



STATE OF MICHIGAN ENTERPRISE PROCUREMENT

Department of Technology, Management, and Budget
525 W. Allegan, Lansing MI 48913
P.O. Box 30026, Lansing, MI 48909

NOTICE OF CONTRACT

CONTRACT NO. **071B7700023**

between

THE STATE OF MICHIGAN

and

CONTRACTOR	Haworth Inc.
	One Haworth Center
	Holland, MI 49423
	Phyllis Rietberg
	517-7196172
	phyllis.rietberg@haworth.com
	3093

STATE	Program Manager	Curt Myers	DTMB	
		517-284-7938		
	Contract Administrator		Jared Ambrosier	DTMB
			517-284-7938	
		ambrosierj@michigan.gov		

CONTRACT SUMMARY			
DESCRIPTION: Modular Office Systems Furniture, Including Programming, Design, Installation, Refurbishment Services			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
October 1, 2016	September 30, 2019	2, one year	September 30, 2019
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS			
N/A			
MISCELLANEOUS INFORMATION			
N/a			
ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION		\$21,000,000.00	

FOR THE CONTRACTOR:

Company Name

Authorized Agent Signature

Authorized Agent (Print or Type)

Date

FOR THE STATE:

Signature

Sharon Walenga-Maynard, Sourcing Director
Name & Title

DTMB
Agency

Date



STATE OF MICHIGAN

STANDARD CONTRACT TERMS

This STANDARD CONTRACT (“**Contract**”) is agreed to between the State of Michigan (the “**State**”) and (“**Haworth, Inc.**”), a Michigan corporation. This Contract is effective on October 1 2016] (“**Effective Date**”), and unless terminated, expires on September 30 2019Contract term is THREE (3) Years.

This Contract may be renewed for up to TWO (2) additional option year period(s). Renewal must be by written agreement of the parties will automatically extend the Term of this Contract.

The parties agree as follows:

1. **Duties of Contractor.** Contractor must perform the services and provide the deliverables described in **Exhibit A – Statement of Work** (the “**Contract Activities**”). An obligation to provide delivery of any commodity is considered a service and is a Contract Activity.

Contractor must furnish all labor, equipment, materials, and supplies necessary for the performance of the Contract Activities, and meet operational standards, unless otherwise specified in Exhibit A.

Contractor must: (a) perform the Contract Activities in a timely, professional, safe, and workmanlike manner consistent with standards in the trade, profession, or industry; (b) meet or exceed the performance and operational standards, and specifications of the Contract; (c) provide all Contract Activities in good quality, with no material defects; (d) not interfere with the State’s operations; (e) obtain and maintain all necessary licenses, permits or other authorizations necessary for the performance of the Contract; (f) cooperate with the State, including the State’s quality assurance personnel, and any third party to achieve the objectives of the Contract; (g) return to the State any State-furnished equipment or other resources in the same condition as when provided when no longer required for the Contract; (h) not make any media releases without prior written authorization from the State; (i) assign to the State any claims resulting from state or federal antitrust violations to the extent that those violations concern materials or services supplied by third parties toward fulfillment of the Contract; (j) comply with all State physical and IT security policies and standards which will be made available upon request; and (k) provide the State priority in performance of the Contract except as mandated by federal disaster response requirements. Any breach under this paragraph is considered a material breach.

Contractor must also be clearly identifiable while on State property by wearing identification issued by the State, and clearly identify themselves whenever making contact with the State.

2. **Notices.** All notices and other communications required or permitted under this Contract must be in writing and will be considered given and received: (a) when verified by written receipt if sent by courier; (b) when actually received if sent by mail without verification of receipt; or (c) when verified by automated receipt or electronic logs if sent by facsimile or email.

<p>If to State: Jared Ambrosier DTMB-Procurement 525 West Allegan Lansing, MI 48913 ambrosierj@michigan.gov (517) 284-6398</p>	<p>If to Contractor: <i>Haworth, Inc</i> <i>One Haworth Center</i> <i>Holland, MI 49423</i> <i>Phyllis.Rietberg@Haworth.com</i> 616-393-3000</p>
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3. **Contract Administrator.** The Contract Administrator for each party is the only person authorized to modify any terms and conditions of this Contract (each a “**Contract Administrator**”):

State: Jared Ambrosier DTMB-Procurement 525 West Allegan Lansing, MI 48913 ambrosierj@michigan.gov (517) 284-6398	Contractor: <i>Haworth, Inc</i> <i>One Haworth Center</i> <i>Holland, MI 49423</i> <i>Phyllis.Rietberg@Haworth.com</i> <i>616-393-3000</i>
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4. **Program Manager.** The Program Manager for each party will monitor and coordinate the day-to-day activities of the Contract (each a “**Program Manager**”):

State: Varies by Agency T/B/D	I Contractor: <i>Becky Przedwojewski</i> <i>One Haworth Center</i> <i>Holland, MI 49423</i> <i>becky.przedwojewski@haworth.com</i> <i>517-281-5826</i>
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5. **Performance Guarantee.** Contractor must at all times have financial resources sufficient, in the opinion of the State, to ensure performance of the Contract and must provide proof upon request. The State may require a performance bond (as specified in Exhibit A) if, in the opinion of the State, it will ensure performance of the Contract.

6. **Insurance Requirements.** Contractor must maintain the insurances identified below and is responsible for all deductibles. All required insurance must: (a) protect the State from claims that may arise out of, are alleged to arise out of, or result from Contractor's or a subcontractor's performance; (b) be primary and non-contributing to any comparable liability insurance (including self-insurance) carried by the State; and (c) be provided by a company with an A.M. Best rating of "A" or better and a financial size of VII or better.

Insurance Type	Additional Requirements
Commercial General Liability Insurance	
<u>Minimal Limits:</u> \$1,000,000 Each Occurrence Limit \$1,000,000 Personal & Advertising Injury Limit \$2,000,000 General Aggregate Limit \$2,000,000 Products/Completed Operations <u>Deductible Maximum:</u> \$50,000 Each Occurrence	Contractor must have their policy endorsed to add “the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents” as additional insureds using endorsement CG 20 10 11 85, or both CG 2010 07 04 and CG 2037 07 0, or an equivalent form as approved by the State..
Umbrella or Excess Liability Insurance	
<u>Minimal Limits:</u> \$5,000,000 General Aggregate	Coverage must follow form of underlying policies.
Automobile Liability Insurance	
<u>Minimal Limits:</u> \$1,000,000 Per Occurrence	
Workers' Compensation Insurance	
<u>Minimal Limits:</u> Coverage according to applicable laws governing work activities.	Waiver of subrogation, except where waiver is prohibited by law.



Employers Liability Insurance	
<p><u>Minimal Limits:</u> \$500,000 Each Accident \$500,000 Each Employee by Disease \$500,000 Aggregate Disease.</p>	
Hired and Non-Owned Motor Vehicle Insurance	
<p><u>Minimal Limits:</u> \$1,000,000 Per Accident</p>	<p>Contractor must have their policy endorsed to add “the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents” as additional insureds.</p>
Property Insurance	
<p>Property Insurance and/or General Liability Insurance covering any loss or damage to the State-owned office space used by Contractor for any reason under this Contract, and the State-owned equipment, software and other contents of the office space, including, those contents used by Contractor to provide the Services to the State, up to its replacement value, where the office space and its contents are under the care, custody and control of Contractor. The State must be endorsed on the policy as a loss payee as its interests appear.</p>	

If any of the required policies provide **claim-made** coverage, the Contractor must: (a) provide coverage with a retroactive date before the effective date of the contract or the beginning of Contract Activities; (b) maintain coverage and provide evidence of coverage for at least three (3) years after completion of the Contract Activities; and (c) if coverage is canceled or not renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective date, Contractor must purchase extended reporting coverage for a minimum of three (3) years after completion of work.

Contractor must: (a) provide insurance certificates to the Contract Administrator, containing the agreement or purchase order number, at Contract formation and within 20 calendar days of the expiration date of the applicable policies; (b) require that subcontractors maintain the required insurances contained in this Section; (c) notify the Contract Administrator within 5 business days if any insurance is cancelled; and (d) waive all rights against the State for damages covered by insurance. Failure to maintain the required insurance does not limit this waiver.

This Section is not intended to and is not be construed in any manner as waiving, restricting or limiting the liability of either party for any obligations under this Contract (including any provisions hereof requiring Contractor to indemnify, defend and hold harmless the State).

7. **Administrative Fee and Reporting.** Contractor must pay an administrative fee of 1% on all payments made to Contractor under the Contract including transactions with the State (including its departments, divisions, agencies, offices, and commissions), MiDEAL members, and other states (including governmental subdivisions and authorized entities). Administrative fee payments must be made by check payable to the State of Michigan and mailed to:

Department of Technology, Management and Budget
 Financial Services – Cashier Unit
 Lewis Cass Building
 320 South Walnut St.
 P.O. Box 30681
 Lansing, MI 48909



Contractor must submit an itemized purchasing activity report, which includes at a minimum, the name of the purchasing entity and the total dollar volume in sales. Reports should be mailed to DTMB-Procurement.

The administrative fee and purchasing activity report are due within 30 calendar days from the last day of each calendar quarter.

- 8. Extended Purchasing Program.** This Contract is extended to MiDEAL members. MiDEAL members include local units of government, school districts, universities, community colleges, and nonprofit hospitals. A current list of MiDEAL members is available at www.michigan.gov/mideal. Upon written agreement between the State and Contractor, this Contract may also be extended to: (a) State of Michigan employees and (b) other states (including governmental subdivisions and authorized entities).

If extended, Contractor must supply all Contract Activities at the established Contract prices and terms. The State reserves the right to negotiate additional discounts based on any increased volume generated by such extensions.

Contractor must submit invoices to, and receive payment from, extended purchasing program members on a direct and individual basis.

- 9. Independent Contractor.** Contractor is an independent contractor and assumes all rights, obligations and liabilities set forth in this Contract. Contractor, its employees, and agents will not be considered employees of the State. No partnership or joint venture relationship is created by virtue of this Contract. Contractor, and not the State, is responsible for the payment of wages, benefits and taxes of Contractor's employees and any subcontractors. Prior performance does not modify Contractor's status as an independent contractor.
- 10. Subcontracting.** Contractor may not delegate any of its obligations under the Contract without the prior written approval of the State. Contractor must notify the State at least 90 calendar days before the proposed delegation, and provide the State any information it requests to determine whether the delegation is in its best interest. If approved, Contractor must: (a) be the sole point of contact regarding all contractual matters, including payment and charges for all Contract Activities; (b) make all payments to the subcontractor; and (c) incorporate the terms and conditions contained in this Contract in any subcontract with a subcontractor. Contractor remains responsible for the completion of the Contract Activities, compliance with the terms of this Contract, and the acts and omissions of the subcontractor. The State, in its sole discretion, may require the replacement of any subcontractor.
- 11. Staffing.** The State's Contract Administrator may require Contractor to remove or reassign personnel by providing a notice to Contractor.
- 12. Background Checks.** Contractor must perform background checks on any employees or subcontractors performing services on State property prior to their assignment. The scope is at the discretion of the State and documentation must be provided as requested. Contractor is responsible for all costs associated with the requested background checks. The State, in its sole discretion, may also perform background checks.
- 13. Assignment.**
- (a) Neither party may assign the Contract, or 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 the affiliate is adequately capitalized and can provide adequate assurances that the affiliate can perform the Contract. The State may withhold consent from proposed assignments, subcontracts, or novations when the transfer of responsibility would operate to decrease the State's likelihood of receiving performance on 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. If the State permits an assignment, the Contractor is not relieved of its responsibility



to perform any of its contractual duties, and the requirement under the Contract that all payments must be made to one entity continues.

