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

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

November 12, 2009

CHAGNE NOTICE NO. 1
TO
CONTRACT NO. 071B8200006
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR **Modern Waste Systems, Inc.** **P.O. Box 275** **Napoleon, MI 49261** **mwstrash@yahoo.com**	TELEPHONE (517) 536-4900 **Philip Duckman** VENDOR NUMBER/MAIL CODE BUYER/CA (517) 241-1145 **Lymon C. Hunter, CPPB**
Contract Compliance Inspector: See Location Specification Sheets **Rubbish Removal Services – MRO – University Region**	
CONTRACT PERIOD: From: **October 1, 2007** To: **October 1, 2010**	
TERMS **N/A**	SHIPMENT **N/A**
F.O.B. **N/A**	SHIPPED FROM **N/A**
MINIMUM DELIVERY REQUIREMENTS **N/A**	

NATURE OF CHANGE(S):

Effective January 1, 2010, and pursuant to ED-2009-3, this Contract has been changed to reflect a $40,000.00 annual reduction due to the Jackson County disposal rate being significantly reduced.

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

AUTHORITY/REASON:

Per vendor agreement (email dated 10/9/09) and DMB/Purchasing Operations' approval.

CURRENT AUTHORIZED SPEND LIMIT REMAINS: $1,530,005.10

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F.O.B. **N/A**	SHIPPED FROM **N/A**
MINIMUM DELIVERY REQUIREMENTS **N/A**	

The terms and conditions of this Contract are those of ITB #071I7200196, this Contract Agreement and the vendor's quote dated 06/06/2007. 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: $1,530,005.10

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TERMS **N/A**	SHIPMENT **N/A**
F.O.B. **N/A**	SHIPPED FROM **N/A**
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THIS IS NOT AN ORDER: This Contract Agreement is awarded on the basis of our inquiry bearing the ITB No. 071I7200196. Orders for delivery may be issued directly by the State Departments of through the issuance of a Purchase Order Form.

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

FOR THE VENDOR:	**FOR THE STATE:**
Modern Waste Systems, Inc. Firm Name	Signature
Authorized Agent Signature	**William C. Walsh, CPPB, Buyer Manager** Name/Title
Authorized Agent (Print or Type)	**Services Division, Purchasing Operations** Division
Date	Date

STATE OF MICHIGAN
DEPARTMENT OF MANAGEMENT AND BUDGET—PURCHASING OPERATIONS
Contract No. 071B8200006

RUBBISH REMOVAL SERVICES
UNIVERSITY, METRO & BAY REGIONS
STATEWIDE

Buyer Name: Lymon C. Hunter, CPPB
Telephone Number: (517) 241-1145
E-Mail Address: HunterL@michigan.gov

KEY MILESTONE / PHASES	TARGET DATES
Issue Date	**Friday April 26, 2007**
Pre-Bid Meeting / Location Site Visits	**5/22/07-5/23/07**
Vendor Questions Due	**Friday May 25, 2007 by 3:00 PM**
Answers to Questions Posted (Estimated)	**Wednesday May 30, 2007**
Bid Due Date	**Monday June 11, 2007 by 3:00 PM**
DMB State Administration Board Submission Date	**September 6, 2007**
Estimated Contract Start Date	**October 01, 2007**

RUBBISH REMOVAL SERVICES

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ATTACHMENTS

Location Specification Sheets

Article1 – Statement of Work (SOW)

1.0 PROJECT IDENTIFICATION

1.001 PROJECT REQUEST/DESCRIPTION OF SERVICES

This Contract is to establish an agreement for general rubbish removal service for various State of Michigan facilities as detailed on the attached listing or on the requisition. Section I is designed to provide Contractors with information requirements associated with this Contract.

1.1 SCOPE OF WORK AND DELIVERABLES

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

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

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

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

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

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

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

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

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

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

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

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

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

FOR CORRECTIONAL FACILITIES ONLY:

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

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

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

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

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

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

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

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

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

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

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 Operations 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. Contractors who provide products or services prior to the issuance of a Contract Change Notice by the DMB Purchasing Operations, risk non-payment for the out-of-scope/pricing products and/or services.

1.404 Proposal Pricing

Fill out the attached Location Specification Sheet(s) for this location and return with proposal.

1.50 Compensation and Payment

1.501 Compensation and Payment

A. 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-model on the LSS.
3. The unit rate(s) quoted and established shall remain FIXED for the entire period of the Agreement, except as follows:
    a. Rate/prices are subject to change 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 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 30th 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 monthly "Statement of Expenditures" 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 30 days from the end of the monthly billing period.
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.

B. Quick / Prompt Payment Terms

The State of Michigan is interested in payment terms that reflect cost savings to the State based on an accelerated payment process.

Bidders shall discuss options for quick payment terms or Alternate Pricing proposals that they are offering to the State (i.e., 10% discount off invoice if paid within 15 days and/or 5% off total contract price if Bidder is awarded 2 locations or 7% off total contract price per location if Bidder is awarded all locations).

1.502 Price Term

Fixed with prospective re-determination at an agreed upon time.

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

Prices are subject to change at the end of each 365-day period. Such changes shall be based on changes in actual costs incurred. Documentation of such changes must be provided with the request for price change in order to substantiate any requested change. Purchasing Operations reserves the right to consider various pertinent information sources to evaluate price increase requests (such as the CPI and PPI, US City Average, as published by the US Department of Labor, Bureau of Labor Statistics). Purchasing Operations also reserves the right to consider other information related to special economic and/or industry circumstances, when evaluating a price change request. Changes may be either increases or decreases, and may be requested by either party. Approved changes shall be firm for the remainder of the contract period unless further revised at the end of the next 365-day period.

