



STATE OF MICHIGAN PROCUREMENT

Department of Natural Resources

525 West Allegan, Constitution Hall, Third Floor
Lansing, MI 48933

NOTICE OF CONTRACT

NOTICE OF CONTRACT NO. 21000000611

between

THE STATE OF MICHIGAN

and

CONTRACTOR	R.F.C., Inc. d/b/a U.S. Lawns of Livonia
	15040 Dumay
	Southgate, MI 48195
	Ronald Howe
	734-818-0009
	ron.howe@uslawns.net
	CV0058227

STATE	Program Manager	Karis Floyd	DNR
		313-821-9844	
		FloydK@michigan.gov	
	Contract Administrator	Lisa Crozier-Green	DNR
517-388-6626			
CrozierGreenL@michigan.gov			

CONTRACT SUMMARY

DESCRIPTION: Belle Isle Grounds Maintenance

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
April 1, 2021	March 31, 2024	Two 1-Year Options to Renew	March 31, 2024
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		Per Contract Terms	
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			
N/A			
MISCELLANEOUS INFORMATION			
<p>The terms and conditions of this Contract are those of RFP 21000000890, this Contract Agreement and the vendor's quote dated March 10, 2021. In the event of any conflicts between the specifications and / or terms and conditions indicated by the State and those indicated by the vendor, those of the State take precedence.</p>			
ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION			\$145,320.00

FOR THE CONTRACTOR:

R.F.C., Inc. d/b/a U.S. Lawns of Livonia

Company Name



Authorized Agent Signature

Ronald Howe

Authorized Agent (Print or Type)

3-23-2021

Date

FOR THE STATE:


Signature

Laura L. Gyorkos, Procurement Section Manager

Name & Title

Department of Natural Resources

Agency

3/23/21

Date

SCHEDULE A – STATEMENT OF WORK CONTRACT ACTIVITIES

Contract Number 21000000611

Department of Natural Resources

Grounds Maintenance

DNR Parks and Recreation Department / Belle Isle, Detroit, MI

SCOPE

This Contract is a multi-year agreement for Grounds Maintenance Services on Belle Isle, Detroit, Michigan.

REQUIREMENTS

1. Requirements

1.1. General Requirements

- A. The Contractor agrees to provide all personnel, equipment, tools, materials, supervision, and other items and / or services necessary to perform the Contract Activities as described in Schedule A – Statement of Work.
- B. The required objective is to maintain Belle Isle grounds in a clean and safe condition for use by State employees and DNR customers.
- C. The Contractor agrees to provide all supervision necessary to oversee all Contract Activities performed by Contractor personnel or subcontractors.
- D. The State reserves the right to approve personnel and / or subcontractors for the Contract Activities, and to require placement of personnel found unacceptable.
- E. The State reserves the right to modify the services required under this RFP and / or any resulting contract to meet the State of Michigan's future needs.
- F. The State of Michigan will not pay for unperformed services, or for services performed on State Holidays unless pre-approved in writing (email acceptable) by Program Manager or designee.
- G. State Holidays include:
 - New Year's Eve / New Year's Day
 - Martin Luther King, Jr. Birthday
 - Presidents Day
 - Memorial Day
 - Independence Day
 - Labor Day
 - Veteran's Day
 - Election Day (even numbered years)
 - Thanksgiving Day (Thursday and Friday)
 - Christmas Eve / Christmas Day

SCHEDULE A – STATEMENT OF WORK CONTRACT ACTIVITIES

1.2 Specifications

A. Project Management

1. The Contractor agrees to carry out all Contract Activities under the direction and control of the DNR Program Manager.
2. The Program Manager will be in continual contact with Contractor’s Key Personnel or Contractor Representative to advise of Park events and / or activities which may impact service and / or to advise of adjustments to required service schedules.
1. The Contractor agrees all Contract Activities will be performed in a timely, professional manner with no disruption to Park events and little or no disruption to visitor activities.
2. The State is not obligated to purchase these services in any specific amounts.