(c) If the Contractor intends to assign the contract or any of the Contractor's rights or duties under the Contract the Contractor must notify the State in writing at least 90 days before the assignment. The Contractor also must provide the State with adequate information about the assignee within a reasonable amount of time before the assignment for the State to determine whether to approve the assignment.

14. **Change of Control.** Contractor will notify, at least 90 calendar days before the effective date, the State of a change in Contractor's organizational structure or ownership. For purposes of this Contract, a change in control means any of the following: (a) a sale of more than 50% of Contractor's stock; (b) a sale of substantially all of Contractor's assets; (c) a change in a majority of Contractor's board members; (d) consummation of a merger or consolidation of Contractor with any other entity; (e) a change in ownership through a transaction or series of transactions; (f) or the board (or the stockholders) approves a plan of complete liquidation. A change of control does not include any consolidation or merger effected exclusively to change the domicile of Contractor, or any transaction or series of transactions principally for bona fide equity financing purposes

In the event of a change of control, Contractor must require the successor to assume this Contract and all of its obligations under this Contract.

15. **Ordering.** Contractor is not authorized to begin performance until receipt of authorization as identified in Exhibit A.
16. **Acceptance.** Contract Activities are subject to inspection and testing by the State within 30 calendar days of the State's receipt of them ("**State Review Period**"), unless otherwise provided in Exhibit A. If the Contract Activities are not fully accepted by the State, the State will notify Contractor by the end of the State Review Period that either: (a) the Contract Activities are accepted, but noted deficiencies must be corrected; or (b) the Contract Activities are rejected. If the State finds material deficiencies, it may: (i) reject the Contract Activities without performing any further inspections; (ii) demand performance at no additional cost; or (iii) terminate this Contract in accordance with Section 23, Termination for Cause.

Within 10 business days from the date of Contractor's receipt of notification of acceptance with deficiencies or rejection of any Contract Activities, Contractor must cure, at no additional cost, the deficiency and deliver unequivocally acceptable Contract Activities to the State. If acceptance with deficiencies or rejection of the Contract Activities impacts the content or delivery of other non-completed Contract Activities, the parties' respective Program Managers must determine an agreed to number of days for re-submission that minimizes the overall impact to the Contract. However, nothing herein affects, alters, or relieves Contractor of its obligations to correct deficiencies in accordance with the time response standards set forth in this Contract.

If Contractor is unable or refuses to correct the deficiency within the time response standards set forth in this Contract, the State may cancel the order in whole or in part. The State, or a third party identified by the State, may perform the Contract Activities and recover the difference between the cost to cure and the Contract price plus an additional 10% administrative fee.

17. **Delivery.** Contractor must deliver all Contract Activities F.O.B. destination, within the State premises with transportation and handling charges paid by Contractor, unless otherwise specified in Exhibit A. All containers and packaging becomes the State's exclusive property upon acceptance.
18. **Risk of Loss and Title.** Until final acceptance, risk of loss or damage to Contract Activities remains with Contractor. Title to Contract Activities transfers to the State upon Delivery. Contractor is responsible for filing, processing, and collecting all damage claims. The State will record and report to Contractor any evidence of visible damage. If the State rejects the Contract Activities, Contractor must remove them from the premises within 10 calendar days after notification of rejection. The risk of loss of rejected or non-conforming Contract Activities remains with Contractor until final acceptance. Rejected Contract Activities not removed by Contractor within 10 calendar days will be deemed abandoned by Contractor, and the State will have the right to dispose of it as its own property. Contractor must reimburse the State for costs and expenses incurred in storing or effecting removal or disposition of rejected Contract Activities.



19. **Warranty Period.** The warranty period, if applicable, for Contract Activities is a fixed period commencing on the date of manufacture, and will last for as long as specified in Exhibit A. If the Contract Activities do not function as warranted during the warranty period the State may return such non-conforming Contract Activities to the Contractor for a full refund
20. **Terms of Payment.** Invoices must conform to the requirements communicated from time-to-time by the State. All undisputed amounts are payable within 45 days of the State's receipt. Contractor may only charge for Contract Activities performed as specified in Exhibit A. Invoices must include an itemized statement of all charges. The State is exempt from State sales tax for direct purchases and may be exempt from federal excise tax, if Services purchased under this Agreement are for the State's exclusive use. Notwithstanding the foregoing, all prices are inclusive of taxes, and Contractor is responsible for all sales, use and excise taxes, and any other similar taxes, duties and charges of any kind imposed by any federal, state, or local governmental entity on any amounts payable by the State under this Contract.

The State has the right to withhold payment of any disputed amounts until the parties agree as to the validity of the disputed amount. The State will notify Contractor of any dispute within a reasonable time. Payment by the State will not constitute a waiver of any rights as to Contractor's continuing obligations, including claims for deficiencies or substandard Contract Activities. Contractor's acceptance of final payment by the State constitutes a waiver of all claims by Contractor against the State for payment under this Contract, other than those claims previously filed in writing on a timely basis and still disputed.

The State will only disburse payments under this Contract through Electronic Funds Transfer (EFT). Contractor must register with the State at <http://www.michigan.gov/cpexpress> to receive electronic fund transfer payments. If Contractor does not register, the State is not liable for failure to provide payment. Without prejudice to any other right or remedy it may have, the State reserves the right to set off at any time any amount then due and owing to it by Contractor against any amount payable by the State to Contractor under this Contract.

21. **Liquidated Damages.** Liquidated damages, if applicable, will be assessed as described in Exhibit A.
22. **Stop Work Order.** The State may suspend any or all activities under the Contract at any time. The State will provide Contractor a written stop work order detailing the suspension. Contractor must comply with the stop work order upon receipt. Within 90 calendar days, or any longer period agreed to by Contractor, the State will either: (a) issue a notice authorizing Contractor to resume work, or (b) terminate the Contract or purchase order. The State will not pay for Contract Activities, Contractor's lost profits, or any additional compensation during a stop work period.
23. **Termination for Cause.** The State may terminate this Contract for cause, in whole or in part, if Contractor, as determined by the State: (a) endangers the value, integrity, or security of any location, data, or personnel; (b) becomes insolvent, petitions for bankruptcy court proceedings, or has an involuntary bankruptcy proceeding filed against it by any creditor; (c) engages in any conduct that may expose the State to liability; (d) breaches any of its material duties or obligations; or (e) fails to cure a breach within the time stated in a notice of breach. Any reference to specific breaches being material breaches within this Contract will not be construed to mean that other breaches are not material.

If the State terminates this Contract under this Section, the State will issue a termination notice specifying whether Contractor must: (a) cease performance immediately, or (b) continue to perform for a specified period. If it is later determined that Contractor was not in breach of the Contract, the termination will be deemed to have been a Termination for Convenience, effective as of the same date, and the rights and obligations of the parties will be limited to those provided in Section 24, Termination for Convenience.

The State will only pay for amounts due to Contractor for Contract Activities accepted by the State on or before the date of termination, subject to the State's right to set off any amounts owed by the Contractor for the State's reasonable costs in terminating this Contract. The Contractor must pay all reasonable costs incurred by the State in terminating this Contract for cause, including administrative costs, attorneys' fees,



court costs, transition costs, and any costs the State incurs to procure the Contract Activities from other sources.

24. **Termination for Convenience.** The State may, with thirty (30) day written notice, terminate this Contract in whole or in part without penalty and for any reason, including but not limited to, appropriation or budget shortfalls. If the State terminates under this Section due to appropriation or budget shortfalls, the thirty (30) day written notice requirement does not apply, and the Contract may be terminated immediately. The termination notice will specify whether Contractor must: (a) cease performance of the Contract Activities immediately, or (b) continue to perform the Contract Activities in accordance with Section 25, Transition Responsibilities. If the State terminates this Contract for convenience, the State will pay all reasonable costs, as determined mutually by the State and the Contractor, for State approved Transition Responsibilities.
25. **Transition Responsibilities.** Upon termination or expiration of this Contract for any reason, Contractor must, for a period of time specified by the State (not to exceed 90 calendar days), provide all reasonable transition assistance requested by the State, to allow for the expired or terminated portion of the Contract Activities to continue without interruption or adverse effect, and to facilitate the orderly transfer of such Contract Activities to the State or its designees. Such transition assistance may include, but is not limited to: (a) continuing to perform the Contract Activities at the established Contract rates; (b) taking all reasonable and necessary measures to transition performance of the work, including all applicable Contract Activities, training, equipment, software, leases, reports and other documentation, to the State or the State's designee; (c) taking all necessary and appropriate steps, or such other action as the State may direct, to preserve, maintain, protect, or return to the State all materials, data, property, and confidential information provided directly or indirectly to Contractor by any entity, agent, vendor, or employee of the State; (d) transferring title in and delivering to the State, at the State's discretion, all completed or partially completed deliverables prepared under this Contract as of the Contract termination date; and (e) preparing an accurate accounting from which the State and Contractor may reconcile all outstanding accounts (collectively, "**Transition Responsibilities**"). This Contract will automatically be extended through the end of the transition period.
26. **General Indemnification.** Contractor must, indemnify and hold the State, its departments, divisions, agencies, offices, commissions, officers, and employees (collectively, "**Indemnitees**") harmless, without limitation, from and against any and all third party actions, claims, losses, liabilities, damages, costs, reasonable attorney fees, and expenses (including those required to establish the right to indemnification) to the extent caused by: (a) any breach by Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable) of any of the promises, agreements, representations, warranties, or insurance requirements contained in this Contract; (b) any infringement, misappropriation, or other violation by Contractor of any registered and valid patent, copyright, trademark or intellectual property right of any third party; and (c) any bodily injury, death, or damage to real or tangible personal property to the extent caused by any negligent or intentionally wrongful action or inaction by Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable); occurring in connection with the performance of the Contract Activities, but only to the extent that such bodily injury, death, or damage to real or tangible personal property is not caused by or resulting from Contractor's use of tools, equipment, machinery, or labor provided by the State, and only if such use is not negligent or intentionally wrongful

The State will notify Contractor in writing if indemnification is sought; however, failure to do so will not relieve Contractor, except to the extent that Contractor is materially prejudiced. Contractor must, to the satisfaction of the State, demonstrate its financial ability to carry out these obligations.

The State is entitled to: (i) regular updates on proceeding status; (ii) participate in the defense of the proceeding; (iii) employ its own counsel; and to (iv) retain control of the defense if the State deems necessary. Contractor will not, without the State's written consent (not to be unreasonably withheld), settle, compromise, or consent to the entry of any judgment in or otherwise seek to terminate any claim, action, or proceeding. To the extent that any State employee, official, or law may be involved or challenged, the State may, at its own expense, control the defense of that portion of the claim.