Requests for price changes shall be RECEIVED IN WRITING AT LEAST TEN DAYS PRIOR TO THEIR EFFECTIVE DATE, and are subject to written acceptance before becoming effective. In the event new prices are not acceptable, the CONTRACT may be cancelled. The continued payment of any charges due after September 30th of any fiscal year will be subject to the availability of an appropriation for this purpose.

Article 2 – General Terms and Conditions

2.00 Contract Structure and Administration

2.001 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 service.

(n) "Contractor" means a person, firm or corporation agreeing to provide service(s).

2.002 Issuing Office

The Contract is issued by the Department of Management and Budget, Purchasing Operations (PO), for various state agencies. Where actions are a combination of those of Purchasing Operations and the State agencies, the authority will be known as the State. Information listed on the Location Specification Sheet(s) will be included as attachments with this contract.

Purchasing Operations is the sole point of contact in the State with regard to all procurement and contractual matters relating to the commodities and/or services described herein. **DMB-PO is the only State office authorized to change, modify, amend, alter or clarify the prices, specifications, terms and conditions of a Contract**. The Contract Administrator for this contract is:

Lymon C. Hunter, CPPB
Department of Management and Budget - Purchasing Operations
Mason Building—2nd Floor
P.O. Box 30026
Lansing, Michigan 48909
(517) 241-1145
HunterL@Michigan.gov

2.003 Contract Compliance Inspector (CCI)

Upon receipt at DMB-Purchasing Operations 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 Purchasing Operations**. The Contract Compliance Inspector for the Contract will be identified after award of the Contract.

2.004 Project Manager

The individual(s) who will oversee the work to be performed on the Contract, will be named in the final Contract(s) that will be awarded as a result of the solicitation.

2.02 Contract Objectives/Scope/Background

2.021 Background

Refer to Article 1 for background information relative to this Contract.

2.022 Purpose

Refer to Article 1 for background information relative to this Contract.

2.023 Objectives and Scope

Refer to Article 1 for background information relative to this Contract.

2.024 Interpretation

Sections 2.021 through 2.023 are intended to provide background and context for the Contract and are not intended to expand the scope of the obligations under the Contract or to alter the plain meaning of the terms and conditions of the Contract. However, to the extent the terms and conditions of the 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 the meet the form, function, and utility required by that State agency, that agency may, subject to State purchasing policies, procure the Deliverable/Service from another source.

2.03 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 the Contract, until Contractor is notified in writing that the Contract (or Change Order) has been approved by the State Administrative Board (if required), approved and signed by all the parties, and a Purchase Order against the Contract has been issued.

2.032 Contract Term

The term of the contract will be for approximately three years and will commence with the issuance of a Contract. This will be approximately October 01, 2007 through October 01, 2010.

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)

The Contract may be renewed in writing by mutual agreement of the parties not less than thirty (30) days before its expiration. No options have been included for the Contract term.

2.04 Contractor Personnel

2.041 Contractor Personnel

Personnel Qualifications. All persons assigned by Contractor to the performance of Services under the 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 the 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 the Contract only; however, the State understands that the relationship between Contractor and Subcontractor is an independent Contractor relationship.

2.042 Contractor Identification

Contractor employees shall be clearly identifiable while on State property by wearing an 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 the 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 the 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 the 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 the Contract and to assume toward Contractor all of the obligations and responsibilities that Contractor, by the 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 the Contract shall not relieve Contractor of any obligations or performance required under the Contract. Attached as **Exhibit A** is a list of the Subcontractors, if any, approved by the State as of the execution of the 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.

2.05 State Standards

2.051 Existing Technology Standards - RESERVED

2.052 PM Methodology Standards – RESERVED

2.053 Adherence to Portal Technology Tools - RESERVED

2.054 Acceptable Use Policy - RESERVED

2.06 Deliverables

2.061 Ordering

Any Services/Deliverables to be furnished under the 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 the Contract. In the event of conflict between an order and the 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

2.07 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 accordance with the terms and conditions of the Contract and with the participation of State representatives as specified in the 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 the 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 the Contract.

Failure of service crew member(s) to report to job site on time and/or satisfactorily provide specified services as needed may result in an assessment of fines defined in the Deductions portion in Article 1.

2.076 Service Level Agreements (SLAs)- RESERVED

2.08 Delivery and Acceptance of Deliverables

2.081 Delivery Responsibilities - RESERVED

2.082 Delivery of Deliverables - RESERVED

2.083 Testing - RESERVED

2.084 Approval of Deliverables, In General - RESERVED

2.085 Process For Approval of Written Deliverables - RESERVED

2.086 Process for Approval of Services - RESERVED

2.087 Process for Approval of Physical Deliverables - RESERVED

2.088 Final Acceptance - RESERVED

2.09 Financial

2.091 Pricing

(a) Fixed Prices for Services:
Each Statement of Work/PO issued under the Contract shall specify (or indicate by reference to the appropriate Contract Exhibit) the firm, fixed prices for all Services, 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 under any Statement of Work issued under the 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 and the Location Specification Sheet (LSS)** 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 the Contract, the State shall not be obligated to pay any amounts in addition to the charges specified in the Contract.

(d) Labor Rates:
All time and material charges will be at the rates specified in **Article 1 and the Location Specification Sheet (LSS).**

2.092 Invoicing and Payment Procedures and Terms

(a) Invoicing and Payment – In General

(i) Each Statement of Work issued under the Contract shall list (or indicate by reference to the appropriate Contract Exhibit) the prices for all Services, 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 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 and the Location Specification Sheet (LSS)**. 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 in accordance with **Section 2.094**.

(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 - RESERVED

(d) Pro-ration - RESERVED

(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 the 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 the 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 the Contract shall constitute a waiver of all claims by Contractor against the State for payment under the 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 the Contract is payable only and solely from funds appropriated for the purpose of the 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 the 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).

2.10 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 the 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 the Contract, however, shall be construed to authorize or require any party to violate any applicable law or regulation in its performance of the 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) 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").

