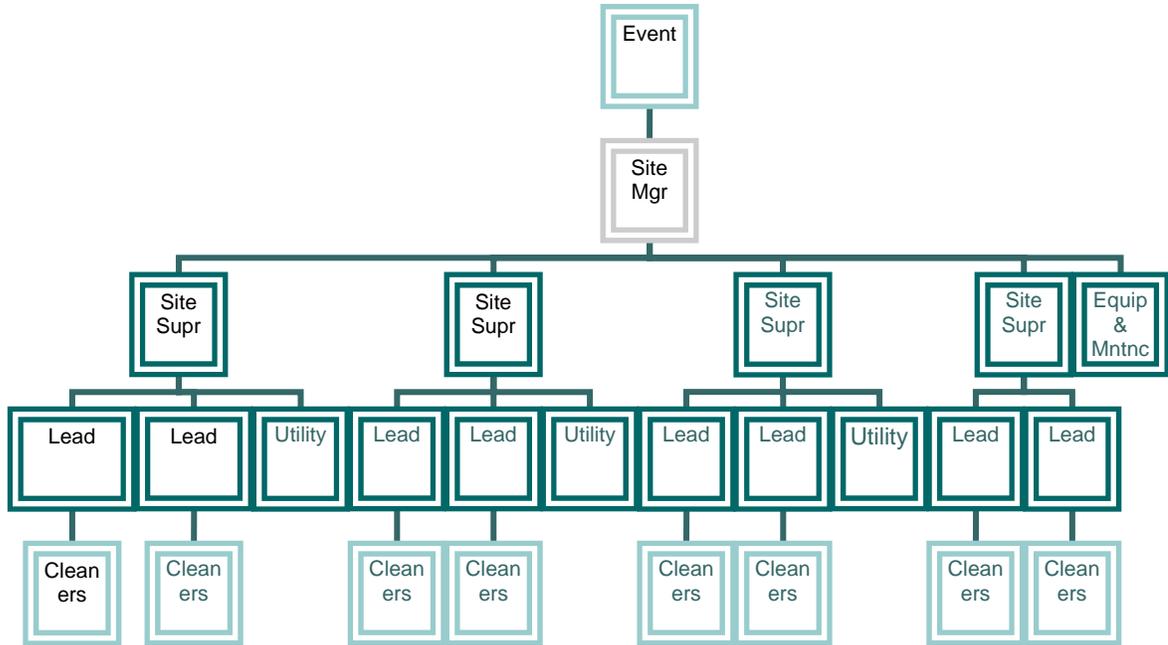
Basic responsibilities are maintaining the cleanliness of festival. Duties include general clean up of assigned area/building; sweeping floors, washing floors, graffiti removal, collecting trash, emptying trash receptacles, replacing trash cans liners. Cleaning restrooms - scrubbing sinks, toilets floors, shower stalls and urinals. Unplugging toilets, scrubbing drinking fountains, sweeping and mopping floors, restocking toilet tissue, soap and hand towels. All other work to keep restrooms clean and sanitary. Grounds/Liter pickup – sweeping curbs and walkways, pickup ground trash from entire fairgrounds including lawn and flower areas, curbs and walkways, parking lots and all fence lines, camping areas, outdoor storage and staging areas, midway, and walkways along Eight Mile Rd., State Fair Ave. and Woodward Ave. Emptying trash receptacles, replacing trash receptacle liners both inside and out.

Physical located during the transition, implementation, and maintenance management phases of contract:

All personnel are employed out of our Main Office in Pontiac, Michigan.

