



STATE OF MICHIGAN PROCUREMENT
 Department of Natural Resources
 525 West Allegan, Constitution Hall, Third Floor
 Lansing, MI 48933

CONTRACT CHANGE NOTICE

Change Notice Number **3**
 to
 Contract Number **180000000658**

CONTRACTOR	Hauger Forest Products
	2880 Schmalzried Road
	Levering, MI 49755
	Michael Hauger
	(231) 330-5937
	Mjh17@albion.edu
	CV0005383

STATE	Program Manager	Burr Mitchell	DNR
		(231) 436-5381	
Contract Administrator	MitchellB3@michigan.gov		
	Brooke Jones	DNR	
	(517) 388-6833		
		JonesB30@michigan.gov	

CONTRACT SUMMARY				
DESCRIPTION: Heat Treated Face Cord Firewood for Wilderness State Park				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW	
May 1, 2018	April 30, 2023	Five 1-Year Options to Renew	April 30, 2025	
PAYMENT TERMS		DELIVERY TIMEFRAME		
Net 45		2 Days ARO		
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
<input type="checkbox"/> P-card <input type="checkbox"/> Payment Request (PRC) <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
MINIMUM DELIVERY REQUIREMENTS				
NA				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input checked="" type="checkbox"/>	1 Year	<input type="checkbox"/>		April 30, 2026
CURRENT VALUE		VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE	
\$110,000.00		\$0.00	\$110,000.00	
DESCRIPTION: Effective May 1 2025, this contract is exercising the third available option year. The revised expiration date is April 30th, 2026. All other terms, conditions, specifications, and pricing remain the same.				

FOR THE CONTRACTOR:

Hauger Forest Products

Company Name

Signed copy with DNR Procurement

Authorized Agent Signature

Authorized Agent (Print or Type)

Date

FOR THE STATE:

Signed copy with DNR Procurement

Signature

Sam Fusco, Buyer Manager

Name & Title

Department of Natural Resources

Agency

Date



STATE OF MICHIGAN ENTERPRISE PROCUREMENT

Department of Natural Resources
525 West Allegan, Constitution Hall, Third Floor
Lansing, MI 48933

CONTRACT CHANGE NOTICE

Change Notice Number **2**
to
Contract Number **18000000658**

CONTRACTOR	Hauger Forest Products
	2880 Schmalzried Road
	Levering, MI 49755
	Michael Hauger
	231-330-5937
	mjh17@albion.edu
	CV0005383

STATE	Program Manager	Burr Mitchell	DNR
		MitchellB3@michigan.gov	
		231-436-5381	
	Contract Administrator	Lisa Crozier-Green	DNR
CrozierGreenL@michigan.gov			
517-388-6626			

CONTRACT SUMMARY				
DESCRIPTION: DESCRIPTION: Heat Treated Face Cord Firewood for Wilderness State Park				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW	
May 1, 2018	April 30, 2023	Five 1-Year Options to Renew	April 30, 2024	
PAYMENT TERMS		DELIVERY TIMEFRAME		
Net 45		2 Days ARO		
ALTERNATE PAYMENT OPTIONS				EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other				<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS				
N/A				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input checked="" type="checkbox"/>	ONE Year	<input type="checkbox"/>		April 30, 2025
CURRENT VALUE		VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE	
\$110,000.00		0.00	\$110,000.00	
DESCRIPTION: Effective May 1, 2024, this Contract is exercising the second available option year. The revised Contract expiration date is April 30, 2025. All other terms, conditions, specifications, and pricing remain the same. Per Contractor request and DNR agreement.				

FOR THE CONTRACTOR:

Hauger Forest Products

Company Name

E-SIGNED by Michael Hauger
on 2024-10-10 13:28:32 EDT

Authorized Agent Signature

Michael Hauger

Authorized Agent (Print or Type)

2024-10-10 13:28:32 UTC

Date

FOR THE STATE:

E-SIGNED by Laura Gyorkos
on 2024-06-10 12:10:18 EDT

Signature

Laura L. Gyorkos, Procurement Manager

Name & Title

Michigan Department of Natural Resources

Agency

2024-06-10 12:10:18 UTC

Date



STATE OF MICHIGAN ENTERPRISE PROCUREMENT

Department of Natural Resources
525 West Allegan, Constitution Hall, Third Floor
Lansing, MI 48933

CONTRACT CHANGE NOTICE

Change Notice Number **1**
to
Contract Number **18000000658**

CONTRACTOR	Hauger Forest Products
	2880 Schmalzried Road
	Levering, MI 49755
	Michael Hauger
	231-330-5937
	mjh17@albion.edu
	CV0005383

STATE	Program Manager	Burr Mitchell	DNR
		MitchellB3@michigan.gov	
	231-436-5381		
	Contract Administrator	Lisa Crozier-Green	DNR
CrozierGreenL@michigan.gov			
517-388-6626			

CONTRACT SUMMARY				
DESCRIPTION: DESCRIPTION: Heat Treated Face Cord Firewood for Wilderness State Park				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW	
May 1, 2018	April 30, 2023	Five 1-Year Options to Renew	April 30, 2023	
PAYMENT TERMS		DELIVERY TIMEFRAME		
Net 45		2 Days ARO		
ALTERNATE PAYMENT OPTIONS				EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other				<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS				
N/A				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input checked="" type="checkbox"/>	ONE Year	<input type="checkbox"/>		April 30, 2024
CURRENT VALUE		VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE	
\$110,000.00		0.00	\$110,000.00	
DESCRIPTION: Effective May 1, 2023, this Contract is exercising the first available option year. The revised Contract expiration date is April 30, 2024. All other terms, conditions, specifications, and pricing remain the same. Per Contractor request and DNR agreement.				