(b) 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.

(c) 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.

(e) 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 the Contract (a "Contract Change Notice").

(f) 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, Purchasing Operations.

(g) 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 the 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

2.111 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.

2.12 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 the 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 the Contract to the extent such default or delay is caused by nonperformance of the State's obligations under the 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 the 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**.

2.13 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

2.15 Confidentiality

2.151 Freedom of Information

All information in any proposal submitted to the State by Contractor and the 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 the 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 than reasonable care. Neither Contractor nor the State will (i) make any use of the Confidential Information of the other except as contemplated by the Contract, (ii) acquire any right in or assert any lien against the Confidential Information of the other, or (iii) if requested to do so, refuse for any reason to promptly return the other party's Confidential Information to the other party. Each party 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 the 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 the Contract. The performance of all obligations under the Contract shall be provided in a timely, professional, and workman-like manner and shall meet the performance and operational standards required under the Contract.

(b) The Location Specification Sheet(s), Attachments and Exhibits identify the services necessary to operate in compliance with the Contract's requirements and other standards of performance.

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

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

(e) 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.

(f) 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 the 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.

(g) 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.

(h) 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 the Contract.

2.18 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 the 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 the Contract.

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

The insurance shall be written for not less than any minimum coverage specified in the 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 the 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 INSUREDS on the Commercial General Liability certificate. The Contractor also agrees to provide evidence that insurance policies contain a waiver of subrogation by the insurance company.

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

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

☑ 3. Workers' compensation coverage must be provided 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 the 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 the 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 the 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 the Contract, or if any insurer cancels or significantly reduces any required insurance as specified in the 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.

2.19 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 the 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 the 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 the 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 the 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.

2.20 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 the Contract calling for liquidated damages; or to court costs or attorney's fees awarded by a court in addition to damages after litigation based on the Contract.

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.

2.21 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 (including a Chronic Failure to meet any particular SLA as defined in **Section 2.076**), 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 - RESERVED

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.

2.22 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.

2.23 Stop Work

2.231 Stop Work Orders - RESERVED

2.232 Cancellation or Expiration of Stop Work Order - RESERVED

2.233 Allowance of Contractor Costs - RESERVED

2.240 Reserved

2.25 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.

2.26 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.

2.27 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:
   (i) 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.
   (ii) 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.
   (iii) 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.

2.28 Environmental Provision

2.281 Environmental Provision - RESERVED

2.29 General Contract Information

2.291 Amendments

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

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:
Lymon C. Hunter, CBBP
530 W. Allegan, 2nd Floor
PO Box 30026
Lansing, MI 48909
Contact Phone: (517) 241-1145
HunterL@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

2.32 Extended Purchasing

2.321 MiDEAL - RESERVED

2.322 State Employee Purchases - RESERVED

2.33 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

MAINTENANCE, REPAIR & OPERATIONS (MRO)
RUBBISH REMOVAL - GENERAL – CONTRACT#: 071B8200006

LOCATION SPECIFICATION SHEET (LSS)

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

SECTION I – PLACE OF SERVICES REQUESTED

LOCATION:

CONTRACT INFORMATION			
ESTIMATED CONTRACT START DATE:	10-1-2007	**CONTRACT END DATE:**	9-30-2010
PREVIOUS BPO #:	071B1001227		
CONTRACT INFORMATION:	Approximately 3 Year Contract with No Options		
CONTRACTING AGENCY NAME:	Sandi Fairbanks/Carol Wilson		
BUILDING NAME AND NUMBER:	N/A		
BUILDING ADDRESS:	N/A		
REGION / COUNTY:	University Regional-DOC-Jackson Area Facilities		
PROCUREMENT CONTACT INFORMATION			
PROCUREMENT OFFICE NAME:	Sandi Fairbanks		
PROCUREMENT OFFICE CONTACT NAME:	**Sandi Fairbanks**	**CONTACT PHONE #:**	**517-780-6104**
PROCUREMENT OFFICE CONTACT E-MAIL:	**Fairbasa@Mich.gov**	**CONTACT FAX #:**	**517-780-6103**
CONTRACT COMPLIANCE INSPECTOR (CCI) / FACILITY MANAGER (FM) NAME:	**Carol Wilson**	**CONTACT PHONE #:**	**517-780-6076**
CCI / FM CONTACT E-MAIL:	**Wilsonc5@mich.gov**	**CONTACT FAX #:**	**517-780-6039**

LOCATION INFORMATION			
OFFICIAL WORKING DAYS OF BUILDING OCCUPANTS:	N/A	**OFFICIAL WORKING HOURS OF BUILDING OCCUPANTS:**	N/A
ESTIMATE OF AREA TO BE SERVICED: (IF APPLICABLE)	N/A	**(FILL IN IF NEEDED)**	N/A
IDENTIFY DAYS OF SERVICE:	See Below	**IDENTIFY HOURS OF SERVICE: [EXAMPLE: 5:30 A.M. TO 5:30 P.M.]**	See Below

SPECIFICATIONS

RUBBISH REMOVAL SERVICES

DEPARTMENT OF CORRECTIONS
ALL REGIONAL AREAS/
RECEPTION GUIDANCE CENTER (RGC)
SOUTHERN MICHIGAN CORRECTIONAL FACILITY (JMF)
PARNALL CORRECTIONAL FACILITY (SMT)
COOPER STREET CORRECTIONAL FACILITY (JCS)
ROBERT G. COTTON CORRECTIONAL FACILITY (JCF)
CHARLES EGELER CORRECTIONAL FACILITY (SMN)
DUANE WATERS HOSPITAL (DWH)
CAMP WATERLOO (SAI)

CONTRACT PERIOD: October 1, 2007 TO September 30, 2010 (THREE YEARS)

AGENCY CONTACT PERSON: Sandi Fairbanks PHONE: 517-780-6104

Carol Wilson PHONE: 517-780-6076

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

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

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

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

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

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

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

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

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

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

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

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

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

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

15. Invoice billings shall be rendered on a monthly basis to the agency where the service is performed. Bill To Address: State Prison of Southern MI, Attn: Accounts Payable, 4000 Cooper Street, Jackson, MI 49201.