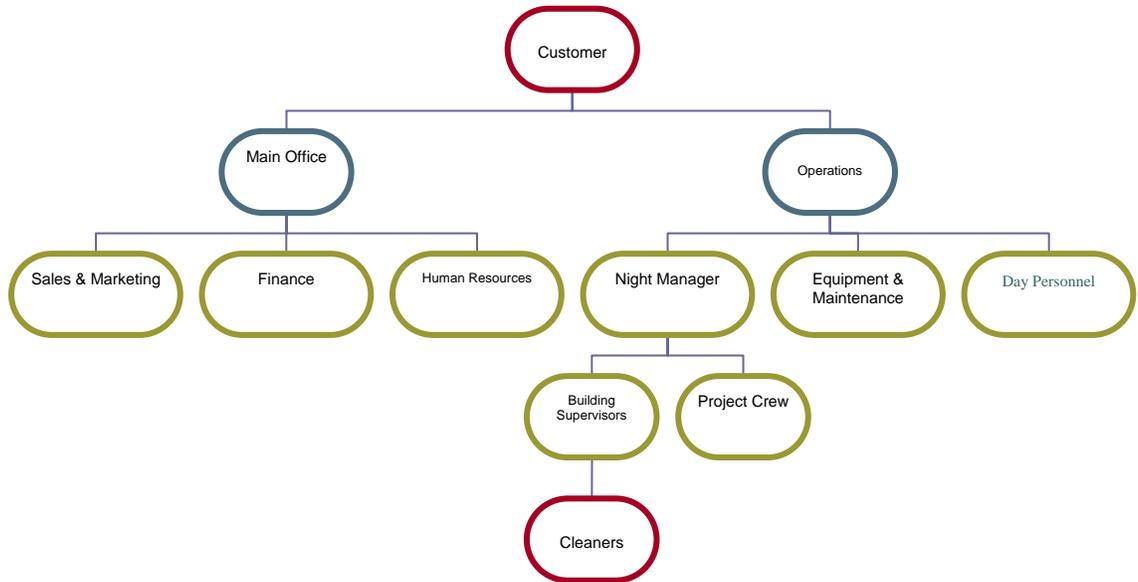


RRM STATE FAIR EVENT ORGANIZATIONAL CHART





STANDARD RRM ORGANIZATIONAL CHART





- C. Provide a roster by name and job title. Roles and responsibilities of staffing must clearly identify responsibilities of oversight of functions including qualifications of key personnel to support your ability to deliver the product and service specifications provided in this ITB.

Ed Tylutki – Site Manager

Responsible for implementing and maintaining the quality of service. Handles all operational aspects of the account including areas of concern, special requests, quality issues, inspections, etc. Ensures that the daily needs of our customers are met according to contract specifications, and implements the actions needed in resolving customer complaints and any additional service requests. Makes sure that all situations are handled promptly, correctly, and that staffing levels accommodate the situation.

Ensures efficient work programs and training by guiding site supervisors, leads, and cleaners. Other duties and responsibilities include:

- Making better use of employee energy and effort
- Organizing the assignment and flow of work to facilitate output
- Responsible for overseeing and managing assistant supervisors, leads, cleaners and other personnel as required
- Customer Inspections
- Customer Service, Customer Complaints, Special Requests and Follow-Up
- Ensures that all service obligations are being implemented
- Schedule and assign tasks and resources to complete the work
- Arrange tasks with some flexibility to meet unforeseen events
- Have a contingency plan in place in the event that an employee fails to report to work
- Cost Control - maintains the operating budget for each account, and works within that budget by exercising proper training and supervision..
- Enforcement of RRM Policies & Procedures
- Contingency plan for call offs / no shows / weather. Coordinates, re-assign, and directs support staff in the case of staffing shortages due to absenteeism of any kind.
- The customers' contact for any and all operational issues.

**Harold Hughes, Lisa Seabrooks, Ron Sitarski, Hal Payron – Supervisors**

Tasks and responsibilities are similar to the Site Manager. Will assist the Site Manager in implementing and maintaining the quality of service. Handles all operational aspects of the account including areas of concern, special requests, quality issues, inspections, etc. Ensures that the daily needs of our customers are met according to contract specifications, and implements the actions needed in resolving customer complaints and any additional service requests. Makes sure that all situations are handled promptly, correctly, and that staffing levels accommodate the situation.

Other duties and responsibilities include:

- Making better use of employee energy and effort
- Organizing the assignment and flow of work to facilitate output
- Responsible for overseeing and managing leads, and cleaners as required
- Customer Inspections
- Customer Service, Customer Complaints, Special Requests and Follow-Up
- Ensures that all service obligations are being implemented
- Schedule and assign tasks and resources to complete the work
- Arrange tasks with some flexibility to meet unforeseen events
- Have a contingency plan in place in the effect that an employee fails to report to work
- Enforcement of RRM Policies & Procedures
- Contingency plan for call offs / no shows / weather. Coordinates, re-assign, and directs support staff in the case of staffing shortages due to absenteeism of any kind.
- The customers' additional contact for any and all operational issues

Bob McGregor - Equipment & Maintenance

Responsible for ensuring adequate equipment, stock and supply levels are on-hand for event. Ensures that all equipment is repaired and in good working order. Oversees and monitors our Safety Policy and Bloodborne Pathogen Exposure Control Plan.