Any litigation activity on behalf of the State, or any of its subdivisions under this Section, must be coordinated with the Department of Attorney General. An attorney designated to represent the State may not do so until approved by the Michigan Attorney General and appointed as a Special Assistant Attorney General.

27. **Infringement Remedies.** If, in either party's opinion, any piece of equipment, software, commodity, or service supplied by Contractor or its subcontractors, or its operation, use or reproduction, is likely to become the subject of a copyright, patent, trademark, or trade secret infringement claim, Contractor must, at its expense: (a) procure for the State the right to continue using the equipment, software, commodity, or service, or if this option is not reasonably available to Contractor, (b) replace or modify the same so that it becomes non-infringing; or (c) accept its return by the State with appropriate credits to the State against 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.
28. **Limitation of Liability.** Notwithstanding any provision of this Contract or any other agreement or understanding, in no event will Contractor or the State be liable for consequential, incidental, indirect, or special damages, including without limitation lost profits, loss of reputation, or loss of use, regardless of the nature of the matter or action. IN NO EVENT WILL CONTRACTOR'S AGGREGATE LIABILITY TO THE STATE UNDER THIS CONTRACT, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR BY STATUTE OR OTHERWISE, FOR ANY CLAIM RELATED TO OR ARISING UNDER THIS CONTRACT, EXCEED THE GREATER OF \$7 MILLION OR THE AMOUNT PAID TO CONTRACTOR UNDER THIS CONTRACT. IN NO EVENT WILL THE STATE'S AGGREGATE LIABILITY TO CONTRACTOR UNDER THIS CONTRACT REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR BY STATUTE OR OTHERWISE, FOR ANY CLAIM RELATED TO OR ARISING UNDER THIS CONTRACT, EXCEED \$7 MILLION.
29. **Disclosure of Litigation, or Other Proceeding.** If legally permitted, Contractor must notify the State within 14 calendar days of receiving notice of any litigation, investigation, arbitration, or other similar legal proceeding (collectively, "**Proceeding**") in which Contractor, a subcontractor, or an officer or director of Contractor or subcontractor is a defendant, that arises during the term of the Contract, and: (a) alleges criminal conduct; (b) alleges a violation of parole or criminal probation; (c) is conducted under and alleges a violation of the Sarbanes-Oxley Act; or (d) is a civil Proceeding involving: (1) a claim that would reasonably be expected to materially and adversely affect Contractor's ability to continue to conduct its business; or (2) a governmental or public entity's claim or written allegation of fraud; or Proceeding seeking to revoke any governmental license that Contractor is required to possess in order to perform under this Contract.
30. **State Data.** All data and information provided to Contractor by or on behalf of the State, and all data and information derived therefrom, is the exclusive property of the State ("**State Data**"); this definition is to be construed as broadly as possible. Upon request, Contractor must provide to the State, or a third party designated by the State, all State Data within 10 calendar days of the request and in the format requested by the State. Contractor will assume all costs incurred in compiling and supplying State Data. No State Data may be used for any marketing purposes.
31. **Reserved.**
32. **Reserved.**
33. **Records Maintenance, Inspection, Examination, and Audit.** The State or its designee may audit Contractor to verify compliance with this Contract. Contractor must retain, and provide to the State or its designee and the auditor general upon request, all financial and accounting records related to the Contract through the term of the Contract and for 4 years after the latter of termination, expiration, or final payment under this Contract or any extension ("**Audit Period**"). If an audit, litigation, or other action involving the records is initiated before the end of the Audit Period, Contractor must retain the records until all issues are resolved.



Within 10 calendar days of providing notice, the State and its authorized representatives or designees have the right to enter and inspect Contractor's premises or any other places where Contract Activities are being performed, and examine, copy, and audit all records related to this Contract. Contractor must cooperate and provide reasonable assistance. If any financial errors are revealed, the amount in error must be reflected as a credit or debit on subsequent invoices until the amount is paid or refunded. Any remaining balance at the end of the Contract must be paid or refunded within 45 calendar days.

This Section applies to Contractor, any parent, affiliate, or subsidiary organization of Contractor, and any subcontractor that performs Contract Activities in connection with this Contract.

34. **Warranties and Representations.** Contractor represents and warrants: (a) Contractor is the owner or licensee of any Contract Activities that it licenses, sells, or develops and Contractor has the rights necessary to convey title, ownership rights, or licensed use; (b) all Contract Activities are delivered free from any security interest, lien, or encumbrance and will continue in that respect; (c) the Contract Activities will not infringe the patent, trademark, copyright, trade secret, or other proprietary rights of any third party; (d) Contractor must assign or otherwise transfer to the State or its designee (as agreed upon in paragraph 13 above) any manufacturer's warranty for the Contract Activities; (e) the Contract signatory has the authority to enter into this Contract; (f) all information furnished by Contractor in connection with the Contract fairly and accurately represents Contractor's business, properties, finances, and operations as of the dates covered by the information, and Contractor will inform the State of any material adverse changes; and (g) all information furnished and representations made in connection with the award of this Contract is true, accurate, and complete, and contains no false statements or omits any fact that would make the information misleading. A breach of this Section is considered a material breach of this Contract, which entitles the State to terminate this Contract under Section 23, Termination for Cause.
35. **Conflicts and Ethics.** Contractor will uphold high ethical standards and is prohibited from: (a) holding or acquiring an interest that would conflict with this Contract; (b) doing anything that creates an appearance of impropriety with respect to the award or performance of the Contract; (c) attempting to influence or appearing to influence any State employee by the direct or indirect offer of anything of value; or (d) paying or agreeing to pay any person, other than employees and consultants working for Contractor, any consideration contingent upon the award of the Contract. Contractor must immediately notify the State of any violation or potential violation of these standards. This Section applies to Contractor, any parent, affiliate, or subsidiary organization of Contractor, and any subcontractor that performs Contract Activities in connection with this Contract.
36. **Compliance with Laws.** Contractor must comply with all federal, state and local laws, rules and regulations in connection with its performance of the Contract Activities.
37. **Prevailing Wage.** This Contract and any subcontract is subject to the Prevailing Wage Act, 1965 PA 166. Contractor must comply with the state prevailing wage law and its requirements including any future changes to the Prevailing Wage.
38. **Nondiscrimination.** Under the Elliott-Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, *et seq.*, and the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, *et seq.*, Contractor and its subcontractors agree not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, marital status, or mental or physical disability. Breach of this covenant is a material breach of this Contract.
39. **Unfair Labor Practice.** Under MCL 423.324, the State may void any Contract with a Contractor or subcontractor who appears on the Unfair Labor Practice register compiled under MCL 423.322.
40. **Governing Law.** This Contract is governed, construed, and enforced in accordance with Michigan law, excluding choice-of-law principles, and all claims relating to or arising out of this Contract are governed by Michigan law, excluding choice-of-law principles. Any dispute arising from this Contract must be resolved in Michigan Court of Claims. Contractor consents to venue in Ingham County, and waives any objections, such



as lack of personal jurisdiction or *forum non conveniens*. Contractor must appoint agents in Michigan to receive service of process.

41. **Non-Exclusivity.** Nothing contained in this Contract is intended nor will be construed as creating any requirements contract with Contractor. This Contract does not restrict the State or its agencies from acquiring similar, equal, or like Contract Activities from other sources.
42. **Force Majeure.** Neither party will be in breach of this Contract because of any failure arising from any disaster or acts of god that are beyond their control and without their fault or negligence. Each party will use commercially reasonable efforts to resume performance. Contractor will not be relieved of a breach or delay caused by its subcontractors. If immediate performance is necessary to ensure public health and safety, the State may immediately contract with a third party.
43. **Dispute Resolution.** The parties will endeavor to resolve any Contract dispute in accordance with this provision. The dispute will be referred to the parties' respective Contract Administrators or Program Managers. Such referral must include a description of the issues and all supporting documentation. The parties must submit the dispute to a senior executive if unable to resolve the dispute within 15 business days. The parties will continue performing while a dispute is being resolved, unless the dispute precludes performance. A dispute involving payment does not preclude performance.

Litigation to resolve the dispute will not be instituted until after the dispute has been elevated to the parties' senior executive and either concludes that resolution is unlikely, or fails to respond within 15 business days. The parties are not prohibited from instituting formal proceedings: (a) to avoid the expiration of statute of limitations period; (b) to preserve a superior position with respect to creditors; or (c) where a party makes a determination that a temporary restraining order or other injunctive relief is the only adequate remedy. This Section does not limit the State's right to terminate the Contract.
44. **Media Releases.** News releases (including promotional literature and commercial advertisements) pertaining to the Contract or project to which it relates must not be made without prior written State approval, and then only in accordance with the explicit written instructions of the State.
45. **Website Incorporation.** The State is not bound by any content on Contractor's website unless expressly incorporated directly into this Contract.
46. **Order of Precedence.** In the event of a conflict between the terms and conditions of the Contract, the exhibits, a purchase order, or an amendment, the order of precedence is: (a) the Contract any amendments to the Contract (b) Exhibit A and any amendments to Exhibit A; (c) any other exhibits and their amendments; and (d). the purchase order
47. **Severability.** If any part of this Contract is held invalid or unenforceable, by any court of competent jurisdiction, that part will be deemed deleted from this Contract and the severed part will be replaced by agreed upon language that achieves the same or similar objectives. The remaining Contract will continue in full force and effect.
48. **Waiver.** Failure to enforce any provision of this Contract will not constitute a waiver.
49. **Survival.** The provisions of this Contract that impose continuing obligations, including warranties and representations, termination, transition, insurance coverage, indemnification, and confidentiality, will survive the expiration or termination of this Contract.
50. **Entire Contract and Modification.** This Contract is the entire agreement and replaces all previous agreements between the parties for the Contract Activities. This Contract may not be amended except by signed agreement between the parties (a "**Contract Change Notice**").



STATE OF MICHIGAN
 Contract # 071B7700023 .
Modular Office Systems Furniture,
Including
Programming, Design, Installation,
Refurbishment Services

Schedule A
STATEMENT OF WORK
CONTRACT ACTIVITIES

Overview

This is a statewide contract is to provide modular office systems furniture,including programming, design, installation, refurbishment services.

General Requirements

- i. The State currently has existing used Systems Furniture, Panels, Components, Filing and Storage units in storage. The State is focused on reusing existing product whenever possible in lieu of purchasing additional new product.
- ii. The Contractor’s programming and design must prioritize the re-use of existing State-owned product in lieu of purchasing new product. In instances when existing product requires refurbishing prior to reuse, the State will only accept refurbishment of State-owned inventory. Remanufactured product will not be accepted.
- iii. The Contractor is required to meet State defined schedule requirements and attend regularly scheduled meetings with the State Project Manager or designee, Agency Point of Contact and/or DTMB-Procurement.
- iv. Project specific plans and timeline for each specific project scope of work must be defined and adhered to by Contractor.