FOR CORRECTIONAL FACILITIES ONLY:

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

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

3. Each driver must be Michigan licensed and cleared on the State Police LEIN check.

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

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

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

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

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

9.

PRICING SHEET - A

RUBBISH REMOVAL

DEPARTMENT OF CORRECTIONS
ALL REGIONAL AREAS
SOUTHERN MICHIGAN CORRECTIONAL FACILITY (JMF)
4002 COOPER STREET
PARNALL CORRECTION FACILITY (SMT)
1780 EAST PARNALL ROAD
COOPER STREET CORRECTIONAL FACILITY (JCS)
3100 COOPER STREET

COLLECTION FEE:

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

DISPOSAL SERVICE PRICE:

- **This incinerator/disposal rate represents the current "gate rate" or "transfer station rate" for rubbish. This unit price will be applied to the number of TONS accumulated from every container per round trip travel.**

NOTE TO BIDDERS:

- **The State owns all necessary compactor boxes.**
- **The State does not own the 4 cubic yard, 6 cubic yard, or the open top containers. Therefore, the bidder must include any container rental charge in the unit price quoted for collection fees.**

DEPARTMENT OF Management & Budget

COLLECTION FEES – ATTACHMENT A

Container Size	Location	Collection Frequency	Service Required	Collection Fee	Months or Pulls	One Year Collection Fee
* 42 CY Compactor Box	Southern Michigan (JMF) (Food Service)	2 days/week Mon. & Thurs.	Pick Up & Hauling	$736.10/Month	12 Mos.	$8,833.20
4 CY	Regional Areas (Slaughterhouse)	1 days/week Tuesday	Furnish Container, Pick Up & Hauling	$51.96/Month	12 Mos.	$623.52
* 42 CY Compactor Bx	Parnall Facility (Food Service)	2 days/week Mon. & Thurs	Pick Up & Hauling	$736.10/Month	12 Mos.	$8,833.20
4 CY	Parnall Facility (Maintenance)	3 days/week Mon/Wed./Fri.	Furnish Container, Pick Up & Hauling	$155.88/Month	12 Mos.	$1,870.56
4 CY	Parnall Facility (Auto School)	3 days/week Mon/Wed./Fri.	Furnish Container, Pick Up & Hauling	$155.88/Month	12 Pulls	$1,870.56
4 CY	Regional Areas RPA's Office (Warden's)	1st and 15th of the month	Furnish Container, Pick Up & Hauling	$24.06/Month	12 Mos.	$288.00
4 CY	Regional Areas (Dale Foltz Trng Ctr)	every other Wednesday	Furnish Container, Pick Up & Hauling	$26.00/Month	12 Mos.	$312.00
4 CY	Regional Areas (Forestry)	1 day/week Wednesday	Furnish Container, Pick Up & Hauling	$51.96/Month	12 Mos.	$623.52
4 CY	Regional Areas (Jackson Medical Complex)	2 days/week Tues./Fri.	Furnish Container, Pick Up & Hauling	$103.92/Month	12 Mos.	$1,247.04
4 CY	Regional Areas (Gun Range)	every other Wednesday	Furnish Container, Pick Up & Hauling	$26.00/Month	12 Mos.	$312.00
6 CY	Regional Areas (Garage)	1 day/week Thursday	Furnish Container, Pick Up & Hauling	$62.79/Month	12 Mos.	$753.48
6 CY	Regional Areas (Maintenance)	1 day/week Friday	Furnish Container, Pick Up & Hauling	$62.79/Month	12 Mos.	$753.48
6 CY	Regional Areas (Power plant)	2 days/week Tues./Fri.	Furnish Container, Pick Up & Hauling	$125.57/Month	12 Mos.	$1,506.84
* 42 CY Self-Contained Compactor	Cooper Street (Food Service)	2 days/week Tues./Thurs.	Pick Up & Hauling	$736.10/Month	12 Mos.	$8,833.20
* 42 CY Self-Contained Compactor	Cooper Street (Maintenance)	2 pulls/month **"On-Call Basis"**	Furnish Container, Pick Up & Hauling	$85.00/Pull	24 Pulls	$2,404.00
4 CY	Regional Areas (Sanitation Warehouse #126)	3 days/week Mon./Wed./Fri.	Furnish Container w/lock & chains Pick Up & Hauling	$155.88/Month	12 Mos.	$1,870.56
4 CY	Regional Areas (Greenhouse)	1 day/week Wednesday	Furnish Container w/lock & chains Pick Up & Hauling	$51.96/Month	12 Mos.	$623.52
6 CY	Southern Michigan (JMF) (Maintenance)	1 day/week Thursday	Furnish Container, Pick Up & Hauling	$62.79/Month	12 Mos	$753.48
6 CY	Parnall Facility (Visit Center)	1 day/week Tuesday	Furnish Container, Pick Up & Hauling	$62.79/Month	12 Mos	$753.48
Total One Year Collection Fee					**$42,701.64**	

* **State of Michigan Owned Container**

DISPOSAL FEES – ATTACHMENT - A2

		ONE YEAR DISPOSAL FEE
10 ea 4 CY and 5ea 6 CY Containers:		
$ 91.41	Incinerator/disposal rate per ton x 700 tons (Est/yr) =	**$63,987.00**
2 ea 42 CY Self-Contained Compactor Box (Cooper Street - JCS):		
$91.41	Incinerator/disposal rate per ton x 200 tons (Est/yr) =	**$18,282.00**
2 ea 42 CY Compactor Boxes (JMF & Parnall):		
$91.41	Incinerator/disposal rate per ton x 1600 tons (Est/yr) =	**$146,256.00**

SUMMARY PRICING SHEET – A3

Total One Year Collection Fee (A1)	Total One Year Disposal Fee (A2)	Total One Year Service Price (A1+A2)	Total Three Year Service Price (A1+A2) x 3 Years
$42,701.64	**$228,525.00**	**$271,226.64**	**$813,679.92**

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

$12.00 one 4 cubic yard container.