Other duties and responsibilities include:

- Inventory & Equipment Control & Disbursement: Responsible for maintaining supplies, chemicals and equipment necessary to meet all operational requirements.
- Manages the equipment and vehicle inventory and maintenance programs. Maintain all equipment in working order. This includes transportation of equipment to and from site as needed.
- Insure all stock levels are adequate
- Orders and reorders inventory in a timely manner to ensure products are available on-site to perform job duties as required. Transportation of inventory to site as needed.
- Insure proper organization of janitorial closets including proper labeling of all chemicals and MSDS are in place.

**Leads** – Employee Names to be Determined.

Trained to have a thorough knowledge of, and capability to perform all housekeeping job assignments at the festival. Duties include but are not limited to:

- Inspects quality of service being performed
- Supervises the cleaners,
- Ensures that materials, supplies, and equipment are available and sufficient to perform the work required
- Immediate documentation of all accident and/or damage reports to the customer by entering any incident in the building control manual and incident reporting documents.
- Familiar with emergency, fire and disaster plans developed for building security, and in addition to the normal supervisory work of the janitorial crew, the supervisory staff will assume the duties assigned to them by the customer as they relate to these plans.

Utility – Employee Names to be Determined.

Responsible for running street sweeper equipment. These individuals have special skills and training in order to use and care for power equipment and specialty methods of cleaning. Individuals are certified in carpet care by the IICRC and in floor care by Spartan Chemical Company. These employees are responsible for many other specialty services and for emergency services that we perform.

Cleaners – Employee Names to be Determined.

Basic responsibilities are maintaining the cleanliness of festival. Duties include general clean up of assigned area/building; sweeping floors, washing floors, graffiti removal, collecting trash, emptying trash receptacles, replacing trash cans liners. Cleaning restrooms - scrubbing sinks, toilets floors, shower stalls and urinals. Unplugging toilets, scrubbing drinking fountains, sweeping and mopping floors, restocking toilet tissue, soap and hand towels. All other work to keep restrooms clean and sanitary. Grounds/Liter pickup – sweeping curbs and walkways, pickup ground trash from entire fairgrounds including lawn and flower areas, curbs and walkways, parking lots and all fence lines, camping areas, outdoor storage and staging areas, midway, and walkways along Eight Mile Rd., State Fair Ave. and Woodward Ave. Emptying trash receptacles, replacing trash receptacle liners both inside and out.

**Vince Hebel – President**

Vince has over 30 years of experience in the janitorial industry. He is the President and Chief Operating Officer of the company. He directly oversees all areas of the company and is involved in the day to day operations of the organization.

Since purchasing the company in 1976, Vince has successfully made RRM a thriving business that leads the industry in providing the best quality service available.

Oversaw the managing of the daily and event housekeeping duties at the Silverdome account from 1996 through 2006. Highlights included the 1994 World Soccer Tournament which involved the Pre-Event, Event and Post Event cleaning of four (4) soccer games in a ten (10) period; the 1996 through 2005 Detroit Lions football games; high school football games and tournaments; music concerts; marching band activities and events; conventions, etc.

Adrianna Copella – Office Administrator

Responsible for smooth and effective operations through the development and implementation of company processes and procedures. Coordinates all activities within the organization to assist in the running of the daily operations of the company. Oversees human resources, recruiting and training. Other responsibilities include payroll, invoicing, budgeting, scheduling, implementing computer programs, data entry, and timekeeping.