FOR THE CONTRACTOR:

Hauger Forest Products,

Company Name



Authorized Agent Signature

Michael Hauger

Authorized Agent (Print or Type)

4-28-23

Date

FOR THE STATE:

E-SIGNED by Laura Gyorkos
on 2023-05-01 08:29:06 EDT

Signature

Laura L. Gyorkos, Procurement Manager

Name & Title

Michigan Department of Natural Resources

Agency

2023-05-01 08:29:06 UTC

Date



**STATE OF MICHIGAN
ENTERPRISE PROCUREMENT**

Department of Natural Resources
525 West Allegan, Constitution Hall, Third Floor
Lansing, MI 48933

NOTICE OF CONTRACT

NOTICE OF CONTRACT NO. **18000000658**
between
THE STATE OF MICHIGAN
and

CONTRACTOR	Hauger Forest Products
	2880 Schmalzried Road
	Levering, MI 49755
	Michael Hauger
	231-330-5937
	Mjh17@albion.edu
	*****5884

STATE	Program Manager	Burr Mitchell	DNR
		MitchellB3@michigan.gov	
		231-436-5381	
STATE	Contract Administrator	Lisa Crozier-Green	DNR
		CrozierGreenL@michigan.gov	
		517-284-5938	

CONTRACT SUMMARY			
DESCRIPTION: Heat Treated Face Cord (Bulk) Firewood for Cabins and Bunkhouses at Wilderness State Park.			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
May 1, 2018	April 30, 2023	Five 1-Year Options to Renew	April 30, 2023
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		2 Days ARO	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS			
N/A			
MISCELLANEOUS INFORMATION			
The terms and conditions of this Contract are those of RFP 18000001116, this Contract Agreement and the vendor's quote dated March 22, 2018. In the event of any conflicts between the specifications, and terms and conditions, indicated by the State and those indicated by the vendor, those of the State take precedence.			
ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION			\$110,000.00



STATE OF MICHIGAN

STANDARD CONTRACT TERMS

This STANDARD CONTRACT (“**Contract**”) is agreed to between the State of Michigan (the “**State**”) and Hauger Forest Products (“**Contractor**”), a Michigan company. This Contract is effective on May 1, 2018 (“**Effective Date**”), and unless terminated, expires on April 30, 2023.

This Contract may be renewed for up to Five 1-year option year periods. Renewal is at the sole discretion of the State and will automatically extend the Term of this Contract. The State will document its exercise of renewal options via Contract Change Notice.

The parties agree as follows:

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

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

The Contractor agrees to: (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.

The Contractor agrees to 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:</p> <p>Lisa Crozier-Green Department of Natural Resources Procurement Services 525 West Allegan, Constitution Hall, 3rd Floor Lansing, Michigan 48933 CrozierGreenL@michigan.gov 517-284-5938</p>	<p>If to Contractor:</p> <p>Michael Hauger Hauger Forest Products 2880 Schmalzried Road Levering, MI 49755 Mjh17@albion.edu 231-330-5937</p>
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3. **Contract Administrator.** The Contract Administrator for each party is the only person authorized to modify any terms of this Contract, and approve and execute any change under this Contract (each a “**Contract Administrator**”):

State: Lisa Crozier-Green Department of Natural Resources Procurement Services 525 West Allegan, Constitution Hall, 3 rd Floor Lansing, Michigan 48933 CrozierGreenL@michigan.gov 517-284-5938	Contractor: Michael Hauger Hauger Forest Products 2880 Schmalzried Road Levering, MI 49755 Mjh17@albion.edu 231-330-5937
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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: Burr Mitchell Wilderness State Park 903 Wilderness Park Drive Carp Lake, MI 49718 MitchellB3@michigan.gov 231-436-5381	Contractor: Michael Hauger Hauger Forest Products 2880 Schmalzried Road Levering, MI 49755 Mjh17@albion.edu 231-330-5937
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5. **Performance Guarantee.** Contractor agrees at all times to 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 Schedule A) if, in the opinion of the State, it will ensure performance of the Contract.
6. **Insurance Requirements.** Contractor agrees to 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.

Required Limits	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.
Automobile Liability Insurance	
<u>Minimal Limits:</u> \$1,000,000 Per Occurrence	Contractor must have their policy: (1) endorsed to add “the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents” as additional insureds; and (2) include Hired and Non-Owned Automobile coverage.
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	
<u>Minimal Limits:</u> \$500,000 Each Accident \$500,000 Each Employee by Disease \$500,000 Aggregate Disease.	