$14.50 one 6 cubic yard container.

$85.00 one 30 cubic yard container.

$85.00 one 42 cubic yard compactor.

$91.41 Current incinerator/disposal rate: (per ton)

PRICING SHEET - B

RUBBISH REMOVAL

DEPARTMENT OF CORRECTIONS
CHARLES EGELER CORRECTIONAL FACILITY (SMN)
3855 COOPER STREET
EGELER FACILITY ANNEX (RGC)
3855 COOPER STREET
DUANE WATERS HOSPITAL (DWH)
3857 COOPER STREET

COLLECTION FEE:

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

DISPOSAL SERVICE PRICE:

- **This incinerator/disposal rate represents the current "gate rate" or "transfer station rate" for rubbish. This unit price will be applied to the number of TONS accumulated from every container per round trip travel.**

NOTE TO BIDDERS:

- **The State owns all necessary compactor boxes**.
- **The State does not own the 4 cubic yard, 6 cubic yard, or the open top containers. Therefore, the bidder must include any container rental charge in the unit price quoted for collection fees.**

DEPARTMENT OF Management & Budget

COLLECTION FEES – PRICING SHEET – B1

Container Size	Location	Collection Frequency	Service Required	Collection Fee	# Months or Pulls	One Year Collection Fee
4 CY	Duane Waters Hospital	3 days/week Mon./Wed./Fri.	Furnish Container Pick up & Hauling	$155.88 /Month	12 Mos.	$1,870.56
6 CY	Charles Egeler (Maint. Bldg.)	3 days/week Mon./Wed./Fri.	Furnish Container Pick Up & Hauling	$188.36 /Month	12 Mos.	$ 2,260.32
* 42 CY Self Contained	Duane Waters Hospital	1 day/every other week,	Pick Up & Hauling	$85.00 /Pull	17 Pulls	$ 1,445.00
6 CY	Charles Egeler (C-Unit)	3 days/week Mon./Wed./Fri.	Furnish Container Pick Up & Hauling	$188.36 /Month	12 Mos.	$2,260.32
6 CY	Charles Egeler Annex (Transportation)	5 days/week Mon. – Fri.	Furnish Container Pick Up & Hauling	$313.93 /Month	12 Mos.	$3,767.16
* 42 CY Self Contained	Charles Egeler (Annex)	1 day/week Thursday	Pick Up & Hauling	$368.05 /Month	12 Mos.	$4,416.60
* 42 CY Self Contained	Charles Egeler (Food Service)	2 days/week Mon./Thurs.	Pick Up & Hauling	$736.10 /Month	12 Mos.	$8,833.20
TOTAL ONE YEAR COLLECTION FEE					**$ 24,853.16**	

*** State of Michigan Owned Container**

DISPOSAL FEE PRICING SHEET – B2

ONE YEAR DISPOSAL FEE

1 ea 4 CY Containers:
$91.41 Incinerator/disposal rate per ton x 200 tons (Est/yr) = **$18,282.00**

3 ea 6 CY Containers:

$91.41 Incinerator/disposal rate per ton x 200 tons (Est/yr) = **$18,282.00**

3 ea 42 CY Compactors:

$91.41 Incinerator/disposal rate per ton x 800 tons (Est/yr) = **$73,128.00**

* **Tonnage listed is estimated quantity for pricing purposes only**

SUMMARY PRICING SHEET - B 3

Total One Year Collection Fee (B1)	Total One Year Disposal Fee (B2)	Total One Year Service Price (B1+B2)	Total Three Year Service Price (B1 + B2) x 3 Year
$24,853.16	**$109,692.00**	**$134,545.16**	**$403,635.48**

THE COLLECTION FEE FOR ONE ADDITIONAL PICK UP & HAULING OF THE CONTAINERS LISTED BELOW:

$12.00 one 4 cubic yard container.

$14.50 one 6 cubic yard container.

$85.00 one 42 cubic yard compactor.

$91.41 Current incinerator/disposal rate: (ton)

PRICING SHEET – C

RUBBISH REMOVAL

DEPARTMENT OF CORRECTIONS

ROBERT G. COTTON CORRECTIONAL FACILITY (JCF)

3500 NORTH ELM

JACKSON, MICHIGAN 49201

COLLECTION FEE:

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

DISPOSAL SERVICE PRICE:

- **This incinerator/disposal rate represents the current "gate rate" or "transfer station rate" for rubbish. This unit price will be applied to the number of TONS accumulated from every container per round trip travel.**

NOTE TO BIDDERS:

- **The State owns all necessary compactor boxes.**
- **The State does not own the 4 cubic yard, 6 cubic yard, or the open top containers. Therefore, the bidder must include any container rental charge in the unit price quoted for collection fees.**

DEPARTMENT OF Management & Budget

COLLECTION FEES – PRICING SHEET - C1

Container Size	Location	Collection Frequency	Service Required	Collection Fee	# Months or Pulls	One Year Collection Fee
*42 CY Compactor Bx	Cotton facility (Sallyport gate)	2 days/week Mon. & Thurs.	Pick Up & Hauling	$736.10/Month	12 Mos.	$8,833.20
*20 CY Self-Contained Compactor Bx	Cotton Facility (Next to K-Unit)	Once every other week	Pick Up & Hauling	$184.45/Month	12 Mos.	$2,213.40
TOTAL ONE YEAR COLLECTION FEE					**$11,046.60**	