- D. The scope of security background checks for Contractor and employees is at the discretion of the State, and the results will be used to determine Contractor personnel eligibility for working at the Michigan State Fair. **Indicate what type of security background checks have been conducted on personnel.**

RRM believes that aggressive recruiting, uncompromising employee screening and employee evaluation are the keys to a stable, productive work force. We carefully recruit our staff and screen them for trustworthiness, reliability and willingness to learn. All candidates are required to complete the following prior to employment:

- Two forms of identification
- Personal interviews are conducted with each applicant
- A minimum of three references are checked
- A State Police background check is conducted through ICHAT which is the Internet Criminal History Access Tool for the Michigan State Police

- E. **Submit a resume for all key project personnel (supervisors, account managers, etc.)**
Bidder shall provide resumes, which shall include or list detailed, chronological work experience for key staff:

[See attached sheets](#)



**Lisa Seabrooks
5874 Eldridge
Waterford, MI 48327**

WORK EXPERIENCE

Road Runr Maintenance, Inc. 1/1997 – Present Operations Mgr.
Responsible for the Night-time Operations of the company within assigned territory. This includes managing project/periodic work and floor care schedules according to customer contract specification frequencies.

Responsibilities include continual supervision of site supervisors and employees. Maintains open lines of communication with customers and employees to ensure that all service obligations are being met. Ensuring quality assurance needs and all contractual obligations are being met through inspections. Conducts employee and safety training. Handles customer complaints, special requests as well as any circumstance that might arise. Organizes, coordinates, schedules and completes all required periodic work, floor care, and a variety of other tasks requested by customers.

Responsible for all operational objectives by effectively controlling all accounts within assigned territory. Insures quality assurance, efficient work programs and training/development of personnel.

Cutter's 1/1989 – 12/1996 Foreman
Responsible for all management functions of crew members. Landscaping of commercial and residential accounts.

Palace of Auburn Hills 1/1988 – 1/1989 Housekeeping
Responsible for all housekeeping functions including floor care using high powered floor machines.



**Harold Hughes
1065 Vinewood
Auburn Hills, MI 48326**

WORK EXPERIENCE

Road Runr Maintenance, Inc. 10/2002 – Present Account Mgr.

Manages the Day-time Operations of the company within assigned territory. This includes managing the quality control program which is a tool to ensure that all customers receive the best quality service possible.

Maintains and implements all quality assurance procedures, and resolves all quality issues. Ensures daily needs of customers are met according to contract specifications, and also implements the actions needed in resolving customer complaints and additional service requests, making sure that all situations are handled promptly, correctly, and that staffing levels accommodate each situation.

Responsibilities include ensuring efficient work programs and training by guiding site supervisors, team leaders, and team specialists. Handles the development of individual programs and periodic requirements to meet customer’s needs and objectives.

NAI Acoustical Ceilings 4/2002 – 10/2002 Driver

Fluid Automation Inc. 10/1994 – 11/2001 Saw Tech Machinist
Trainee



Edward Tylutki RBSM

Professional
experience

10/2006 to Present Road Runr Maintenance Inc Pontiac, Michigan

Director of Business Development

- Total liability of Sales
- Pre Bid Walk through
- New account start ups
- Train employees
- Customer Relations
- Quality Control
- P&L

5/2003 to 10/2006 Elite Maintenance Inc Troy, Michigan

Regional Vice President

- Total liability of Michigan Operations and Sales
- Customer Relations
- Quality Control
- P&L

10/2002 to 5/2003 Friske Building Maintenance Livonia, Michigan

Operations Manager

- Liable for Operations of assigned accounts
- Pre Bid Walk through
- New account start ups
- Train employees
- Customer Relations
- Quality Control

10/1998 to 9/2002 Distinctive Maintenance Inc. Livonia, Michigan

Assistant Director of Operations

- Liable for Operations of assigned accounts
- Pre Bid Walk through
- New account start ups
- Train employees
- Customer Relations
- Quality Control
- Responsible for Union and Non Union accounts

7/1984 to 1/1997 Henry Ford Museum Dearborn, Michigan

Team Leader

- Duties consisted of making sure all restaurants, gift shops, restrooms, Historical Homes, and offices were properly cleaned prior to opening. Schedule all floor work, oversaw 40 full time and 15 part time union employees. Set up for weddings and special events.

Professional
memberships

BOMA
IFMA

**Vincent A. Hebel**

POSITION TITLE: President & CEO

RESPONSIBILITY AND AUTHORITY:

Responsible for total company operations including branch offices. Oversees the activities of all departments including finance, administrations, human resources, operations, quality control and sales. All Managers report to Mr. Hebel.

Maintains close contact with clients and their appointed representatives and other members of the client organizations to keep informed of their objectives and their evaluations.