If any of the required policies provide **claims-made** coverage, the Contractor agrees to: (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 agrees to: (a) provide insurance certificates to the Contract Administrator, containing the Master Agreement (Contract) 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. **Reserved.**
8. **Reserved.**
9. **Reserved.**
10. **Reserved.**
11. **Independent Contractor.** The Contractor is an independent contractor and assumes all rights, obligations and liabilities set forth in this Contract. The 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 the Contractor's status as an independent contractor.
12. **Subcontracting.** The Contractor agrees to not delegate any of its obligations under the Contract without the prior written approval of the State. The Contractor agrees to 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, the Contractor agrees to: (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.
13. **Staffing.** The State's Contract Administrator may require the Contractor to remove or reassign personnel by providing a notice to Contractor.
14. **Background Checks.** Upon request, the Contractor agrees to perform background checks on all employees and subcontractors and its employees prior to their assignment. The scope is at the discretion of the State and documentation must be provided as requested. The Contractor agrees to remain responsible for all costs associated with the requested background checks. The State, in its sole discretion, may also perform background checks.
15. **Assignment.** The Contractor agrees not to assign this Contract to any other party without the prior approval of the State. Upon notice to the Contractor, the State, in its sole discretion, may assign in whole or in part, its rights or responsibilities under this Contract to any other party. If the State determines that a novation of the Contract to a third party is necessary, the Contractor will agree to the novation and provide all necessary documentation and signatures.
16. **Change of Control.** The Contractor will notify, at least 90 calendar days before the effective date, the State of a change in the 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, the Contractor agrees to require the successor to assume this Contract and all of its obligations under this Contract.

17. **Ordering.** The Contractor agrees it is not authorized to begin performance until receipt of authorization as identified in Schedule A.
18. **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 Schedule 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.

19. **Delivery.** The Contractor agrees to deliver all Contract Activities F.O.B. destination, within the State premises with transportation and handling charges paid by the Contractor, unless otherwise specified in Schedule A. All containers and packaging becomes the State's exclusive property upon acceptance.
20. **Risk of Loss and Title.** The Contractor agrees to remain responsible for filing, processing, and collecting all damage claims. The State will record and report to the Contractor any evidence of visible damage. If the State rejects the Contract Activities, the Contractor agrees to 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. 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.
21. **Warranty Period.** The warranty period, if applicable, for Contract Activities is a fixed period commencing on the date specified in Schedule 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.
22. **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 Schedule 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/SIGMAVSS> 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.

- 23. Liquidated Damages.** Liquidated damages, if applicable, will be assessed as described in Schedule A.
- 24. 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.
- 25. 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.

- 26. Termination for Convenience.** The State may immediately terminate this Contract in whole or in part without penalty and for any reason, including but not limited to, appropriation or budget shortfalls. 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 by the State, for State approved Transition Responsibilities.
- 27. 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.

- 28. General Indemnification.** Contractor must defend, indemnify and hold the State, its departments, divisions, agencies, offices, commissions, officers, and employees harmless, without limitation, from and against any and all actions, claims, losses, liabilities, damages, costs, attorney fees, and expenses (including those required to establish the right to indemnification), arising out of or relating to: (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 of any intellectual property right or other right of any third party; (c) any bodily injury, death, or damage to real or tangible personal property occurring wholly or in part due to 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); and (d) any acts or omissions of Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable).

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.

- 29. 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.
- 30. Limitation of Liability and Disclaimer of Damages.** **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 THE MAXIMUM AMOUNT OF FEES PAYABLE UNDER THIS CONTRACT.** The State is not liable for consequential, incidental, indirect, or special damages, regardless of the nature of the action.
- 31. Disclosure of Litigation, or Other Proceeding.** Contractor must notify the State within 14 calendar days of receiving notice of any litigation, investigation, arbitration, or other proceeding (collectively, "**Proceeding**") involving Contractor, a subcontractor, or an officer or director of Contractor or subcontractor, that arises during the term of the Contract, including: (a) a criminal Proceeding; (b) a parole or probation Proceeding; (c) a Proceeding under the Sarbanes-Oxley Act; (d) a civil Proceeding involving: (1) a claim that might reasonably be expected to adversely affect Contractor's viability or financial stability; or (2) a governmental or public entity's claim or written allegation of fraud; or (e) a Proceeding involving any license that Contractor is required to possess in order to perform under this Contract.
- 32. 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.
- 33. Non-Disclosure of Confidential Information.** The parties acknowledge that each party may be exposed to or acquire communication or data of the other party that is confidential, privileged

communication not intended to be disclosed to third parties. The provisions of this Section survive the termination of this Contract.