*** State of Michigan Owned Container**

DISPOSAL FEE PRICING SHEET – C2

ONE YEAR DISPOSAL FEE

1 ea 42 CY Compactor Box -Not Self-Contained (Cotton):

$91.41 Incinerator/disposal rate per ton x 400 tons (Est/yr) = **$36,564.00**

1 ea 20 CY Self-Contained Compactor Box (Cotton):

$91.41 Incinerator/disposal rate per ton x 200 tons (Est/yr) = **$18,282.00**

* **Tonnage listed is estimated quantity for pricing purposes only**

PRICING SHEET SUMMARY – C3

Total One Year Collection Fee (C1)	Total One Year Disposal Fee (C2)	Total One Year Service Price (C1+C2)	Total Three Year Service Price (C1+C2) x 3 Years
$11,046.60	**$54,846.00**	**$65,892.60**	**$197,677.80**

THE COLLECTION FEE FOR ONE ADDITIONAL PICK UP & HAULING OF THE CONTRAINERS LISTED BELOW:

$85.00 Additional pick-up of one 42 cubic yard container

$85.00 Additional pick-up of one 20 cubic yard container

$91.41 Current incinerator/disposal rate: (ton)

PRICING SHEET – D

RUBBISH REMOVAL

DEPARTMENT OF CORRECTIONS

CASSIDY LAKE (SAI)

18901 WATERLOO ROAD

CHELSEA, MI 48118

COLLECTION FEE:

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

DISPOSAL SERVICE PRICE:

- **This incinerator/disposal rate represents the current "gate rate" or "transfer station rate" for rubbish. This unit price will be applied to the number of TONS accumulated from every container per round trip travel.**

NOTE TO BIDDERS:

- **The State owns all necessary compactor boxes.**
- **The State does not own the 4 cubic yard, 6 cubic yard, or the open top containers. Therefore, the bidder must include any container rental charge in the unit price quoted for collection** fees.

DEPARTMENT OF Management & Budget

COLLECTION FEES – PRICING SHEET – D1

Container Size	Location	Collection Frequency	Service Required	Collection Fee	# Months or Pulls	One Year Collection Fee
2 CY	Cassidy Lake (Maintenance)	2 days/week Tues./Thurs.	Furnish Container, Pick Up & Hauling	$_____/Month	12 Mos.	$_____
6 CY	Cassidy Lake (Laundry)	2 day/week Tues./Thurs	Furnish Container, Pick Up & Hauling	$_____/Month	12 Mos.	$_____
8 CY	Cassidy Lake (Food Service)	2 days/week Tues./Thurs/	Furnish Container, Pick Up & Hauling	$_____/Month	12 Mos.	$_____
TOTAL ONE YEAR COLLECTION FEE					**$_____**	

*** State of Michigan Owned Container**

DISPOSAL FEE PRICING SHEET – D2

ONE YEAR DISPOSAL FEE

1 ea 2 CY Container

$_____** Incinerator/disposal rate per ton x 400 tons (Est/yr) = **$_____

1 ea 6 CY container

$_____** Incinerator/disposal rate per ton x 200 tons (Est/yr) = **$_____

1 ea 8 CY container

$_____** Incinerator/disposal rate per ton x 400 tons (Est/yr) = **$_____

* **Tonnage listed is estimated quantity for pricing purposes only**

PRICING SHEET SUMMARY – D3

Total One Year Collection Fee (D1)	Total One Year Disposal Fee (D2)	Total One Year Service Price (D1+D2)	Total Three Year Service Price (D1+D2) x 3 Years
$_____	$_____	$_____	$_____

THE COLLECTION FEE FOR ONE ADDITIONAL PICK UP & HAULING OF THE CONTRAINERS LISTED BELOW:

$_____ Additional pick-up of one 2cubic yard container.

$_____ __Additional pick-up of one 6 cubic yard container.

$_____ __Additional pick-up of one 8cubic yard container

$_____ Current incinerator/disposal rate: (ton)

FINAL SUMMARY PRICING SHEET – D

	Total One Year Collection Fee	Total One Year Disposal Fee	Total One Year Service Price	Total Three Year Service Price
Pricing Sheet – A (page 6)	**$42,701.64**	**$228,525.00**	**$271,226.64**	**$813,679.92**
Pricing Sheet - B (page 8)	**$24,853.16**	**$109,692.00**	**$134,545.16**	**$403,635.48**
Pricing Sheet - C (page 10)	**$11,046.60**	**$54,846.00**	**$65,892.60**	**$197,677.80**
Pricing Sheet - D (page 12)	**$_____**	**$_____**	**$_____**	**$_____**

Grand Totals **$_____** **$_____** **$_____** **$_____**

DEPARTMENT OF Management & Budget

LICENSE REQUIREMENTS

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

AND

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

AND

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

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

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

Please note: All solid waste that is picked up for disposal under this contract is currently required under the 1990 Jackson County Solid Waste Program to be disposed of at the Jackson County Recovery Facility Incinerator.