As a well respected executive in his field, Vincent Hebel brings to the table the vision and direction for all areas within the company to insure the client is satisfied, doing whatever it takes to make it happen.

WORK EXPERIENCE AND GENERAL BACKGROUND

Road Runr Maintenance, Inc. 7/76 to Present
Owner, President & CEO

Total control and responsibility for entire company. Oversees, directs and manages all departments within the organization. Accounts have included large stadiums, airport facilities, ice arenas, horse racing tracks, large office buildings and industrial sites.

**Adrianna Copella****WORK EXPERIENCE****ROAD RUNR MAINTENANCE, INC.** Pontiac, MI 2/96 – Present

Office Administrator – Responsible for all administrative aspects of the business for a janitorial service contractor. Responsible for planning, directing, developing and running day-to-day operations among the Quality Control, Operations, Sales, Human Resources, Accounting and Administration Departments.

- Develop and prepare sales proposals, bids, quotes, contracts and presentations
- Develop, update and maintain company programs, policies, procedures and forms
- Develop and follow-up on Quality Assurance System for evaluating customer satisfaction
- Prepare and edit timekeeping for payroll processing
- Troubleshoot payroll processes
- Review and monitor Accounts Receivable and Payable
- Monitor and control customer building budgets
- Maintain customer, employee and computer filing systems
- Resolve customer complaints and requests
- Created employee orientation and training programs
- Track and schedule employee training and re-training
- Coordinate project work scheduling for 40+ customers
- Create company newsletter and distribute on a quarterly basis
- Implement inter-company communication system

ROMAN INC.

Roselle, IL

4/95 – 1/96

Inventory Assistant for Purchasing Department – Responsible for tracking orders, resolving discrepancies and expediting sample and stock shipments for a wholesale gift company.

- Customer service for major accounts
- Negotiate pricing issues and quantity discrepancies
- Reconcile and maintain vendor inventory
- Responsible for 100+ overseas vendors



STAFFING ROLES & RESPONSIBILITIES, continued:

2. SUB-CONTRACTOR COMPANY INFORMATION

A.	Shall subcontractors be utilized at this location? If “yes, then list all subcontractors (in the table provided below) including firm’s name, address, contact person, complete description of the work to be subcontracted, and descriptive information concerning subcontractor’s organization and abilities.	<input type="checkbox"/> YES (or) <input checked="" type="checkbox"/> NO
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B. Contact - Name, title, address, email, phone and fax numbers for Bidder’s Sub-Contractor:	
SUBCONTRACTOR COMPANY NAME:	NONE
Letter of acceptance Included with this Proposal?	<input type="checkbox"/> YES (or) <input type="checkbox"/> NO
OFFICE ADDRESS:	
CITY, STATE, ZIP:	,
CONTACT NAME:	
PHONE NUMBER:	() -
FAX NUMBER:	() -
E-MAIL ADDRESS:	
DESCRIPTION OF SERVICES TO BE PERFORMED:	



3. EQUIPMENT & MATERIAL SUPPLIES

EQUIPMENT

Bidder Instructions: Provide a complete list of all the equipment you will utilize to manage the scope of work for this contract location. List should include all equipment to be used during services and any other function(s) needed to perform this service. Also indicate whether the equipment is owned or rented. (Expand the table if necessary or submit separate table of equipment/supplies with proposal).

EXAMPLE EQUIPMENT & SUPPLIES LIST FORMAT

A. EQUIPMENT

EQUIPMENT LIST

EQUIPMENT	TYPICAL USE	MAKE/ MODEL MANUFACTURER	APPROXIMATE AGE OF EQUIPMENT & OWNED OR RENTED
1. Power Scrubber	Floor scrubbing, buffing hard surface floors	Tennant 7400	Owned
2. Power Sweeper	Power Sweeper – street sweeping	Armadillo	Owned
3. Golf Cart	Transporting equipment, etc.	John Deere	New – Rented
4. Wheel Barrows	Transporting waste	TBD	New – Owned
5. Radio/Walkie-Talkie	Communication	TBD	New – Rented
PLEASE NOTE - THESE ARE THE ESTIMATED QUANTITIES WE WILL USE FOR THIS PROJECT. DUE TO THIS BEING A FIXED PRICE CONTRACT WE WILL INCREASE/DESCREASE THESE QUANTITIES AS NEEDED			