- a. Meaning of Confidential Information. For the purposes of this Contract, the term "**Confidential Information**" means all information and documentation of a party that: (a) has been marked "confidential" or with words of similar meaning, at the time of disclosure by such party; (b) if disclosed orally or not marked "confidential" or with words of similar meaning, was subsequently summarized in writing by the disclosing party and marked "confidential" or with words of similar meaning; and, (c) should reasonably be recognized as confidential information of the disclosing party. The term "Confidential Information" does not include any information or documentation that was: (a) subject to disclosure under the Michigan Freedom of Information Act (FOIA); (b) already in the possession of the receiving party without an obligation of confidentiality; (c) developed independently by the receiving party, as demonstrated by the receiving party, without violating the disclosing party's proprietary rights; (d) obtained from a source other than the disclosing party without an obligation of confidentiality; or, (e) publicly available when received, or thereafter became publicly available (other than through any unauthorized disclosure by, through, or on behalf of, the receiving party). For purposes of this Contract, in all cases and for all matters, State Data is deemed to be Confidential Information.
- b. Obligation of Confidentiality. The parties agree to hold all Confidential Information in strict confidence and not to copy, reproduce, sell, transfer, or otherwise dispose of, give or disclose such Confidential Information to third parties other than employees, agents, or subcontractors of a party who have a need to know in connection with this Contract or to use such Confidential Information for any purposes whatsoever other than the performance of this Contract. The parties agree to advise and require their respective employees, agents, and subcontractors of their obligations to keep all Confidential Information confidential. Disclosure to a subcontractor is permissible where: (a) use of a subcontractor is authorized under this Contract; (b) the disclosure is necessary or otherwise naturally occurs in connection with work that is within the subcontractor's responsibilities; and (c) Contractor obligates the subcontractor in a written contract to maintain the State's Confidential Information in confidence. At the State's request, any employee of Contractor or any subcontractor may be required to execute a separate agreement to be bound by the provisions of this Section.
- c. Cooperation to Prevent Disclosure of Confidential Information. Each party must use its best efforts to assist the other party in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limiting the foregoing, each party must advise the other party immediately in the event either party learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this Contract and each party will cooperate with the other party in seeking injunctive or other equitable relief against any such person.
- d. Remedies for Breach of Obligation of Confidentiality. Each party acknowledges that breach of its obligation of confidentiality may give rise to irreparable injury to the other party, which damage may be inadequately compensable in the form of monetary damages. Accordingly, a party may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies which may be available, to include, in the case of the State, at the sole election of the State, the immediate termination, without liability to the State, of this Contract or any Statement of Work corresponding to the breach or threatened breach.
- e. Surrender of Confidential Information upon Termination. Upon termination of this Contract or a Statement of Work, in whole or in part, each party must, within 5 calendar days from the date of termination, return to the other party any and all Confidential Information received from the other party, or created or received by a party on behalf of the other party, which are in such party's possession, custody, or control; provided, however, that Contractor must return State Data to the State following the timeframe and procedure described further in this Contract. Should Contractor or the State determine that the return of any Confidential Information is not feasible, such party must destroy the Confidential Information and must certify the same in writing within 5 calendar days from the date of termination to the other party. However, the State's legal ability to destroy Contractor data may be restricted by its retention and disposal schedule, in which case Contractor's Confidential Information will be destroyed after the retention period expires.

- 34. 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.

- 35. 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 any manufacturer's warranty for the Contract Activities; (e) the Contract Activities are merchantable and fit for the specific purposes identified in the Contract; (f) the Contract signatory has the authority to enter into this Contract; (g) 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; (h) 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; and that (i) Contractor is neither currently engaged in nor will engage in the boycott of a person based in or doing business with a strategic partner as described in 22 USC 8601 to 8606. 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.
- 36. 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.
- 37. Compliance with Laws.** Contractor must comply with all federal, state and local laws, rules and regulations.
- 38. 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.
- 39. Reserved.**
- 40. 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.
- 41. 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.

42. **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.
43. **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.
44. **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.
45. **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.
46. **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.
47. **Website Incorporation.** The State is not bound by any content on Contractor's website unless expressly incorporated directly into this Contract.
48. **Entire Agreement and Order of Precedence.** This Contract, which includes Schedule A – Statement of Work, and expressly incorporated schedules and exhibits, is the entire agreement of the parties related to the Contract Activities. This Contract supersedes and replaces all previous understandings and agreements between the parties for the Contract Activities. If there is a conflict between documents, the order of precedence is: (a) first, this Contract, excluding its schedules, exhibits, and Schedule A – Statement of Work; (b) second, Schedule A – Statement of Work as of the Effective Date; and (c) third, schedules expressly incorporated into this Contract as of the Effective Date. NO TERMS ON CONTRACTOR'S INVOICES, ORDERING DOCUMENTS, WEBSITE, BROWSE-WRAP, SHRINK-WRAP, CLICK-WRAP, CLICK-THROUGH OR OTHER NON-NEGOTIATED TERMS AND CONDITIONS PROVIDED WITH ANY OF THE CONTRACT ACTIVITIES WILL CONSTITUTE A PART OR AMENDMENT OF THIS CONTRACT OR IS BINDING ON THE STATE FOR ANY PURPOSE. ALL SUCH OTHER TERMS AND CONDITIONS HAVE NO FORCE AND EFFECT AND ARE DEEMED REJECTED BY THE STATE, EVEN IF ACCESS TO OR USE OF THE CONTRACT ACTIVITIES REQUIRES AFFIRMATIVE ACCEPTANCE OF SUCH TERMS AND CONDITIONS.
49. **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.
50. **Waiver.** Failure to enforce any provision of this Contract will not constitute a waiver.
51. **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.