1. Specifications

1.1. Product Selection:

The products included with this contract are as follows:

Category	Product
Unitized System Furniture	UniGroup, UniGroup Too, Places Systems, Adaptable Components
Post and Beam Systems Furniture	If Systems, Race
Frame and Tile Systems Furniture	Premise Systems, Compose Systems
Files/ Storage	950 Files
Files/ Storage/ Casegoods	X Series Files & Casegoods, X Series Pedestals
Files/ Storage	V Series Files and Pedestals, Beside Storage
Casegoods	Places Wood Casegoods
Casegoods	Orlando, Orlando LS, Vancouver, Tripoli, York Masters
Tables	Kinetics, Tactics, Planes, Compose Wood, Tempo
Height Adjustable Tables	Jump, Jive, Swivel, Hop
Moveable Walls	Enclose
Benching/ Storage/ Accessories	Intuity, A Series Storage, Jump Stuff, Boogie Board, Belong
Technology	Technology Products including Workware
Desking	Patterns, Reside Desking
Work Tools	Ergotron Ergonomic Tools (select items)



1.2. Product Status: All products must be manufactured as new or labeled explicitly as State-owned refurbished product. Used, shopworn, demonstrator, prototype or discontinued models are not acceptable.

1.3. Standards: Products must comply with the following requirements:

- i. **New Products** – New product shall adhere to or exceed the latest versions of all applicable state, federal and local laws, regulations, codes, ordinances, and the conditions of any required licenses and permits including the provisions listed in this section.

The codes referenced below, as well as throughout this document, establish the minimum requirements. In situations where provisions of various codes or Contract requirements conflict with each other, the more stringent provision shall govern.

- American National Standards Institute (ANSI)
 - National Electrical Manufacturer's Association (NEMA)
 - National Fire Protection Association (NFPA)
 - Underwriters Laboratories (UL) or other Listing Organization
 - Occupational Safety & Health Administration (OSHA)
 - International Building Code (IBC)
 - National Electrical Code (NEC)
- ii. **Refurbished Products** – All safety ratings are maintained during and after refurbishing. Original products are tested as completed units in random sampling. Haworth dealers use Original Equipment Manufacturer (OEM) materials during refurbishment, the replacement of parts within the Haworth Dealer refurbishment program maintains all safety standards including UL.
 - iii. **State Standards** – The Contractor is to follow all State approved standards when issuing and receiving orders. Any deviation from the State approved standards must receive approval from State Facilities Administration – Real Estate Division. State approved standards can be found in Appendix A.
 - iv. **Accessibility** - The Contractor must ensure that programming, design and installation conforms to the requirements of the Uniform Federal Accessibility Standards (UFAS). Design and installation must conform and include all manufacturers' support and safety components.
 - v. **Panels** – The acceptable panel height range for the seated privacy panels can be as low as 28”h and as high as 66”h. Panel heights that do not fall within this range will not be considered.
 - vi. **Panel Fabric** – Panel fabric should be priced at the manufacturer's Grade A nylon, polyester, or nylon/polyester blend fabric grade, and include a minimum of seven (7) patterns, each with multiple color ways.
 - vii. **Panel Trim** – Panel trim must be metal and is to include all trim pieces to obtain a clean aesthetic. Plastic top caps and side rails are not a viable alternate and will not be considered appropriate for the base bid. Metal trim finish should be priced in a beige or gray paint grade.
 - viii. **Electrical** – Systems must provide “plug and play” power for each workstation occupant sufficient to support electrical devices such as, but not limited to: computer hard drive, 2 monitors, laptop, phone, and task light. Furniture electrical system must be UL rated and provide a capacity of at least (3) 120V, 20A circuits, and one dedicated, isolated voice/data circuit at each workstation. Each workstation must provide (4) duplex outlets (for a total of 8 devices). Project specific base-in-feed power may vary depending on existing building conditions. All electrical components of electrified panels are to be replaced with new OEM components, or other UL approved components, providing these components meet or exceed the specifications of the OEM for the component. When offering new product along with refurbished State-owned product, the electrical



components must be compatible so that new panels can be installed alongside refurbished panels.

- ix. **Storage** – All lateral files and pedestals (i.e. mobile BF pedestals, BBF pedestals, FF pedestals and lateral files) should be metal and priced in a beige or gray paint. All storage cabinets must be fully enclosed storage units. Overhead storage (i.e. "flipper" cabinets) may be painted metal, or a combination of painted metal and laminate or plastic. The pulls on all lateral and pedestals files should be continuous, integral, and horizontally recessed. Pulls on ALL storage units should match. Additive pulls are not desired on any of the storage components. All storage should be locking and keyed alike with two keys for each cabinet provided to the State at the time of installation. File units must have counterweights in units with four or five drawers.
- x. **Work surfaces** – Grade A laminate with a T-mold edge. Work surfaces must be produced by the same manufacturer as specified with the panel system.
- xi. **Optional Dual Monitor Arm** - Each workstation may have a dual monitor arm. A sample will be requested prior to ordering. The State reserves the right to purchase any of the manufacturer's dual monitor arms without the purchase of their workstations. Specifications: Clamp mount to an installed work surface. Two (2) single monitor arms is NOT an acceptable option; the State requires one column support with two adjustable monitor arms. Adjustment specifications: 165° up and down /180° left and right /360° rotation for portrait or landscape view.

1.4. Sustainability/Environmental – It is the State's intention to move toward LEED Silver Certification.

- i. Haworth product holds BIFMA e3 level 3 Certification
- ii. Contractor must provide products which utilize low-VOC paint.
- iii. More than 97% of Haworth wood is sourced from sustainable, FSC certified forests. Haworth offers FSC-certified products as a standard option with no additional upcharges or lead-time. Our North American FSC offering is sold as FSC Mix 70% and includes all of our laminates as well as cherry, maple, walnut and red oak veneers.
- iv. Haworth products qualify for multiple LEED credits with no additional work or cost.
- v. Without compromising performance or quality, the State prefers Deliverable(s) containing higher percentages of recycled materials. UniGroup Too contains 50% recycled content.
- vi. The Contractor must disclose any proposed products which contain hazardous chemicals.
- vii. The State prefers to purchase products that do not contain brominated flame retardants (BFRs) whenever possible. The Contractor must disclose whether the products contain BFRs.
- viii. Pursuant to MCL 18.1261d, mercury-free products must be procured when possible.
 - a. Haworth products do not contain Red List chemicals, including mercury. This is confirmed through the products' certifications to GREENGUARD, GREENGUARD GOLD, and BIFMA e3 levels.

3. Performance Requirements

3.1. Warranty: The Contractor must provide certifications and warranties requested from the manufacturer of the furniture.

- i. For new products, the Contractor must provide, at no charge to the State, a written warranty to cover Parts and Labor under "normal use" which the State of Michigan defines as 24 hours a day, 7 days a week. Haworth offers a lifetime warranty on its systems furniture products.
- ii. For Refurbishing Services to State-owned products, the Contractor must provide, at no charge to the State, a written warranty to cover Parts and Labor under "normal use" which the State of Michigan defines as 24 hours a day, 7 days a week. Haworth dealers use Original Equipment Manufacturers materials in all refurbishment projects. This maintains both the Haworth Limited Lifetime Warranty and all the safety and test compliance standards.



- iii. No pro-rated warranties will be accepted.
- iv. For new products, the Contractor must provide Factory Certified Warranty Repair personnel for all warranty work required. Upon request of State, Contractor must provide documentation of Certification.
- v. All Warranties must apply if product is installed by appropriately Certified State employees.

3.2. Durability: Products must have the ability to maintain their original appearance over life, with normal wear and tear as defined as 24 hours a day, 7 days a week. Products must withstand movement between rooms or buildings over life (applies to movable items). Finishes and details must be designed to take constant impact from moving or usage. Products must be designed so parts cannot be readily removed by user without unique tools. Products must be able to be readily refinished (within reason) to accommodate change in aesthetics over its expected long life. All product finishes recommended must inherently resist user abuse.

3.3. Total Cost of Ownership: Products must offer field replaceable parts, by either manufacturer or State staff, once past warranty period.

3.4. Ease of Use: Products must inherently allow for easy changeability within a given room or space, as well as within office environment within a variety of applications, over its expected long life. Product offering from Contractor must provide a wide range of typical applications found within various State government office environments; Products must be able to be reconfigured simply and efficiently by either the Contractor or Agency's personnel, without more than minor disruption to building or users, within reason (applies to moveable products).

4. Project Coordination / Staffing

4.1. The Contractor must provide the State Project Manager or designee with contact information for all Contractor support members, including cell phone and email addresses.

4.2. Toll Free Number for the State to make contact with the Contractor Representative

- i. 1-800-765-4010 - Extension 1083 (Phyllis Rietberg), from 8 a.m. until 5 p.m. M-F.
- ii. Before and after standard working hours call 1-616-848-6052 (Phyllis Rietberg - cell).

4.3. Key Personnel

- i. Key Personnel must be specifically assigned to the State account, be knowledgeable on the contractual requirements, and respond to State inquiries within 8 business hours.
- ii. The Contractor must not remove or assign Key Personnel without the prior consent of the State. Prior consent is not required for reassignment for reasons beyond the Contractor's control, including illness, disability, death, leave of absence, personal emergency circumstances, resignation, or termination for cause. The State may request a résumé and conduct an interview before approving a change. The State may require a 30 calendar day training period for replacement personnel.

a. Contract Administrator

- 1. The Contractor must maintain a Contract Administrator who can act with full authority to serve as a contract administrator for contract, purchase order, work requests and invoicing.
- 2. The Contract Administrator must meet with State Program Manager or designee at least quarterly to review service delivery, evaluate invoicing and customer satisfaction.