Incinerator Address: **1990 East Parenall**
Jackson, MI

Part 115 of NREPA License **# MID985586676**

Department of Correction Facility Addresses

Michigan Department of Corrections
Cooper Street Facility (JCS)
3100 Cooper Street
Jackson, MI 49201

Michigan Department of Corrections
Parnall Correctional Facility (SMT)
1780 E. Parnall Road
Jackson, MI 49201

Michigan Department of Corrections
Southern Michigan Correctional Facility (JMF)
4002 Cooper Street
Jackson, MI 49201

Michigan Department of Corrections
Regional Business Office
4000 Cooper Street
Jackson, MI 49201

Michigan Department of Corrections
Central Regional Personnel Office
3400 Cooper Street
Jackson, MI 49201

Michigan Department of Corrections
Duane Waters Hospital (DWH)
3857 Cooper Street
Jackson, MI 49201

Michigan Department of Corrections
Egeler/Annex Correctional Facility (SMN)
3855 Cooper Street
Jackson, MI 49201

Michigan Department of Corrections
G. Robert Cotton Facility (JCF)
3500 N. Elm Street
Jackson, MI 49201

Michigan Department of Corrections
Cassidy Lake (SAI)
18901 Waterloo Road
Chelsea, Mi 48118

Michigan Department of Corrections
Central Regional Warehouse
Building 218
1994 Parnall Road
Jackson, MI 49201

MAINTENANCE, REPAIR & OPERATIONS (MRO)
RUBBISH REMOVAL - GENERAL – CONTRACT#: 071B8200006

LOCATION SPECIFICATION SHEET (LSS)

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

SECTION I – PLACE OF SERVICES REQUESTED

LOCATION:

CONTRACT INFORMATION			
ESTIMATED CONTRACT START DATE:	10/01/2007	**CONTRACT END DATE:**	10/01/2010
PREVIOUS BPO #:	071B3001213		
CONTRACT INFORMATION:	Approximately 3 Year Contract with No Options		
CONTRACTING AGENCY NAME:	Department of Corrections, Michigan State Industries		
BUILDING NAME AND NUMBER:	N/A		
BUILDING ADDRESS:	N/A		
REGION / COUNTY:	University / Jackson		
PROCUREMENT CONTACT INFORMATION			
PROCUREMENT OFFICE NAME:	Michigan State Industries		
PROCUREMENT OFFICE CONTACT NAME:	Nancy Taylor-Williams	**CONTACT PHONE #:**	517-373-3910
PROCUREMENT OFFICE CONTACT E-MAIL:	taylorne@michigan.gov	**CONTACT FAX #:**	517-335-6628
CONTRACT COMPLIANCE INSPECTOR (CCI) / FACILITY MANAGER (FM) NAME:	Nancy Taylor-Williams	**CONTACT PHONE #:**	517-373-3910
CCI / FM CONTACT E-MAIL:	taylorne@michigan.gov	**CONTACT FAX #:**	517-335-6628

LOCATION INFORMATION			
OFFICIAL WORKING DAYS OF BUILDING OCCUPANTS:	Monday – Friday	**OFFICIAL WORKING HOURS OF BUILDING OCCUPANTS:**	8:00 am – 1:30 pm
ESTIMATE OF AREA TO BE SERVICED: (IF APPLICABLE)	N/A	**(FILL IN IF NEEDED)**	N/A
IDENTIFY DAYS OF SERVICE:	Monday – Friday	**IDENTIFY HOURS OF SERVICE: [EXAMPLE: 5:30 A.M. TO 5:30 P.M.]**	8:00 am – 1:30 pm

SPECIFICATIONS

RUBBISH REMOVAL SERVICES

DEPARTMENT OF CORRECTIONS, MICHIGAN STATE INDUSTRIES (MSI)
INCLUDING:
LAUNDRY – PARNELL CORRECTIONAL FACILITY
MEAT PROCESSING PLANT – PARNALL CORRECTIONAL FACILITY
FURNITURE FACTORY – PARNALL CORRECTIONAL FACILITY
SHOE FACTORY – PARNALL CORRECTIONAL FACILITY
SIGN / CARTON FACTORY – PARNALL CORRECTIONAL FACILITY
PRINT SHOP – PARNALL CORRECTIONAL FACILTY
TEXTILE FACTORY – SOUTERN MICHIGAN CORRECTIONAL FACILITY
WAREHOUSE – JACKSON, MI

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

AGENCY CONTACT PERSON: Nancy Taylor-Williams PHONE: 517-373-3910

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

7. Holidays will be not included in pick-up times unless requested by MSI. Should a holiday fall on a scheduled pickup, vendor shall pick-up the next working day.

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

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

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

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

17. All containers will be the property of the contractor and maintenance of those containers shall be the responsibility of the contractor.

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

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

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

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

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

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

24. PICK-UPS SHALL BE BETWEEN THE HOURS OF 8:00 AM TO 1:30 PM MONDAY THROUGH FRIDAY. CONTRACTOR VEHICLES WILL NOT BE ALLOWED TO ENTER FACILITIES DURING THE LUNCH COUNT (10:45 AM – 12:15 PM).

25. Invoice billings shall be rendered on a monthly basis . Bill To Address: Department of Corrections, Michigan State Industries, PO Box 30723, Lansing, MI 48909

FOR CORRECTIONAL FACILITIES ONLY:

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

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

12. Each driver must be Michigan licensed and cleared on the State Police LEIN check.

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

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

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

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

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

PRICING SHEET - A

RUBBISH REMOVAL

DEPARTMENT OF CORRECTIONS, MICHIGAN STATE INDUSTRIES (MSI)
INCLUDING:
LAUNDRY – PARNELL CORRECTIONAL FACILITY
MEAT PROCESSING PLANT – PARNALL CORRECTIONAL FACILITY
FURNITURE FACTORY – PARNALL CORRECTIONAL FACILITY
SHOE FACTORY – PARNALL CORRECTIONAL FACILITY
SIGN / CARTON FACTORY – PARNALL CORRECTIONAL FACILITY
PRINT SHOP – PARNALL CORRECTIONAL FACILTY
TEXTILE FACTORY – SOUTERN MICHIGAN CORRECTIONAL FACILITY
WAREHOUSE – JACKSON, MI

COLLECTION FEE:

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

DISPOSAL SERVICE PRICE:

- **This incinerator/disposal rate represents the current "gate rate" or "transfer station rate" for rubbish. This unit price will be applied to the number of TONS accumulated from every container per round trip travel.**