52. **Contract Modification.** This Contract may not be amended except by signed agreement between the parties (a "**Contract Change Notice**"). Notwithstanding the foregoing, no subsequent Statement of Work or Contract Change Notice executed after the Effective Date will be construed to amend this Contract unless it specifically states its intent to do so and cites the section or sections amended.

STATE OF MICHIGAN

Contract Number: 180000000658

Heat Treated Face Cord (Bulk) Firewood for Cabins and Bunkhouses at Wilderness State Park.

STATEMENT OF WORK CONTRACT ACTIVITIES

BACKGROUND

Michigan Department of Natural Resources, Parks and Recreation Division, hosts over 1.1 million camp nights for millions of campers each year. For most, campfires are an intrinsic part of the camping experience.

In response to results of camper surveys which indicate the majority of campers appreciate the convenience of purchasing firewood on site, the DNR Parks and Recreation Division provides firewood for sale at many locations across the State. Firewood for sale on site is convenient for campers, but there are other benefits as well.

Transporting firewood is a major pathway for the spread of invasive insects and disease. In Michigan, 75% of new infestations of emerald ash borer were associated with campgrounds, and 80% of outlier infestations were traced to firewood. It is estimated that the cost associated with the removal and replacement of ash trees damaged or killed by this ONE INSECT will exceed \$10 *billion* by the year 2020.

Firewood for sale on site reduces the amount of firewood transported to Park and Recreation campgrounds, reduces the risk of new infestations or new species, saves Michigan's trees, saves taxpayer dollars, and provides cleaner, safer, higher quality wood for campfires.

SCOPE

To prevent the spread of invasive insects and disease, the Department of Natural Resources, Parks and Recreation Division, is encouraging patrons to "Protect Michigan State Parks" by leaving firewood at home and using heat treated, locally sourced non-heat treated, or artificial firewood in State Parks. Beginning in 2018, the DNR will be providing safe, pest and disease-free heat treated firewood for re-sale to campers at as many locations as possible. The ultimate goal within the next few years is 100% heat-treated firewood and 0% transport of non-heat treated firewood to all locations offering campfires.

Contracts awarded to vendors working toward USDA / APHIS kiln certification will be contingent upon certification completion within the timeframe proposed by the Contractor. Until kiln certification is achieved, vendors are expected to comply with all recommendations and / or requirements for non-heat treated wood. Failure to obtain kiln certification within the timeframe proposed by the Contractor may result in contract cancellation and re-award to another vendor. Contracts awarded to vendors offering non-heat treated firewood only will be contingent on the Contractor's demonstrated ability to move firewood safely according to all recommendations and / or requirements for non-heat treated wood. Failure to move firewood according to recommendations and / or requirements may result in contract cancellation and re-award to another vendor.

The Contractor agrees to carry out this Contract under the direction and control of the Department of Natural Resources (DNR). The State expects that the selected Contractor will work in cooperation with the State to provide the safest, highest quality heat treated firewood available, at the lowest price possible, in a timely and efficient manner.

The Contractor agrees to deliver bundled, heat treated firewood as specified, and provide delivery services as required by the Department of Natural Resources.

REQUIREMENTS

To prevent the spread of invasive species and disease, all firewood shall conform to the following specifications.

1. General Requirements

1.1. Product Specifications for Bulk, Face Cord Firewood

- A. The Contractor is offering heat treated, bulk, face cord firewood in the safest way possible to prevent the spread of invasive species and disease in the firewood proposed.
- B. The Contractor agrees heat treated firewood will be obtained by the Contractor within the same county as the processing location, when possible, and if obtained outside the processing location county, the wood will not be moved more than fifty (50) miles from the point of origin to the processing location, per National Firewood Task Force Recommendation.
- C. The State defines the delivery location as the approximate center of the Park or Recreation Area. Non-heat treated firewood should originate and be processed within one county, or within 50 miles of the delivery location.
- D. The Contractor agrees the transportation distance will not violate any Federal or State EAB (or other species) quarantines currently in place, or that may be instituted during the duration of this Contract.
- E. The Contractor agrees non-heat treated firewood may be moved fifty (50) miles within the EAB quarantine area (per National Firewood Task Force Recommendations), but will NOT be moved outside the quarantine area, even if the delivery location is within 50 miles.
- F. The Contractor agrees firewood will be heat treated in a USDA / AFBIS certified kiln per Heat Treatment Schedule T314-a, and will be stored in a dry location prior to transport to delivery location to prevent oak wilt transmission and avoid wood infestation by exotic and native insects.
- G. The Contractor agrees to avoid violation of federal interstate restrictions on the movement of wood or wood products, non-heat treated firewood shall be obtained and originate within the State of Michigan.
- H. The Contractor agrees all firewood shall be transported in accordance with restrictions under Act 72 of the Public Acts of 1945, as amended, Michigan Department of Agriculture Emerald Ash Borer Quarantine and the Michigan Department of Agriculture Hemlock Woolly Adelgid Interior State Quarantine.
- I. The Contractor agrees all heat treated firewood bundles will meet the minimum Industry Standard of $\frac{3}{4}$ of a cubic foot per bundle. The Contractor is providing a bundle size of 10" x 10" x 16".
- J. The Contractor agrees all firewood shall be split log.
- K. The Contractor agrees:
 - a. Firewood will be cut to a length of 14" to 16", length will not exceed 16".
 - b. Firewood will have a minimum diameter of 2" and a maximum diameter of 5". Logs exceeding 5" in diameter will be split.
 - c. Firewood will be northern hardwood species of oak, maple, beech, ironwood or birch, excluding poplar and ash.
- L. Delivery
 - a. Palletized Firewood – if the bidder is required to ship firewood on pallets, the bidder may also be required to unload pallets from the truck. Refer to Schedule B1 - Location Specification Sheet for unloading requirements for each location.
 - b. Non-Palletized Firewood – if the Contractor is required to ship firewood without pallets, the Contractor may be required to unload the truck and neatly stack bundles in the storage area. Refer to Schedule B1 – Location Specification Sheet for unloading requirements for each location.
- J. The Contractor agrees to make both Scheduled and On-Call Deliveries, and to abide by the delivery requirements included in the attached Schedule B1 - Location Specification Sheet.
 - a. **Scheduled Deliveries.** The Contractor agrees bulk face cords will be delivered between September 15 and September 30 each year. Refer to Schedule B1 – Location Specification Sheet for delivery requirements.
 - b. **On-Call Deliveries.** The Program Manager or designee will contact the Contractor to schedule "on-call" deliveries as needed. The Contractor will be expected to deliver firewood within 48 hours of the "on-call" order.
 - c. The Contractor intends to make deliveries utilizing Contractor owned vehicles.