EQUIPMENT & MATERIAL SUPPLIES continued:

B. CLEANERS AND SUPPLIES

CLEANERS AND SUPPLIES

CLEANERS/SUPPLIES	TYPICAL USE	MATERIAL SPECIFICATIONS	IDENTIFY BRAND & ESTIMATED QTY
Glass Cleaner	All glass and mirrored surfaces	Liquid spray, formula designed for cleaning glass and mirrors, non-abrasive	
Toilet Bowl and Urinal Cleaner	To disinfect inside of urinals, bowls, flushing cavities	E.P.A. Approved 10-36% HCl acid base bowl cleaner	
Rotary Floor Machine – Liquid Cleaner*	To clean tile floors one per month	E.P.A. Approved 10-36% HCl acid base cleaner	
Liquid Detergent – Synthetic Disinfectant	To clean, disinfect tile floor, walls, partitions, sink tops, sinks, outside of toilets, urinals, toilet seats, and sanitary napkin disposal containers	E.P.A. Registered disinfectant, complete shall be quaternary ammonium compounds	
Stainless Steel Cleaner	To clean metal surfaces	Safe for metals, non-abrasive scouring product	
Marker/Vandal Remover	To remove crayon, pen, marker, ink, paint and pencil marks	Safe for use on hard surfaces such as painted brick, tile and crayon graffiti	
Latex Gloves	To be used in women cleaning facility	Quality latex gloves	
Personal Eye Wash	To be readily available and accessible when using cleaning products	23-oz. Polyethylene eye wash bottle	
Wet Floor Signs	To be placed in areas being cleaned when needed	Approved plastic yellow folding signs	
Cotton Mops	To use to mop tile flooring	Cotton blend, banded loop (minimum 2)	
Mop Handle	To be used with Cotton Mops	Plastic grips or speed change heads	
Scrub Pads	To be used to manually scrub areas not easily accessible by Floor Cleaning Machine	Swivel head shall fit on standard threaded wood handle with bristle made of Dupont "Tynex A"	
Handles	To hold Scrub Pad	Standard thread, wood	
Mop Bucket & Wringer	To hold solution and Drain Mop	Bucket shall be on rollers, wringer shall match bucket and mop size	
Floor Squeegees	To push excess liquid into floor drains	24" minimum width, rubber tipped	
Broom	To sweep dirt and debris from floor	Heavy duty natural corn broom	
Window Squeegees and Extension	To clean windows	Squeegee designed for window washing with extension as needed	
Toilet Bowl Mop	To clean inside toilet bowl and urinals	Cotton or synthetic mop – no brushes	
Spray Bottles	To hold various cleaning supplies	Clean plastics, trigger style bottles	
Sponges, Cloths	To clean surfaces	Cotton cloths, absorbent sponges	
Rotary Floor Machine	To scrub quarry tile floors	175 RPM speed with 15" Brush Spread, shall be run on wet floor	
Rotary Brush Head	To scrub quarry tile floor	"Zim Grit" 15" diameter solid wood back, green color with 40 gauge Tynex nylon filament – shall fit above Rotary Floor Machine	
Portable Pump-up Sprayer	To wash walls and partitions	Portable, 3 Gallon capacity, plastic tank with 18" chemical resistant hose with wand, adjustable spray tip, viton seals	