NOTE TO BIDDERS:

- **The State does not own the 6 or 8 cubic yard dumpsters. Therefore, the bidder must include any container rental charge in the unit price quoted for collection fees.**

DEPARTMENT OF Management & Budget

COLLECTION FEES – ATTACHMENT A

Container Size	Location	Collection Frequency	Service Required	Collection Fee	Months or Pulls	One Year Collection Fee
Two 6 CY Dumpster (estimated 22.5 tons /yr)	Parnall Corr. MSI Laundry	2 day/week	Furnish Container, Pick Up & Hauling	$242.48/Month	12 Mos	$2,909.76
One 6 CY Dumpster (estimated 20 tons / yr)	Parnall Corr. MSI Meat Processing	2 day/week	Furnish Container, Pick Up & Hauling	$121.24/Month	12 Mos	$1,454.88
One 8 CY Dumpster (estimated 20 tons / yr)	Parnall Corr. MSI Warehouse	2 day/week	Furnish Container, Pick Up & Hauling	$129.90/Month	12 Mos	$1,558.80
Twenty-five barrels (50-55 gal ea) and 4-6 boxes (estimated 40 tons / yr)	Parnall Corr. MSI Metal Furniture	2 days/week	Pick up bulk rubbish	$251.14/Month	12 Mos	$3,013.68
Eight – twelve barrels (50-55 gal ea), 6 cy of boxed rubbish and two cy of leather (estimated 40 tons / yr)	Parnall Corr. MSI Shoe Factory	2 day/week	Pick up bulk rubbish	$138.56/Month	12 Mos	$1,662.72
Ten - Fourteen barrels (50-55 gal ea) (estimated 32.5 tons /yr)	Parnall Corr. MSI Sign/Carton	2 days/week	Pick up bulk rubbish	$147.22/Month	12 Mos	$1,766.64
Ten to Fifteen Barrels (50-55 gal ea) and ten to fifteen large plastic bags. (estimated 60 tons / yr)	Sourthern Michigan Corr. MSI Textile	2 day/week	Pick up bulk rubbish	$155.88/Month	12 Mos	$1,870.56
Four to Eight barrels (50-55 gal ea) estimated 15 tons / yr)	Parnall Corr. MSI MSI Print Shop	2 days/week	Pick up bulk rubbish	$103.92/Month	12 Mos	$1,247.04
Total One Year Collection Fee					**$15,484.08**	

DISPOSAL FEES – ATTACHMENT - A2

		ONE YEAR DISPOSAL FEE
3 ea 6 CY Containers:		
$ 91.41	Incinerator/disposal rate per ton x 42.5 tons (Est/yr) =	**$3,884.93**
1 ea 8 CY Containers:		
$ 91.41	Incinerator/disposal rate per ton x 20 tons (Est/yr) =	**$1,828.20**
Bulk rubbish including 50-55 gallon barrels, boxes, plastic bags and leather:		
$91.41	Incinerator/disposal rate per ton x 187.5 tons (Est/yr) =	**$17,139.38**

SUMMARY PRICING SHEET – A3

Total One Year Collection Fee (A1)	Total One Year Disposal Fee (A2)	Total One Year Service Price (A1+A2)	Total Three Year Service Price (A1+A2) x 3 Years
$15,484.08	**$22,852.51**	**$38,336.59**	**$115,990.77**

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

$14.00 one 6 cubic yard container.

$15.00 one 8 cubic yard container.

$18.00 one service pick up of bulk rubbish (barrel, boxed rubbish, plastic bags or leather)

$91.41 Current incinerator/disposal rate: (per ton)

FINAL SUMMARY PRICING SHEET – D

	Total One Year Collection Fee	Total One Year Disposal Fee	Total One Year Service Price	Total Three Year Service Price
Pricing Sheet – A (page 6)	**$15,484.08**	**$22,852.51**	**$38,336.59**	**$115,009.77**
Pricing Sheet - B (page 8)	**$**_____	**$**_____	**$**_____	**$**_____
Pricing Sheet - C (page 10)	**$**_____	**$**_____	**$**_____	**$**_____
Grand Totals	**$15,484.08**	**$22,852.51**	**$38,336.59**	**$115,009.77**

DEPARTMENT OF Management & Budget

LICENSE REQUIREMENTS

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

AND

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

AND

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

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

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

Please note: All solid waste that is picked up for disposal under this contract is currently required under the 1990 Jackson County Solid Waste Program to be disposed of at the Jackson County Recovery Facility Incinerator.

Incinerator Address: **1900 East Parnall**
Jackson, MI 49201

Part 115 of NREPA License **#MID985586676**

Department of Correction, Michigan State Industries Factory Addresses

Department of Corrections Michigan State Industries Jackson Laundry Parnall Correctional Facility 1780 E. Parnall Rd. Jackson, MI 49201	**Department of Corrections Michigan State Industries Meat Processing Plant Parnall Correctional Facility 1780 E. Parnall Rd. Jackson, MI 49201**
Department of Corrections Michigan State Industries Metal Furniture Factory Parnall Correctional Facility 1780 E. Parnall Rd. Jackson, MI 49201	**Department of Corrections Michigan State Industries Shoe Factory Parnall Correctional Facility 1780 E. Parnall Rd. Jackson, MI 49201**
Department of Corrections Michigan State Industries Sign / Carton Factories Parnall Correctional Facility 1780 E. Parnall Rd. Jackson, MI 49201	**Department of Corrections Michigan State Industries Textile Factory Southern Michigan Correctional Facility 4002 Cooper St. Jackson, MI 49201**
Department of Corrections Michigan State Industries Print Shop Parnall Correctional Facility 1780 E. Parnall Rd. Jackson, MI 49201	**Department of Corrections Michigan State Industries Warehouse 936 Water St.. Jackson, MI 49203**