1.2 Warranties

- A. The Contractor agrees all firewood shall be dry and free from insects and disease at the time of delivery.
- B. DNR staff will notify the Contractor of any firewood is discovered to be unseasoned (green), damp or moldy.

- C. The Contractor agrees to pick up, properly dispose of and replace any unseasoned (green), damp or moldy firewood free of charge, within 48 hours of notification.
- D. The State reserves the right to require additional warranties other than those identified by the Contractor.

1.3. Quality Assurance Program

- A. The Contractor agrees all firewood bundles will be stored and kept dry prior to delivery.

1.4. Incentives

- A. The Contractor is not offering any special incentives or services including quantity discounts, quick payment terms, return policies, etc.

2. Service Levels

2.1. Time Frames

- A. The Contractor agrees all Contract Activities will be delivered either according to any pre-arranged delivery schedule or within forty eight (48) hours from receipt of an “on-call” order. The receipt of order date is pursuant to Section 2, Notices, of the Standard Contract Terms.

2.2. Reporting

- A. The Contractor agrees to produce reports, as requested by the State.
- B. The Contractor agrees to provide re-certification documents each time the kiln is recertified.

2.3. Meetings

- A. The Contractor agrees to attend any meetings required by the State.

3. Staffing

3.1. Contractor Representative

The Contractor agrees to appoint one individual, specifically assigned to State of Michigan accounts, that will respond to State inquiries regarding the Contract Activities, answering questions related to ordering and delivery, etc. (the “Contractor Representative”).

The Contractor agrees to notify the Contract Administrator at least ten calendar days before removing or assigning a new Contractor Representative.

Bidder Response: Contractor Representative
Contractor Representative Name: Michael Hauger Address: 2880 Schmalzried Rd. Levering MI 49755 Telephone: 231 330 5937 Cell Phone: 231 330 5937 Email: mjh17@albion.edu Days and Times Available: Weekdays 10am to 6pm

3.2. Key Personnel

The Contractor agrees to appoint one individual who will be directly responsible for the day to day operations of the Contract (“Key Personnel”). Key Personnel shall be specifically assigned to the State account, be knowledgeable on the contractual requirements, and respond to State inquiries within 24 hours.

The Contractor may 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.

The Contractor agrees to identify the Key Personnel, indicate where they will be physically located, and describe the functions they will perform.

Bidder Response: Key Personnel
Key Personnel Name: Michael Hauger Address: 2880 Schmalzried Rd. Levering MI 49755 Telephone: 231 330 5937 Cell Phone: 231 330 5937 Email: mjh17@albion.edu

Days and Times Available: Weekdays 10am to 4pm

Functions to be Performed: Accept contacts from state personnel, complete this proposal and upload all required documents. Handle any problems that may arise or answer any and all questions regarding this proposal.

3.3. Disclosure of Subcontractors

The Contractor does not anticipate the use of subcontractors to perform the Contract Activities.

In the event the Contractor requires the use of subcontractors to provide any of the Contract Activities, the Contractor agrees to provide the legal business name; address; telephone number; a description of subcontractor's organization and the services it will provide; and information concerning subcontractor's ability to provide the Contract Activities, the relationship of the subcontractor to the Contractor, whether the Contractor has a previous working experience with the subcontractor, the details of any previous relationship, and a complete description of the Contract Activities that will be performed or provided by the subcontractor.

3.4. Security

The Contractor agrees to require all Contractor staff and subcontractors to wear uniforms with the subcontractor's company name and employee name on the uniform.