B. Service Areas

1. Four (4) Service Areas are included in this Contract. Refer to Exhibit A – Service Area Map for location of each Service Area.
2. Service Areas vary in size, service period and frequency of service required:

Area	Acres	Service Period	Frequency	Annual Occurrences
A	7	July 1 – October 31	Weekly	9
B	9	April 1 – October 31	Weekly	15
C	16	April 1 – October 31	Weekly	15
D	50	May 1 – October 31	BI-Weekly	12

3. **Contract Activities shall not impede or disrupt Park events.**
 - a. The Program Manager or designee will provide the Contractor with a schedule of Parks events scheduled during the week.
 - b. The Program Manager and Contractor will coordinate service to work around any Park events scheduled during the service period.
4. Contract Activities for Service Area A are requested / preferred prior to 6:00 a.m. All other Contract Activities may be performed prior to 6:00 a.m. with Program Manager approval.
5. No Contract Activities will be performed on weekends due to high visitor use at the Park.
6. Service for Area A will commence following the Detroit Belle Isle Grand Prix road race, approximately July 1 each year.
7. Service for Areas B, C and D will commence as directed by the Program Manager when conditions warrant service to begin – approximately April 1 each year.
8. During inclement weather, service may be skipped or rescheduled at the sole discretion of the Program Manager. The Program Manager or designee shall notify the Contractor by telephone, text or email if regular service is not required, or should be rescheduled.

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9. The scheduled adjustment following any skipped or rescheduled service must be mutually agreed upon by the Program Manager and the Contractor.

C. Grounds Maintenance Specifications

1. The Contractor agrees all grounds maintenance services shall be performed according to the Schedule A Requirements and Specifications, Exhibit A – Service Area Map, and any schedules mutually agreed upon by the Program Manager or designee and the Contractor.
2. Hours of service are Monday through Friday, 8:00 a.m. – 10:00 p.m. EST. Contract Activities for Service Area A are requested / preferred prior to 6:00 a.m. Contract Activities for Service Areas B, C and D may be performed prior to 6:00 a.m. with Program Manager approval.
3. The Program Manager or designee shall contact the Contractor on a weekly basis to schedule any services required during that week.
 - a. During inclement weather, service may be skipped or rescheduled at the discretion of the Program Manager or designee.
 - b. All changes in scheduled service must be pre-approved by the Program Manager or designee.
 - c. The Program Manager or designee shall determine service priorities and designate areas not to be serviced due to wet or drought conditions.
4. The Contractor agrees to ensure all Contractor employees will exercise extreme care when operating string trimmers and mowing equipment around trees, wooden posts, or other landscape features.
5. The Contractor agrees to remain responsible for the removal and / or disposal of any lawn clippings, leaves, or tree limbs as necessary.
6. The Contractor agrees to remain responsibility for the repair, replacement or cleanup of damages incurred to State managed property or private owned property and personal bodily injury caused as a result of Contractor / employee negligence, unsafe work practices, operator error, carelessness or misuse of equipment while performing Contract Activities.
7. Under no circumstances shall the DNR or the State of Michigan be responsible for any damage to the Contractor’s equipment, or any injury to the Contractor’s employees, due to obstacles encountered on State property
8. **Clean Up and Mowing**
 - a. The Contractor and Program Manager will develop a system for the Contractor to mark or designate areas (place flags or other method) requiring DNR inspection / attention.
 - b. The Contractor agrees to notify the Program Manager of any areas with conditions which prevent or impede trimming or mowing.
 - c. **Clean Up:**
 - i. No litter or tree debris shall be driven over by any cutting device.
 - ii. After Park events and

SCHEDULE A – STATEMENT OF WORK

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- iii. Before, during and after mowing - Contractor employees or subcontractor shall pick up and properly dispose of all trash, litter, tree debris (limbs, large twigs), etc. in the areas to be mowed.
- d. **Mowing:**
 - i. Grass shall be mown to a height of three (3) inches.
 - ii. Service Areas A and B (Sunset Area) – grass clippings should not be visible after mowing.
 - iii. Areas with naturalized daffodil bulb plantings shall not be mown until after flowers have bloomed and plants have had enough growing time to rejuvenate bulbs. The Program Manager will provide the Contractor with a list / map of planted locations.
 - iv. Mowing equipment must not create ruts or cause any type of damage to grounds.
 - v. Mowing equipment shall be kept at a distance from, and not cause damage to, trees, fences fence / sign posts, or other landscape features.
 - vi. Grass clippings shall be blown or swept from all walkways, parking areas and driving areas after mowing. If a blower is used, grass clippings shall be blown away from the public, all structures and vehicles. Vehicles are not to be sprayed with grass or stones.
 - vii. Grass clippings shall be collected only as necessary. The Contractor shall comply with all regulations pertaining to yard clippings and their disposal according to State and Federal Guidelines per Exhibit A.
- 9. **Trimming**
 - a. The Contractor agrees trimming shall be performed with string type trimmers or hand shears around structures, trees, curbs, fences, posts, walks, drives, etc. String trimmers will include plastic shields to prevent damage.
 - b. Grass and weeds around trees and fence or sign posts shall be trimmed by a method which will not damage tree bark, posts or landscaping. Considerable damage to trees and wooden posts has been caused by string trimmers. Contractor must ensure employees take necessary precaution to avoid exacerbating the existing damage.
 - c. New growth of vines, trees, etc., shall be trimmed a minimum of two (2) feet around fencing, guard rails, etc.
 - d. Grass and weeds shall be trimmed a minimum of six (6) feet from edges of drives, ramps, parking lots and walkways, including around rocks.
 - e. Grass clippings, dirt and debris shall be blown or swept from all walkways, parking areas and driving areas after trimming. Excess grass clippings, dirt and debris shall be removed and disposed of by the Contractor, when required.