3. The Contract Administrator is as follows:

Phyllis Rietberg
Business Resource Consultant
One Haworth Center, Holland, MI 49423
Phone:616-393-1083 (o)
Phone:616-848-6052 (c)
Phyllis.rietberg@haworth.com

b. Relationship Executive or Customer Service Representative

1. The Contractor's Relationship Executive or Customer Service Representative must respond to customer issues, questions and concerns within 1 business day.
2. The Customer Service Representatives are as follows:

Eric Pratt
Customer Service Coordinator
One Haworth Center, Holland, MI 49423
616-393-3297
Eric.pratt@haworth.com

Linda Stiver
State of Michigan Contract Customer Service Representative
912 E. Michigan Avenue, Lansing, MI 48912
517-485-3200
Direct: 517-267-8065
Linda.stiver@dbiyes.com

c. Project Manager or Project Coordinator

Becky Przedwojewski
Senior Project Manager
One Haworth Center, Holland, MI
517-281-5826
Becky.przedwojewski@haworth.com

Marie Broxholm
State of Michigan Contract Project Coordination Manager
912 E. Michigan Avenue, Lansing, MI 48912
517-267-8081
Marie.broxholm@dbiyes.com

Larry Johnson
State of Michigan/Haworth Contract Administrator and Sales Representative
912 E. Michigan Avenue, Lansing, MI 48912
517-290-1643
Larry.johnson@dbiyes.com

d. Lead Designer

Becky Schmid
Design Supervisor/Lead Programmer
912 E. Michigan Avenue, Lansing, MI 48912
517-267-8055
Becky.schmid@dbiyes.com

**e. Lead Programmer**

Becky Schmid
Design Supervisor/Lead Programmer
912 E. Michigan Avenue, Lansing, MI 48912
517-267-8055
Becky.schmid@dbiyes.com

f. Designer

John L. Clark
Interior Designer
5331 Park Lake Road, East Lansing, MI
517-719-6211
John@sixtynorthmgt.com

Jill Rademacher
Senior Interior Designer
912 E. Michigan Avenue, Lansing, MI 48912
517-485-3200
Jill.rademacher@dbiyes.com

Cassandra Collard
Interior Designer
912 E. Michigan Avenue, Lansing, MI 48912
517-485-3200
Cassandra.collard@dbiyes.com

Nicole Mitchell
Senior Interior Designer, NCIDQ
912 E. Michigan Avenue, Lansing, MI 48912
517-485-3200
Nicole.mitchell@dbiyes.com

Charlene Stevens
Interior Designer/Project Manager
912 E. Michigan Avenue, Lansing, MI 48912
517-485-3200
Char.stevens@dbiyes.com

Danielle Hirka
Interior Designer
912 E. Michigan Avenue, Lansing, MI 48912
517-485-3200
Danielle.hirka@dbiyes.com

Kaitlyn Coryell
Interior Designer/Project Manager
912 E. Michigan Avenue, Lansing, MI 48912
517-485-3200
Kaitlyn.coryell@dbiyes.com



Kylie Bowles
Interior Designer/Project Manager
912 E. Michigan Avenue, Lansing, MI 48912
517-485-3200
Kylie.bowles@dbiyes.com

g. Lead Refurbishing Personnel

Derek Couzzins
Inventory Coordination Specialist
912 E. Michigan Avenue, Lansing, MI 48912
517-485-3200
Derek.couzzins@dbiyes.com

h. Installation Supervisor or Crew Leader

Jim Sobanski
Installation Manager
912 E. Michigan Avenue, Lansing, MI 48912
517-267-8062
Jim.sobanski@dbiyes.com

4.3 Non-Key Personnel

Both Haworth and DBI, as the managing dealer, are committed to notifying the State of Michigan of any changes to Haworth or dealer customer representative information within 24 hours of the change via email.

i. Installers

- a. Installers must be qualified to install / disassemble / re-install the particular State-owned furniture.
- b. If Installers are authorized by the manufacturer to install a particular State-owned product, the Contractor must provide proof of manufacturer authorization with their proposal.
- c. Installers must have a minimum of three (3) years of experience in the installation of New and Refurbished Open Space Office Furniture, or be supervised by an individual with required experience.
- d. Installers must have the ability to follow drawings, plans, blueprints, specifications and instructions.
- e. Installers must have the ability to follow direction and communicate appropriately with others.
- f. Installers must be extremely organized in completing each step required in the specifications for a particular project.
- g. The use of "apprentice" types of employees may be assigned to a project at a ratio not to exceed one apprentice per five installers.
- h. Unskilled employees may be utilized for material handling.

ii. Sales Staff

- a. Sales staff must have a minimum of three (3) years of experience in commercial office design systems and projects or be supervised by an individual with required minimum experience.
- b. Sales staff must be familiar with functionality, price point and design advantages of all pieces available on the State of Michigan contract and be able to recommend appropriate furniture in each project.



- c. Sales staff must be extremely organized in completing each step required to quote, order and deliver product to the State of Michigan as well as educate customers on the design and ordering process.

iii. Schedulers

- a. Schedulers must have a minimum of three (3) years of experience in commercial office design systems and installation or be supervised by an individual with required minimum experience.
- b. Schedulers must have the ability to follow drawings, plans, blueprints, specifications and instructions.
- c. Schedulers must understand installation timeframes and be able to schedule adequate amount of time for installation completion.
- d. Schedulers must be flexible to schedule changes as emergencies or priority projects arise as defined by the State Program Manager.

iv. Billing Clerk / Support Staff

- a. Billing Clerk or Support Staff must be aware of contract requirements for invoicing and ensure invoices provide the required information.
- b. Billing Clerk or Support Staff must work closely with the State Project Manager or designee, or Agency Point of Contact to have invoices created per timeframes listed in the contract.
- c. Billing Clerk or Support Staff must have substantial knowledge of the products used, ability to communicate verbally and in writing and ability to maintain records and reports relative to the work.
- d. Billing Clerk or Support Staff must be able to understand and carry out detailed technical instructions.

4.4 The Contractor must develop and maintain project schedules in Excel or MS Project format, communicating developments and changes as needed. Issue updated versions when requested by the State Project Manager or designee, or Agency Point of Contact, or at a minimum of once a month, until project is completed.

4.5. Notice of Delays - Whenever the Contractor encounters any difficulty which delays, or threatens to delay, the timely performance of this Contract (including actual or potential labor disputes), the Contractor must immediately provide written notice to State Project Manager or designee, or Agency Point of Contact, stating all relevant information. Such notice must not in any way constitute a basis for an extension of the delivery schedule or be construed as a waiver by State Project Manager or designee of any rights or remedies to which it is entitled by law or pursuant to provisions of this Contract. Failure to give such notice, however, may be grounds for denial of any request for an extension of the delivery schedule because of such delay and will result in an invoice credit of 1% of project cost per day

4.6. Contractor must provide detailed meeting agendas and minutes for all project meetings during design and installation.

4.7. The Contractor must coordinate with the State Program Manager or designee, or Agency Point of Contact, when handling recalls, returns, defective product, change orders and cancellations.

4.8. The Contractor corrective action and escalation process are as follows:

i. Corrective Action

- a. The customer contacts the servicing dealer to advise the dealer of the issue.
- b. At the customer's site, the dealer determines the cause of the issue and assembles a complete list of components needed.



- c. The dealer communicates site issues electronically via Lynx to the Haworth Corporate Customer Service team in Holland, Michigan; the original order is referenced, product and issue are logged, and replacement product is ordered as necessary to resolve the issue.
- d. The dealer communicates site issues electronically via Lynx to the Haworth Corporate Customer Service team in Holland, Michigan; the original order is referenced, product and issue are logged, and replacement product is ordered as necessary to resolve the issue.
- e. If not a warranty issue, a quote for labor is provided; (in the case of a warranty issue, there would be no quote for labor or product); the order is scheduled with a priority lead time.
- f. The product ships to the dealer warehouse.
- g. The dealer installs the product at the site and has the customer sign off on the issue upon complete satisfaction.

ii Escalation Procedure

- a. If the dealer fails to meet the State's needs, the first point of contact is Haworth Account Manager, Larry Kagy. The account manager will immediately contact the appropriate people at Haworth and at the dealership to resolve all issues. The account manager will pull in the local Field Technical Representative and work together with that representative and Haworth to:
 - b. Step in as the process lead and become the liaison between the State and the dealer
 - c. Lead meetings with the state, the dealer, and the local Technical Representative to determine the issues and plan the resolution processes
 - d. Make the appropriate contacts within Haworth's Customer Service team at all levels (coordinator, manager, director)
 - e. Launch a clearly defined corrective action plan
 - f. Update the State immediately at each stage in the process

4.9. Subcontractors:

DBI Holding Company, LLC dba DBI Business Interiors
 912 East Michigan Avenue
 Lansing, MI 48912
www.dbiyes.com

Full service, Best in Class, Preferred Haworth Dealer
 All project management, installation, refurbishing, and post installation services, programming, design, order entry, warehousing, inventory, etc. for projects located South of Michigan Highway 55 (Zones 1-4) and, upon request, North of Michigan Highway 55 (Zones 5 & 6).

Interphase, Inc
 2636 Garfield Road North, Suite 32,
 Traverse City, MI 49686 (Northern Michigan),
 Amy Vander Meer, 231-941-4454 or amyv@interphaseinc.com.
 Keely Trombly 231-941-4454 or keely@interphaseinc.com
www.interphaseinc.com

Full service, Best in Class, Preferred Haworth Dealer
 All project management, installation, and post installation services for Projects located North of Michigan Highway 55 (Zones 5 & 6).

4.10. Security



i. Contractor Responsibilities

- a. The Contractor and/or sub-contractor's staff may be required to make deliveries to or enter State facilities.
 1. Haworth and DBI use the same strict procedures for customer job-site safety and security that is used in their own facilities. They are committed to providing their members, subcontractors, and customers a healthy and safe work environment free from recognized hazards that are likely to cause death or serious physical harm. This is accomplished through the application of accepted industry practices, compliance with legislative requirements, and the active involvement of project management personnel - both Haworth and DBI. Any Haworth member, dealer or subcontractor working at a job site is expected to comply with Haworth's health and safety policies and practices. Each individual is required to report hazards and situations that may lead to loss, and to cooperate with the implementation of preventive control measures. DBI's standard operating procedures in place to ensure security of State facilities and employees include:
 - a. Preemptively gathering information regarding the State Facilities Managers' requirements concerning the security of the specific building and/or agency affected by the project. This information is typically collected during the pre-construction meetings and then disseminated to the project team during the internal Pre-installation meeting.
 - b. Background checks are completed on all installation crew members who will work within State of Michigan buildings prior to a job beginning.
 - c. Installer names, driver license numbers, dates of birth and license numbers are submitted to DTMB security personnel to be placed on the approved contractors list for entry into State of Michigan buildings.
 - d. All employees follow the State's check in process with the appointed security teams in each building.
 - e. Whether delivering single item orders or installing an entire building of modular furniture, it is important that our delivery and installation personnel represent DBI as the professional organization focused on excellence that we pride ourselves to be. All DBI employed or contracted installation associates are required to present themselves in a neat, clean, professional manner. The installers wear uniform shirts and khaki pants. The DBI logo is displayed on the shirts of our Crew Leaders for easy identification while our contractors wear plain polo shirts. All shirts are tucked in and pants are belted at the waist. Only company issued hats are permitted and all shoes have a closed toe. DBI recently developed an employee picture ID program. DBI employed and contracted install crew members will wear a photo ID that identifies them as a DBI installer or DBI contracted installer. ID badges will be displayed clearly and in plain sight at all times.
 - f. Throughout the installation process, DBI employees will use only entryways and loading areas designated by the Program Manager and/or Facilities Manager. Doors will not be propped open and left unattended. In the event that a door would need to be propped open, it would be attended and monitored by a crew member. When it is necessary and approved for work to be performed in a State building after hours and/or after security staff has left, DBI will make sure that all doors are closed and secured per the Building Manager's directions. Tools that are not in use are kept secure in tool boxes/tool bags.

ii. Drug Testing

- a. The Contractor, and / or it's sub-contractors who will be completing work on site, must follow their drug testing policies and processes which must include the following:



1. Policies and processes must include pre-employment, and random or reasonable suspicion testing.
2. Policies and processes must address screening for prospective and current employees, including frequency.
3. Policies and processes must include screening tests and panel thresholds.
4. Policies should specify the length of time drug testing records are retained.
5. Upon request, Contractor and / or sub-contractors must share drug testing records and/or documentation with DTMB Office of Infrastructure, Security Program Coordinator or designee.