4. Pricing

4.1. Price Term

Pricing is firm for a 365 day period ("Pricing Period"). The first pricing period begins on the Effective Date. Adjustments may be requested, in writing, by either party and will take effect no earlier than the next Pricing Period.

4.2. Price Changes

The Contractor agrees any adjustment to contract price will be based on actual, verifiable changes in Contractor costs, and will be supported by written evidence documenting the change in costs.

Any request for price adjustment must be received by the Contract Administrator not less than ninety (90) calendar days prior to the Contract expiration or the beginning of a State exercised option year. The Contract Administrator may consider other 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.

Following the presentation of supporting documentation, the Contract Administrator will have 30 calendar days to review the information and provide the Contractor with a written response (email is acceptable). If the State determines there is no need for adjustment, the written response will contain the State's determination criteria and pricing will remain unchanged. The Contractor will have 14 calendar days to present any supplemental information which may justify the increase. The Contract Administrator will have 14 calendar days to review the supplemental information and may either validate the original determination, or enter into negotiations for the adjustment. In the event the Contract Administrator elects to enter into negotiations regarding an adjustment, negotiations will continue for no longer than 30 calendar days and a final written determination will be provided to the Contractor. If the State determines there is valid justification for an adjustment, the Contract pricing will be modified by a dually executed change notice, with the adjustment effective the first day of the first month, following the final determination. Any final determination is binding for a period of 365 days from the effective date of the executed change notice.

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.

5. Ordering

5.1. Authorizing Document

The Contractor agrees the only appropriate authorizing document for the Contract will be a properly executed purchase order.

5.2 Order Verification

The Contractor agrees to verify orders are placed only by the Program Manager or designee.

6. Delivery

6.1. Delivery Programs

The Contractor agrees to maintain the Delivery Schedule agreed to for this location, and to deliver "on call" orders within 48 hours of notification.

6.2. Packaging and Palletizing

Packaging must be optimized to permit the lowest freight rate. Refer to Schedule B1 - Location Specification Sheets for packaging and palletizing requirements for each location. For locations requiring palletized bundles, each pallet will contain a minimum of 50 firewood bundles. Empty pallets from previous delivery are the responsibility of the Contractor.

7. Acceptance

7.1. Acceptance, Inspection and Testing

The Contractor agrees all deliveries will be accepted during the hours specified and under the restrictions in the Schedule B1 - Location Specification Sheets. Delivery will be made only when a Park employee is available to inspect the condition of the bundles and verify the number of bundles delivered. The Contractor agrees to obtain the Park employee's signature on the delivery ticket.

8. Invoice and Payment

8.1. Invoice Requirements

The Contractor agrees all invoices submitted to the State will include: (a) the contract number, (b) purchase order number; (c) date, (d) quantity; (e) description of the Contract Activities; (f) unit price; (g) shipping cost (if any); and (h) total price.

8.2. Payment Methods

The State will make payment for Contract Activities by Electronic Funds Transfer (EFT) only. The Contractor remains responsible for ensuring the Contractor is registered as a vendor in SIGMA and that they are EFT compliant.

9. Inspection and Correction of Deficiencies

- A. If the Program Manager or designee determines there are deficiencies with any portion of the Contract Activities, the Program Manager or designee will provide the Contractor with written notice (email is acceptable) of any deficiencies in the performance of Contract Activities.
- B. The Contractor agrees to correct any deficiencies within 48 hours of notification.
- C. Failure to perform or failure to correct deficiencies within the specified time may result in a deductible incident, Vendor Performance Report entered against the Contractor, and / or contract cancellation. Refer to Section 9.1 for detail regarding deductible incidents.
- D. Performance Evaluations will be provided to the Contractor noting exceptions in performance to the required specifications.

9.1 Vendor Performance and Contractual Deductions

- A. Contractual Deductions and Deductible Incidents
 1. Deductible Incidents include, but are not limited to:
 - a. Failure to meet delivery time frames
 - b. Failure to meet unloading or stacking requirements
 - c. Unseasoned (green) or damp firewood
 - d. Moldy firewood
 2. Failure to Meet Delivery Time Frames
 - a. Contractors unable to meet scheduled delivery time frames are required to notify the Program Manager or designee of the delay and reschedule the delivery date and / or time. Contractor failure to meet delivery time frame, or failure to notify the Program Manager or designee of the inability to meet the scheduled delivery time frame, may result in a \$75.00 invoice deduction and an additional deduction of \$25.00 for every four hours of delay.
 3. Failure to Meet Unloading or Stacking Requirements
 - a. If the Program Manager or designee determines that the Contractor has failed to meet unloading or stacking requirements, the Program Manager or designee will immediately notify the Contractor of the failure.
 - b. The Contractor agrees to correct the unsatisfactory condition within 48 hours from notice of the deficiency.
 - c. Failure to correct the unsatisfactory condition within 48 hours may result in a \$100.00 invoice deduction.