EXAMPLE



CLEANERS/SUPPLIES	TYPICAL USE	MATERIAL SPECIFICATIONS	IDENTIFY BRAND & ESTIMATED QTY
NABC	A mild, non-acid, ready-to-use disinfectant bathroom cleaner/deodorizer. NABC safely and effectively disinfects, cleans and deodorizes toilet bowls, urinals and other hard, non-porous restroom surfaces. Effective against HIV and HBV viruses, MRSA and VRE. Unique floral fresh scent. EPA Reg. No 5741-18. pH 6.5		Spartan – 100 gallons
DMQ	Neutral disinfectant cleaner designed for damp mopping and disinfecting high gloss floors. Will not attack or dull high gloss floor finishes. Effective against HIV, HCV and HBV viruses, MRSA and VRE. EPA Reg. No 5741-20. pH 5.5		Spartan – 100 gallons
Tough on Grease	Non butyl, water soluble cleaner/degreaser featuring new Polemic Technology to safely remove petroleum greases found in industrial applications as well as animal fat based soils prevalent in food manufacturing, processing and preparation. pH 12.0		Spartan – 50 gallons
Dust Mop / Dust Cloth Treatment	Increases dust collecting and holding capacity of dust cloths and mops without causing mop drag. Reduces wear and abrasion of floor finish from sand and soil. No oily residue to contribute to slipperiness. Non-flammable. Use in industrial laundry roller and spray system mophead treatment. pH 8.7		Spartan – 1 case
Damp Mop	No rinse floor cleaner concentrate reduces time and labor cost of daily maintenance of high gloss, metal-interlock floor finishes. Quickly and effortlessly removes dirt and other surface soils in heavily trafficked areas. Quick drying. Leaves no residue or haze to dull floor finish. Please lemon fragrance. Biodegradable. Phosphate free. pH 7.5		Spartan – 100 gallons
Concentrated Window Cleaner	Economical window and glass cleaner. Dilutes 1:20. Contains distilled vinegar for added cleaning. No butyl. No ammonia. No rinsing required. No streaking. No filming. Pleasant floral fragrance. pH 2.5		Spartan – 1 case
High Acid FP	High active liquid acid quickly removes milkstones, beerstone, protein and hard water scale from stainless and other acid resistant surfaces. No butyl. No dyes. No perfume. Nonflammable. pH < 1		Spartan – 1 case
M*95	Mild, acidic formula. Cleans and brightens tile, porcelain, vitreous china and metal. Removes soap scum. May be diluted. pH < 1		Spartan – 1 case
Germicidal Bowl Cleanse	23% hydrogen chloride based. Removes stains, rust and organic build-up as it disinfects and deodorizes. EPA Reg. No. 5741-11. pH < 1		Spartan – 10 cases
MLD Bowl Cleanse (Acid)	25% hydrogen phosphoric acid base. Mild/Safe/Economical. Disinfects. Deodorizes. EPA Reg. No. 5741-3. pH < 1		Spartan – 10 cases
SparCreme	Liquid crème cleanser with mild abrasives. pH 2.3		Spartan – 10 cases



Barrell 44 gallon	To hold & collect trash for removal	Huskee – 30
Trash Can Liners	To hold trash	TBD – 1,000
Broom	Dust Mopping	Contico – 30
Bucket 26 quart & wringer	To hold water for floor cleaning	Rubbermaid – 30
Dust mop frame 36” or 24”	Dust Mopping	Wilten – 30
Dust mop handle	Dust Mopping	Wilten – 30
Lobby broom	Dust Mopping	Contico – 30
Lobby broom dust pan	Dust Mopping	Contico – 30
Mop – 24 oz cotton web loop end	Mopping of Floors	Wilten – 30
Mop handle claw	Dust & Damp Mopping	Wilten – 30
Shovel	Moving waste	Contico – 20
Trash Pickers	Pick up waste	Conitco – 20
Putty knife	Scrap dirt such as gum from floors	Impact products – 20
Rags / Cloths	Cleaning	Coleman-Wolf – 60
Safety Glasses	Employees wear for Safety	Impact Products – 60
Safety Gloves	Employees wear for Safety	Impact Products – 60
Sponge	Cleaning	Impact Products – 60
Spray bottle & trigger 32 oz	To hold cleaning solution & spray	Contico – 60
Wet floor signs 24”	Floor Work & Cleaning Safety	Contico – 20
White bowl swap	Restroom Cleaning	Contico – 60
Window squeegee 18”	Window Cleaning	Contico – 60

PLEASE NOTE - THESE ARE THE ESTIMATED QUANTITIES WE WILL USE FOR THIS PROJECT. DUE TO THIS BEING A FIXED PRICE CONTRACT WE WILL INCREASE/DESCREASE THESE QUANTITIES AS NEEDED



**Part III of Technical Proposal
PRICE QUOTATION**

DEPARTMENT OF MANAGEMENT & BUDGET

STATE FAIR, 1120 W State Fair Ave. Detroit, MI 48203

A. TOTAL COSTS

TOTAL QUOTE FOR ONE FAIR:	\$ 122,000.00 (Includes liners, paper, soap)
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B. SERVICES COSTS