iii. Background Checks

- a. The Contractor must perform background checks on all employees, subcontractors and subcontractor employees prior to their assignment. Contractor is responsible for all costs associated with processing the background checks. The State, in its sole discretion, may also perform background checks.
- b. The Contract is contingent upon the Contractor's ability to supply workers capable of passing a criminal background check. The Contractor must demonstrate the worker(s) has no convictions or pending felony charges that are substantially related to the contracted activities or services.
- c. The State reserves the right to request additional background checks at the discretion of State agencies or branches of State government as outlined in the Standard Contract Terms document

iv. Sub-Contractors

- a. The Contractor shall ensure background checks and drug testing requirements of Sub-Contractors employees are adhered to as if the workers were under the Contractor's employ when engaged in State projects.

v. Identification Badges

- a. All Contractor personnel, including sub-contractor staff, will display State credentials while performing work on State premises.

vi. DTMB Office of Infrastructure, Security Program Coordinator (SPC) Responsibilities

- a. The SPC or designee is the sole contact to view background check or drug testing results on behalf of the State.
- b. DTMB Security contact person(s):

Jeff Pratt
pratti@michigan.gov
517-241-4391

vii. State Employee Responsibilities

- a. State employees are required to report any potential concerns regarding security, theft, requests for reasonable suspicion testing, or substance abuse issues regarding the Contractor's employees to:

Phyllis Reitberg – Contractor Representative

5. Programming and Design Services

- 5.1. Requests for space programming and modular office systems furniture design services will be defined as needed throughout the duration of the contract and Contractor must respond with a detailed pricing estimate for services. When quoting design, the Contractor should include two layout revisions (not options) as standard practice. The State Program Manager or designee will confirm pricing details with selected Contractor and approve estimate prior to services being rendered.



- 5.2. For programming and design utilizing **only** new product, the Contractor agrees to provide programming and design services at the rate of 4% for projects totaling less than \$100,000.00 and 3% for projects totaling more than \$100,000. On design projects that will utilize a combination of new and existing furniture, DBI will provide design services to the State of Michigan at a contracted not-to-exceed hourly rate of \$42 per hour. Programming services on existing product or a combination of existing and new product will be billed at the rate denoted on Exhibit B. Programming projects that do not result in design or purchase of equal square footage of new product shall be billed at the rate denoted on Exhibit B.
- 5.3. Programming tasks include the assessment and analysis of bureau, division or office requirements to determine square footage needs and provide recommendations for development of optimal space/furniture plans. Programming solutions must incorporate organizational staffing and interactions, public, support and conference area needs, transportation and parking necessities and opportunities for space conservation.
- 5.4. Preliminary block plans may be requested to verify programming space recommendations. Upon completion of programming, communication between the space programmer and designer must be critical during early design phases.
- 5.5. State space planning and facilities strategy must be incorporated into all programming and design services. State approved standards for office and modular work station sizes, fabric, paint and finishes must be available electronically and incorporated into programming and design drawings. The Contractor must confirm the accuracy of all facility dimensions, obstructions and attributes.
- 5.6. The Contractor must, within an agreed upon timeframe, develop an installation plan showing in detail the position of new, refurbished and/or existing furniture products, wall heights, colors, panel types, electrical and voice/data outlets. The State Program Manager or designee, or the assigned State Agency Point of Contact, must approve the final plan, specifications and parts prior to ordering.
- 5.7. Upon State request, the Contractor will create 3 dimensional drawings using Building Information Modeling (BIM) software in Autodesk's Revit program. Designs are to conform to state standards. 3 dimensional drawings are required to illustrate product placement and building interface for client and user review during design phase.
- 5.8. As-built drawings in AutoCAD or Autodesk's Revit software must be provided at project close-out. AutoCAD drawings will not be released without prior approval from State Facilities Administration – Real Estate Division (See 5.16)
- 5.9. The Contractor must produce field verifications of all spaces to be furnished, using architectural plans as the basis for product layouts. (Note: if construction has not been completed prior to specification development, rooms must be verified by Contractor for fit and quantities). ***The Contractor remains responsible for verifying room dimensions, electrical and data availability and connections, etc., to ensure fit and quantities of product being ordered. If construction has not been completed prior to specification development due to a delay in construction or a condensed build schedule, the Contractor may request adherence to critical dimensions during construction with a Hold To Document. To be valid the Hold To Document must be submitted in written and graphic format and be approved by the State Program Manager or designee.*** All revisions are to be made prior to production, and be documented to the State in both written and graphic format using AutoCAD or Autodesk Revit.
- 5.10. For projects that require DTMB Real Estate Division (RED) oversight and approval for connectivity to a building, the Contractor must agree to use DTMB approved project plans for development of specifications, track changes to those plans, and revise connections and specifications if required to obtain DTMB approval for the State.
- 5.11. The Contractor is responsible for specifying all necessary products including parts, components, connectors, fillers, trim pieces, etc. to build the approved design to the manufacturer's structural guidelines as well as the State's design and aesthetic standards. This may mean including



optional pieces such as, but not limited to, trim for all two-way and three-way connections, dividers for storage pieces, additional locks to key items alike and counterweights in lateral files.

- 5.12. The Contractor is responsible for all plans and must review for correct product application and stability. Any inconsistency or deviation from product capabilities or unusual assembly requirements must be immediately communicated to the Program Manager or designee or the State Agency Point of Contact.
- 5.13. The Contractor is responsible for overages, shortages, or ordering errors resulting from orders based on the provided design services. Approval of design work and estimates by the State does not constitute responsibility for the design or ordering process.
- 5.14. It is the responsibility of the Contractor to field-verify actual dimensions. If the design and specification of a new installation does not fit properly due to inaccurate floor plans, dimensions, attributes identified by the Contractor, it is the responsibility of the Contractor to resolve to the satisfaction of the State. No payment for services will be made until the issue is fully resolved and approved by the State Program Manager or designee or Agency Point of Contact.
- 5.15. The Contractor must work with general contractor or electrical contractor to locate electrical whips for systems furniture. Whips must be located in the most convenient, efficient and aesthetically pleasing location.
- 5.16. The release or transfer of any State building AutoCAD files need to have prior approval from State Facilities Administration – Real Estate Division

6. Delivery and Installation Services

6.1. Standard Lead Times

Standard lead time for acquisition of new product	4 to 6 weeks
Lead time for Single Workstation Typical	4 to 6 weeks
Lead time for 8 Workstation Typical Cluster	4 to 6 weeks
Lead time for 32 Workstations	4 to 6 weeks
Lead time for 100 Workstations	4 to 6 weeks
Priority/rush lead time for new product.	10 to 15 business days
Standard lead time for refurbishment services.	2 weeks or less; this lead time for refurbishing services begins at the time that either DBI has picked up the product from the State’s facility or the product has been delivered to DBI’s warehouse by State personnel. Lead time includes any combination of requested services (Re-fabricing, re-painting, Replacing T-Molding and/or either level of cleaning). Lead time also begins once DBI is in receipt of a valid State of Michigan Purchase Order for the services requested, per the requirement of the RFP.
Priority/rush lead time for refurbishment services.	1 week or less; in emergency situations as defined by the State Program Manager; ; this lead time for refurbishing services begins at the time that either DBI has picked up the product from the State’s facility or the product has been delivered to DBI’s warehouse by State personnel. Lead time includes any combination of requested services (Re-fabricing, re-painting, Replacing T-Molding and/or either level of cleaning). Lead time also begins once DBI is in receipt of a valid State of Michigan Purchase Order for the services requested, per the requirement of the RFP.

6.2. The Contractor must participate in or conduct on-site project scheduling meetings at least twice prior to receipt of product to assure effective communication between the construction team, user groups,



and sub-contractors who will integrate with product installers.

- 6.3. The Contractor must obtain all required permits for furniture installation, at no additional charge to the State (with the exception of hard-wire connections if required by local code).
- 6.4. The Contractor must assume all financial responsibility for site damage incurred by the installation team. The Contractor must protect all areas of Contractor product installation, conveyances and paths of travel from damage due to transport or installation of Contractor products. Repair to the State's satisfaction all damage within ten (10) business days. i.e. walls, carpet, millwork...etc.
- 6.5. The Contractor must prepare all products for use, including removal of extraneous packaging, stickers or labels (other than manufacturer model and ordering information labels), and provide appropriate user instructions upon request.
- 6.6. The Contractor must remove all trash from site, and leave workspace broom clean, daily. Agree to minimize the use of wrapping material as much as reasonably feasible, and recycle as much wrapping material as possible.
- 6.7. The Contractor must facilitate on-site installation review and develop project Punch List for Project Manager approval. Repair or replace all items in question within an agreed upon time, at no charge to the State. The State may withhold a minimum of ten percent (10%) of invoice value if this requirement is not met.
- 6.8. The Contractor must conduct Post-Installation review with the State Program Manager or designee, or Agency Point of Contact, to determine effectiveness and areas of improvement for future projects.
- 6.9 The Contractor must provide the on-site Project Supervisor with complete installation documentation, at all times during installation (note: For new product this must be provided by the Installation Supervisor or Crew Leader. For refurbishment services, by the Lead Refurbishing Personnel).
- 6.10 The Contractor must provide, at no cost to the State, on site manufacturer representation with a minimum of two (2) years of project experience, who will facilitate product specification accuracy, technical specifications for building interface, project scheduling, shipment and warranty issues with Service Contractor.
- 6.11 The Contractor must outline all site access requirements to the State Project Manager or designee; or Agency Point of Contact, and confirm security clearance and requirements no later than ten (10) business days prior to installation.
- 6.12 The Contractor must conduct pre-installation walk-through with the State Project Manager or designee, or Agency Point of Contact, immediately prior to installation to determine condition of site and to agree to the level of site protection required.
- 6.13 The Contractor must provide a list of all anticipated disassembly and/or installation Subcontractors. If the Contractor requires the assistance or services of an unlisted Subcontractor, the State Project Manager or designee, or Agency Point of Contact, must pre-approve the Subcontractor in writing, email is acceptable.
- 6.14 The Contractor will utilize TMC, the manage transportation division of C.H. Robinson, to manage the planning and execution of all ground transporation.
- 6.15 Packaging must be optimized to permit the lowest freight rate. Shipments must be palletized using manufacturer's standard 4-way shipping pallets.

7. Invoices and Close-out Services

7.1. Invoices

- i. The Contractor must provide the State Project Manager or designee or the State Agency Point of Contact with detailed invoices, including all services rendered, no later than 15 calendar days after installation and final 'walk-through' with State Project Manager or designee.



- ii. On projects spanning several months, services must be billed monthly based on percentage or work completed to date, with the final invoice dated no later than 15 days after acceptance of completed work. Payment due date must be calculated from receipt of a properly detailed invoice.
- iii. The Contractor must accommodate the State's requirements for invoicing format, timing, and other supporting documentation, as required.
- iv. Invoices must include:
 - a. the contract number,
 - b. the purchase order number,
 - c. date,
 - d. description of product or service provided,
 - e. project reference,
 - f. labor hours (separate out refurbish services / labor, installation labor and design services),
 - g. the service location,
 - h. the services provided and service delivery dates,
 - i. quantities,
 - j. unit prices,
 - k. shipping cost (if any), and
 - l. total price.
- v. At project close-out, all invoices must match the individual project's Specification Information File (SIF), line for line.
- vi. The State may require alterations to invoice details at any point throughout the contract term.