4. Unseasoned (green), Damp or Moldy Firewood
 - a. DNR staff will notify Contractor of any unseasoned (green) or damp firewood discovered.
 - b. Within 48 hours of notification, the Contractor will pick up, properly dispose of, and replace the Unseasoned (green) or damp firewood free of charge.
 - a. Failure to correct the unsatisfactory condition with 48 hours may result in a \$100.00 invoice deduction and an additional deduction of \$100.00 for each day of delay.
 5. Moldy Firewood
 - a. DNR staff will notify Contractor of any moldy firewood is discovered.
 - b. Within 48 hours of notification, the Contractor will pick up, properly dispose of, and replace the moldy firewood free of charge.
 - b. Failure to correct the unsatisfactory condition with 48 hours may result in a \$100.00 invoice deduction and an additional deduction of \$100.00 for each day of delay.
 6. In the event that the Contractor has not corrected the unsatisfactory condition and the State is forced to sell damp, moldy, or inadequately wrapped or bundled wood, the State may elect to sell the bundles at a discounted price. The State will photograph the unsatisfactory condition and provide the Contractor with the photograph and a total number of unsatisfactory bundles sold. The Contractor will replace the unsatisfactory bundles at no charge to the State.
- B. Escalation (Contract Compliance)
1. First Instance –
 - a. If the Program Manager or designee determines the Contractor is non-compliant with the terms, conditions and / or specifications of the contract, or a Deductible Incident or Condition has occurred, the Program Manager or designee will:
 - i. Verbally notify the Contractor of the situation or issue
 - ii. Provide a description of the non-compliance or Deductible Incident or Condition.
 - iii. Specify a date by which the issue will be resolved.
 - b. The Contractor should provide the Program Manager or designee with a verbal root cause analysis and corrective action plan.
 - c. The Program Manager or designee will preserve a written record of the issue, proposed resolution, and time frame for inclusion in the annual Contract Compliance Report, and provide a copy to the Contractor.
 2. Second Instance –
 - a. If resolution is not achieved, or the issue arises again, the Program Manager or designee will:
 - i. Schedule an in-person meeting with the Contractor and provide, in writing:
 1. A description of the specific problem
 2. A description of the actions the Contractor is expected to take to resolve the problem
 3. A date by which the Contractor is expected to resolve the problem
 4. Notify Contractor of the intent to exercise the Contractual Deduction
 5. Request, in writing, the Contractor's root cause and corrective action plan.
 - b. Program Manager or designee should preserve a written record of the meeting, expectations and resolution for inclusion in the annual Contract Compliance Report, and provide a copy for the Contractor.
 - c. Exercise the Contractual Deduction as a deduction from the next invoice.
 - d. Enter a Vendor Performance Report in SIGMA.
 3. If resolution is not achieve or the issue arises again, a written notice of termination may be sent to the Contractor.
 4. In the event a contract is cancelled, the State may award the contract to the next lowest qualified bidder.

10. Additional Requirements

10.1. Environmental and Energy Efficient Products

The Contractor agrees to identify any energy efficient, bio-based, or otherwise environmental friendly products used in the products. Contractor agrees to include any relevant third-party certification, including the verification of a United States department of agriculture certified bio based product label.

10.2. Hazardous Chemical Identification

In accordance with the federal Emergency Planning and Community Right-to-Know Act, 42 USC 11001, *et seq.*, as amended, the Contractor agrees to provide a Material Safety Data Sheet listing any hazardous chemicals, as defined in 40 CFR §370.2, to be delivered. Each hazardous chemical must be properly identified, including any applicable identification number, such as a National Stock Number or Special Item Number.

The Contractor agrees to identify any hazardous chemicals that will be provided under this Contract.

10.3. Mercury Content

The Contractor agrees, pursuant to MCL 18.1261d, to use mercury-free products when possible. The Contractor agrees to notify the Contract Administrator if it intends to provide products containing mercury, the amount or concentration of mercury, and whether cost competitive alternatives exist. If a cost competitive alternative does exist, the Contractor agrees to provide justification as to why the particular product is essential. All products containing mercury must be labeled as containing mercury.

STATE OF MICHIGAN

Contract Number: 180000000658

Heat Treated Face Cord Firewood for Cabins and Bunkhouses at Wilderness State Park.

SCHEDULE B1 LOCATION SPECIFICATION SHEET

Park Name:	Wilderness State Park
Park Address:	903 Wilderness Park Drive, Carp Lake, MI 49718
County:	Emmet
Project Manager:	Burr Mitchell
Title:	Park Supervisor
Email:	MitchellB3@michigan.gov
Phone:	231-436-5381
Accounting Asst:	Lisa Campeau
Delivery Hours:	9:00 a.m. – 5:30 p.m. Monday - Friday
Approximate Annual Requirements:	110 Face Cord
Minimum Order:	N/A
Firewood Delivered on Pallets:	No
Contractor to Unload Truck:	Yes
Contractor to Stack Wood:	Yes
Other Requirements:	Contractor agrees to deliver firewood by the face cord Contractor agrees to unload and stack firewood at designated location at each cabin and bunkhouse. Deliveries to occur between September 15 th and 30 th each year. Wood to be unloaded and stacked in designated areas at six (6) rustic cabins and three (3) bunkhouses located within the park. Ten (10) face cords to be delivered and stacked at each rustic cabin. NOTE: Access to cabins is limited to single axle vehicles. 50 face cords to be delivered and stacked in the bunkhouse area.
Price per Face Cord:	