Fair Time equals up 31 working days

JANITORIAL SERVICES

DESCRIPTION	ESTIMATED VOLUME OF SERVICES	PRICE for SERVICE	PRICE for EQUIPMENT & SUPPLIES	TOTAL PRICE
Janitorial Services	Daily Janitorial Services	\$ 111,000.00	\$ 11,000.00	\$ 122,000.00
SUBTOTALS:		\$ 111,000.00	\$ 11,000.00	\$ 122,000.00

ADDITIONAL SERVICES – FOR QUOTATION PURPOSES ONLY – not included in total price quotation

DESCRIPTION	ANNUAL ESTIMATED VOLUME OF SERVICES	PRICE PER SERVICE	PRICE for EQUIPMENT & SUPPLIES	TOTAL ANNUAL PRICE
Emergency Services (Includes cleaning services for emergency situations such as restrooms overflow, etc.)		\$ 20.00 / Hour	\$	\$ 20.00 / Hour
SUBTOTALS:		\$ 20.00 / Hour	\$	\$ 20.00 / Hour



C. SUPPLIES (INCLUDED IN OVERALL PRICE OF \$122,000.00)

DESCRIPTION	ESTIMATED VOLUME OF SUPPLIES	PRICE FOR SUPPLIES	TOTAL PRICE
Jumbo 2-ply toilet tissue, 1000 ft/roll	1,500 rolls		\$ 2,630.00
2-ply toilet tissue, 500 ft/roll	2,304 rolls		\$ 1,031.00
Roll towel, 600 ft/roll	1,020 rolls		\$ 2,720.00
Heavy-duty trash liners, 38x58, round	4,000 liners		\$ 780.00
Poly bags, 40x48, black, square	1,000 liners		\$ 110.00
Pink lotion soap, 1 gallon container	40 gallons		\$ 275.00
Kimberly Clark lotion skin cleanser, 3.5 liter (must be Kimberly Clark brand)	32 containers		\$ 1,000.00
Pink hand lotion cleaner, 800 ml (27 oz) container	96 containers		\$ 160.00
SUBTOTALS:		\$	\$ 8,706.00

D. WORK PLAN DATA

Fair Time equals up 31 working days

MAN HOURS TO MANAGE THIS CONTRACT (Add additional lines if Needed)											
Description	#		Hrs each work/day	=	Total Hrs. per day		Hourly Rates		# DAYS per Year	=	Labor Cost per Year
Site Manager	1	X		=		X	16.00	X	31	=	\$ 3,328.00
Supervisors	4	X		=		X	14.00	X	31	=	\$ 9,192.00
Leads	8	X		=		X	9.00	X	31	=	\$ 7,000.00
Utility	3	X		=		X	8.75	X	31	=	\$ 5,460.00
Cleaners	60	X		=		X	8.00	X	31	=	\$ 51,560.00
Periodic cleaning	0		Hrs. Per Year	X	Hourly Rate		0			=	0
MANHOURS TOTAL COST											\$ 76,540.00



SUBCONTRACTORS

Sub-contractor Total Costs | **\$ 0.00**

DESCRIPTION OF BUSINESS COSTS	TOTAL ANNUAL COST
1. Cost of Cleaning Supplies	\$ 2,500.00
2. Cost of Equipment & Rentals	\$ 2,500.00
3. Cost of Replenishment Supplies (not applicable for DHS locations)	\$ 1,500.00
4. Cost of Insurance (refer to Terms and Conditions)	\$ 6,889.00
5. Cost of Fringe Benefits (if not included as part of labor rate)	\$ 8,917.00
6. Other Costs – (Provide detailed list or add rows to this table as needed)	\$ 8760.00
TOTAL BUSINESS COST	\$ 31,066.00

TOTAL COST TO DO BUSINESS PER FAIR (Man-hours Total plus Subcontractors Total plus Total Business Cost)	\$ 107,606.00
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ANALYSIS OF BUSINESS COSTS (DMB – Purchasing Operations to complete)	
Total 1 Year Price from Pricing Sheet =	\$ 122,000.00
MINUS	
Total Cost to Do Business Per Year =	\$ 107,606.00
TOTAL	\$ 14,394.00
<u>PROFIT</u>	