7.2 Close-Out Services

- i. The Contractor must update as-built drawings in AutoCAD software (with future projects provided in Autodesk's Revit software at the State's discretion) at close-out, and provide the .DWG file to DTMB's Real Estate Division for archiving purposes.
- ii. The Contractor must provide complete project documentation close out package to the State Agency Point of Contact or the State Program Manager, in electronic format, including PDF of the final furniture plan, list of product ordered, and written warranty documentation. The Contractor must not provide AutoCAD .DWG file to Agency Point of Contact without State Project Manager or designee approval.
- iii. The Contractor must provide warranty service response within forty-eight (48) hours of the State request. Provide service or product requirements within ten (10) business days of determination of need. Schedule all services so as not to interfere with activities within space, at no charge to the State.
- iv. Immediately following the completion of the installation, the designer conducts a walk-through with the client prior to occupancy to ensure everyone is in agreement that the furniture was installed as depicted on the approved furniture plans with any noted exceptions.

8. Procedures to Request and Authorize Performance

- 8.1. Upon State review and approval of appropriate documents including: programming document, floor plan design documents, specifications, labor quotation, and product pricing quotation, the contractor must obtain written authorization (Purchase Order) to proceed from the State prior to commencing services.
- 8.2. Where needed, programming services must be made available at a project rate based upon square footage of the interior office space for a project and may include consultation, development and depiction of recommended modular office furniture layout using AutoCAD software (with future projects provided in Autodesk's Revit software at the State's discretion). Programming work must be consistent



with current State of Michigan space standards. Approved services for each project must be estimated on a not-to-exceed hourly basis and with a completion date commitment identified for each project.

- 8.3.** Design Services including consultation, design, reconfiguration and layout services must be made available at a contracted not-to-exceed hourly rate or a project specific lump sum amount agreed prior to commencement of design. Design work must be consistent with current State of Michigan space standards. Approved services for each project must be estimated on a not-to-exceed hourly basis and with completion date commitment identified for each project. Not to exceed labor estimates for design, programming and or installation must be provided by the Contractor within 3 business days of request.
- 8.4.** 'Per the State's current requirements of project initiation, DBI begins every project for the State of Michigan with a project initiation form. For projects in State Owned facilities, this is a signed and approved DTMB EMaintenance X3 form (Work order, fka DTMB-123). For projects in State-leased facilities, this is DBI's signed Design Authorization form.

On design projects that will utilize a combination of new and existing furniture, DBI will provide design services to the State of Michigan at a contracted not-to-exceed hourly rate of \$42 per hour. Design and programming services for projects that will utilize only new furniture will be based on the contract **4% of purchase price of new product** for projects totaling less than \$100,000 and **3% of purchase price of new product** for projects totaling more than \$100,000.

Within 24 hours of receipt of either the EMaintenance X3 or sign Design Authorization form, a DBI staff designer and Project Coordination team are assigned to handle the project. The designer will reach out to the State project contact to set up a Project Initiation meeting at a date and time most convenient to the customer.

The intent of the Project Initiation Meeting is to discuss in further detail the parameters of the project. Based on the information gathered at this meeting, DBI will provide a not-to-exceed summary of project service charges including design, programming if needed, refurbishing services, cleaning and installation within (3) three business days.

- 8.5.** The Contractor must develop detailed specifications and quotations that include all product requirements, finishes, product tagging and any appropriate separate fees or charges based upon contractual requirements, for review and approval by the State.
- 8.6.** In addition to the original project layout, the Contractor must provide a maximum of two (2) layout revisions (not "options") in the specific areas intended to receive product, to confirm spacing and building interface where needed for power and data. If the State Project Manager or designee, or the Agency Point of Contact, require additional layout revisions (not options), the Contractor must provide a written quote for approval before beginning work on revisions.
- 8.7.** The Contractor must conduct thorough quotation, drawing, and graphic product review, explicitly defining every detail of the product specification with the State Program Manager or designee, or Agency Point of Contact, to confirm understanding of all aspects of the recommended order. The State sign-off of Contractor documentation does not relieve manufacturer of responsibilities identified herein.
- 8.8.** The Contractor must accept complete responsibility for all product recommendations per application, specifications and accuracy of quotations provided to the State for purchase.
- 8.9.** The Contractor must communicate any and all changes to the schedule, requirements, or expectations in writing, addressed to the State Program Manager or designee, or Agency Point of Contact, and copied to purchasing contact. Agency will provide written confirmation of site availability.
- 8.10.** The Contractor must provide to and review with the State Project Manager or designee, or Agency Point of Contact, a complete set of installation documents, including order acknowledgement/confirmation and project schedule with the State Project Manager at least ten (10) days prior to the installation date.
- 8.11.** As the servicing dealer, DBI will receive all Purchase orders and review them before they are forwarded to Haworth to be processed. DBI will only process orders that are received from



Purchasing personnel or any other persons the State indicates in writing as Authorized Personnel. Haworth will not process Purchase Orders that are not sent through the servicing dealer.

Purchase orders that may be of concern will be brought to the attention of the appropriate State personnel before they are processed. Items of concern may include, but are not limited to a) unsigned purchase orders, b) purchase orders that do not reference the contract number, c) purchase orders for large quantities of product that are not accompanied by a DBI summary page and/or sif file proposed for a design project.

9. Service Level Agreement Terms

The following service level agreement terms are related to all products and services and must apply throughout the duration of the Contract, including any optional renewal periods (if exercised):

9.1. Invoice or Account Credits and Hold-Backs

i. Failure to provide adequate Notice of Delay, improper or incomplete close-out or failure to timely provide customer or warranty services will result in invoice credits of 1% of project cost per day. Services subject to this requirement include, but are not limited to, the following:

ii. Notice of Delay:

- a. Quotation Response - Labor quotes for design, programming and or installation must be provided within 3 business days of request or agreed upon timeframe based on project complexity.
- b. Installation Documents - Installation documents must be provided 10 days prior to the scheduled installation date.
- c. Installation Start - Installation must commence on the agreed upon installation date established at order entry / authorization to proceed based upon the specified lead time stipulated in the Contractor Proposal submitted.
- d. Installation Completion – Installation must be completed within the number of days stipulated in the Contractor Proposal submitted unless alternative schedule dates are approved by the State. Late or improper completion of the Contract Activities will result in an invoice credit of 1% of the project cost per day for each day Contractor fails to remedy the late or improper completion of the Work.

iii. Improper Close-Out

To ensure proper project close-out, the following hold-backs will apply until the activities are performed and accepted by the Program Manager or designee or Agency Point of Contact. Services subject to this requirement include, but are not limited to, the following:

- a. As-Built Drawings - Updated as-built drawings in AutoCAD and/or Autodesk's Revit software must be provided to DTMB Real Estate Division at close-out. A 10% project hold-back will be retained by the State until project invoicing is approved and updated as-built drawings in AutoCAD and/or Autodesk Revit are provided.
- b. Punch List Completion - Contractor must facilitate on-site installation review and develop a project Punch List for State Project Manager or designee approval. Repair or replace all items in question within ten (10) business days, at no charge to the State. The State may withhold a minimum of ten percent (10%) of invoice value until this requirement is met.
- c. Invoice Time - Detailed invoicing must be provided by the Contractor no later than 15 calendar days after installation and final 'walk-through' with State Project Manager or designee or State Agency Point of Contact. A 1% per month invoice credit will be assessed for each month delay in invoicing.

iv. Customer or Warranty Service

To ensure proper service levels, the following invoice or account credits will apply.



- a. Customer Service Issues - Questions and concerns must receive a response by Contractor within a maximum of 1 business days. Failure to comply shall result in an invoice credit of 1% of the total project cost per day.
- b. Warranty Service – The Contractor must provide warranty service response within forty-eight (48) hours of the State request. Provide service or product requirements within ten (10) business days of determination of need. Schedule all services so as not to interfere with activities within space, at no charge to the State.
 - 1. Failure to provide warranty service response within forty-eight (48) hours of the State request will result in an account credit of \$500.
 - 2. Failure to provide service or product requirements within ten (10) business days of determination of need will result in an account credit of \$1,000.

10. Pricing

10.1. Price Term –

- i. Catalog List Price will remain static through the entire length of the contract.

10.2. Price Changes

- i. The Contractor remains responsible for Contract Activities at the current price for all orders received before the mutual execution of a Change Notice indicating the start date of the new Pricing Period.
- ii. Either party may request a price adjustment. Adjustments will be based on changes in actual Contractor costs. Any request must be supported by written evidence documenting the change in costs. The State may consider sources such as the Consumer Price Index, Producer Price Index, other pricing indices as needed, economic and industry data, manufacturer or supplier letters noting the increase in pricing, and any other data the State deems relevant.
- iii. Following the presentation of supporting documentation, both parties will have 30 days to review the information and prepare a written response. If the review reveals no need for modifications, pricing will remain unchanged unless mutually agreed to by the parties. If the review reveals that changes are needed, both parties will negotiate such changes, for no longer than 30 days, unless extended by mutual agreement.

11. Reports

- i. The Contractor shall be able to provide various reports when requested by the State. Examples include itemized reports of total items (commodities and services) purchased by all agencies or individual agencies, open invoice reports, delivery reports, quantity reports, service compliance reports, fiscal reports, etc.
- ii. The State reserves the right to request additional reports.

11.1. Administrative Fee Report

- i. The Contractor must submit reports of purchasing activities by the State, it’s departments, divisions, agencies, offices and commissions, MiDEAL program members (authorized local units of government) and other states including governmental subdivisions and authorized entities. The report should include, at a minimum, the name of the purchasing entity and the total dollar volume in sales. Reports should be emailed to DTMB-Procurement MiDeal Administrator on a quarterly basis.

11.2. Purchasing Activity Report



- i. The Contractor shall be able to provide purchasing activity reports which separate product, design, installation, equipment costs, delivery, volume etc. Reports shall include, at a minimum, an itemized listing of purchasing activities by each agency, with the agency name, and the total value of purchases for each agency, and a grand total of all purchases. This report is to be separate from the MiDeal report.

11.3. Recycled Content

- i. By the second Friday of every December, the vendor must submit a report of recycled content in commodities sold in that calendar year to the Contract Administrator.

11.4. Lead Time Report

- i. The State may require lead time reports which should provide order specific performance data by product line. Data should be summarized to illustrate On-Time and Complete shipments, average lead times by product line, days to process and enter orders, and how close to requested ship dates the actual shipment takes place.

11.5. Product Detail Report

- i. The State may require product detail reports which should provide line item specific data on all orders placed. The report should provide the State with a product specific record of purchase.

11.6. Product Line Report

- i. The State may require product line reports, which should provide detail by product, or by product line.

11.7. Sales History Report

- i. The State may require a sales history report which should detail sales by sold-to and ship-to locations.

Schedule B Pricing

Product Group	Percent Off List	Published Catalog Price Date
Unigroup, UniGroup Too, Places Systems, Adaptable Components	84.50%	June 2015
If Systems, Race	51%	June 2015
Premise Systems, Compose Systems	80.50%	June 2015
950 Files	66%	June 2015
X Series Files & Casegoods, X Series Pedestals	77.5%	June 2015
V Series Files and Pedestals, Beside Storage	65.0%	June 2015
Places Wood Casegoods	52%	June 2015
Orlando, Orlando LS, Vancouver, Tripoli, York Masters	52%	June 2015
Kinetics, Tactics, Planes, Compose Wood, Tempo	66%	June 2015
Jump, Jive, Swivel, Hop	58%	2016
Enclose	55%	June 2015
Intuity, A Series Storage, Jump Stuff, Boogie Board, Belong	58%	June 2015
Technology Products including Workware	58%	June 2015
Patters, Reside Desking	58%	June 2015
Ergotron Ergonomic Tools	40%	2016

*Pricing includes delivery



Projects totaling less than \$100,000		4% OF PURCHASE PRICE OF NEW PRODUCT
Projects Totaling more than \$100,000		3% OF PURCHASE PRICE OF NEW PRODUCT
PROGRAMMING SERVICES FOR EXISTING STATE PRODUCT		DESIGN SERVICES FOR PROJECTS UTILIZING EXISTING STATE PRODUCT OR A COMBINATION OF EXISTING STATE PRODUCT AND NEW PRODUCT
APPLICATION: PROGRAMMING SERVICES FEES CHARGED TO STATE, PER NET USABLE SQUARE FOOT, BY PROJECT SIZE	\$ PER NET USABLE SQUARE FOOT	\$42 PER HOUR
Up to 10,000 square feet	\$ 0.15	
10,001 to 25,000 square feet	\$ 0.15	
25,001 to 50,000 square feet	\$ 0.15	
50,001 to 100,000 square feet	\$ 0.15	
100,001 square feet and above	\$ 0.15	

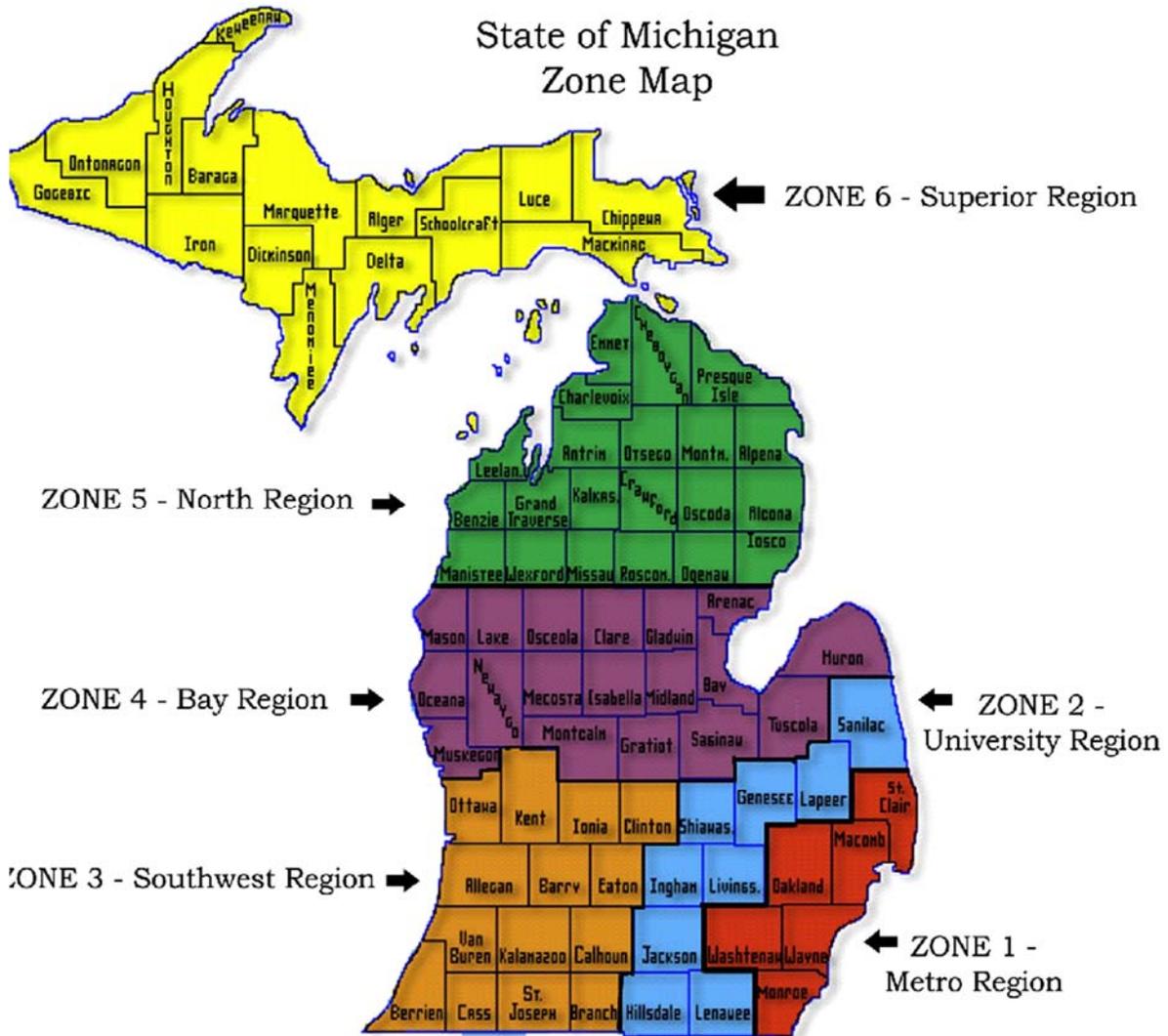


CLASSIFICATION 6: INSTALLATION, DISASSEMBLY & REMOVAL SERVICES
Prevailing Wages including Overhead

APPLICATION: INSTALLATION, DISASSEMBLY AND REMOVAL SERVICES CHARGED TO THE STATE, PER HOUR, BY REGION	ZONE 1 METRO	ZONE 2 UNIVERSIT Y	ZONE 3 SOUTHWES T	ZONE 4 BAY	ZONE 5 NORT H	ZONE 6 SUPERIO R
STANDARD HOURS - Key Personnel	\$39.00	\$39.00	\$39.00	\$39.00	\$39.00	\$39.00
STANDARD HOURS - Technical Staff	\$39.00	\$39.00	\$39.00	\$39.00	\$39.00	\$39.00
STANDARD HOURS - Assembly/Install./Carpenter	\$69.33	\$68.55	\$50.23	\$55.08	\$47.38	\$52.77
OVERTIME/WEEKEND HOURS, TIME AND ONE HALF - Key Personnel	\$58.50	\$58.50	\$58.50	\$58.50	\$58.50	\$58.50
OVERTIME/WEEKEND HOURS, TIME AND ONE HALF - Technical Staff	\$58.50	\$58.50	\$58.50	\$58.50	\$58.50	\$58.50
OVERTIME/WEEKEND HOURS, TIME AND ONE HALF - Assembly/Install./Carpenter	\$103.99	\$102.82	\$75.35	\$82.62	\$71.06	\$79.15
OVERTIME/WEEKEND HOURS, DOUBLE TIME - Key Personnel	\$78.00	\$78.00	\$78.00	\$78.00	\$78.00	\$78.00
OVERTIME/WEEKEND HOURS, DOUBLE TIME - Technical Staff	\$78.00	\$78.00	\$78.00	\$78.00	\$78.00	\$78.00
OVERTIME/WEEKEND HOURS, DOUBLE TIME - Assembly/Installation/Carpenter	\$138.66	\$137.09	\$100.47	\$110.16	\$94.75	\$105.53



State of Michigan Zone Map





Appendix A

State of Michigan
 Administrative Guide to State Government

0210.02 Office Space Standards

Issued: January 6, 1997
 Revised: February 12, 2013

SUBJECT: Office Space Standards.

APPLICATION: Executive Branch Departments and Sub-units.

PURPOSE: To establish uniform standards for office space within typical office environments.

CONTACT AGENCY: Department of Technology, Management and Budget (DTMB)
 Facilities & Business Services Administration (FBSA)
 Real Estate Division (RED)

TELEPHONE: 517-335-6877

FAX: 517-373-9299

SUMMARY: The following constitutes office space standards for state government.

APPLICABLE FORMS: DTMB-0123 Special Services Request for DTMB-Owned Facilities
 DTMB-0618 Space Request

PROCEDURES:

DTMB RED:

- In cooperation with each agency, based on the standards below, develops agency-specific standards to accommodate the functional needs of each type of employee.
- In addition to standards for typical office environments, develops space standards for unique office environments, such as branch offices, customer service offices, posts, and parole offices.
- In cooperation with each agency, develops a program of space allocation, including total square feet and office workstation design.
- Determines space requirements and assignments in accordance with space use guidelines.

Agency:

- Provides information on staffing levels, equipment requirements, program adjacencies and business needs.

State Office Standards

- For most personnel, the standards for state offices in state-owned and leased facilities with open plan modular partitions are based on an average of 64 to 72 square feet.
 - For 15- and 16-level managers and above with direct reports, the standards for state offices in state-owned and leased facilities with open plan modular partitions are based on an average of 64 to 96 square feet. Smaller (64 square feet) workstations will typically be coupled with consultation rooms for manager/personnel conversations. Larger workstations (above 64 square feet) will not include consultation rooms. Larger workstations will be placed in a location (typically end of row) that will minimize the impact on the entire floor space plan.
 - Floor-to-ceiling offices, open offices, and conference rooms will be located off the window walls (where feasible) to improve natural light distribution and HVAC circulation throughout a building.
 - Floor-to-ceiling offices, when deemed essential, are recommended for Division Director level and higher with an average of 120 to 225 square feet. Exceptions will be based on functional needs to be determined in cooperation between DTMB and the applicable agency.



		Standard Product Lines					
Finishes		UniGroup, UniGroup Too, Places	Adaptable Components	950 Series/ X Series	Standard Delivery	RUSH Delivery**	
STANDARD PANEL FABRICS							
Pattern	Tatami		available	n/a	n/a	available	available
Colorway	Jute						
Specification Code	W5-5						
Pattern	Tatami		available	n/a	n/a	available	n/a
Colorway	Hemp						
Specification Code	W5-4						
Pattern	Striae		available	n/a	n/a	available	available
Colorway	Element						
Specification Code	C1-AH						
Pattern	Striae		available	n/a	n/a	available	available
Colorway	Beam						
Specification Code	C1-AJ						
STANDARD TRIM COLORS							
Colorway	Beige		available*	available*	available*	available*	available*
Specification Code	TR-R						
	HP-34						
	V-34						
Colorway	Gray Tone		available*	available*	available*	available*	available*
Specification Code	TR-G						
	HP-62						
	V-8L						
STANDARD LAMINATE							
Colorway	Maple		available*	available*	available*	available*	available*
Specification Code	H-AE						
	HP-AE						