SCHEDULE A – STATEMENT OF WORK CONTRACT ACTIVITIES

10. “On-Call” Additional Service

- a. Optimal weather conditions or special events require service in one or more Service Areas more frequently than the weekly or bi-weekly schedule specified.
- b. The Contractor agrees to perform additional “on-call” services, as requested by the Program Manager within 24 hours of receiving the request.

B. Grounds Maintenance Equipment

1. The Contractor agrees to supply all equipment needed to complete Contract Activities including grounds maintenance equipment, safety equipment, fuel and transportation.
2. The Contractor agrees to provide a variety of suitable equipment (mowers, power blowers, string trimmers, hand tools, etc.) in appropriate quantity to adequately perform the Contract Activities in an approved safe, competent manner.
3. Equipment failure WILL NOT constitute an acceptable reason for failure to perform Contract Activities.
4. In the event of a mechanical breakdown, the Contractor must provide backup equipment so that grounds maintenance services are performed as requested.
5. The Contractor shall have access to a fenced area behind the Park Administration Building (the White House) for storage and staging of equipment and employee parking. No storage building is available. There will be no charge to the Contractor for use of this area. The Contractor will be required to provide a lock for the gate (double locked with the DNR’s lock to provide access to both the Contractor and DNR staff). The Contractor will be allowed to bring in a storage container and a self-contained fuel tank.

Equipment	Quantity	Owned	Rented
72” REAR DISCHARGE HUSTLER MOWERS	5	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Backup Equipment – The Contractor agrees to replace any non-working equipment within one (1) hour of mechanical failure.			

C. Estimate of Hours to Complete Service

- a. Based on the equipment listed and Contractor’s anticipated staff, provide the estimated number of hours required to complete each Service Area, per occurrence:

Area	Acres	Service Period	Frequency	Annual Occurrences	Estimated Hours to Complete Service
A	7	July 1 – October 31	Weekly	9	1.25
B	9	April 1 – October 31	Weekly	15	1.50
C	16	April 1 – October 31	Weekly	15	2.0
D	50	May 1 – October 31	BI-Weekly	12	6.0

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D. Hazardous Conditions

1. Conditions that are deemed hazardous, or that may be questionable (i.e., loose railings, exposed wiring, broken windows, etc.) must be:
 - a. Immediately verbally reported to the Program Manager or designee.
 - b. Written follow up to the Program Manager or designee within 24 hours. Written follow up should include a description of the hazardous condition, the specific location, and the date and time the condition was discovered.

E. Inspection and Correction of Deficiencies

1. Performance Evaluations will be given to the Contractor noting exceptions in performance to the required specifications.
 - a. Contractor agrees to correct deficiencies within 8 business hours.
 - b. Failure to perform, or failure to correct deficiency within the specified time, may result in a deductible incident, a vendor performance entered against the Contractor, a deductible incident, and / or contract cancellation. Refer to Section 6.0 for detail regarding deductible incidents.

1.3. Warranties

A. The State reserves the right to require additional warranties other than those identified by the Contractor.

B. The Contractor has not noted specific warranties.

C. Damage to State-owned, Leased or Citizen-owned Property

1. In all instances where State-owned or Citizen-owned property (private vehicles, etc.) or equipment is damaged, the Contractor agrees to notify the Program Manager or designee of the facts and extent of the damage:
 - a. Verbally – within one hour of the damage or discovery of damage, and
 - b. In writing within 24 hours of the damage or discovery of damage.
2. Contractor shall be responsible for repair, replacement or cleanup as necessary to any State-owned or Citizen-owned property due to carelessness, misuse or neglect of the Contractor or any of the Contractor's personnel or subcontractors.
3. In the event of Contractor liability for damages, the Contractor agrees:
 - a. The State will repair, replace or cleanup the damage.
 - b. The State will provide the Contractor with documentary evidence (i.e. invoices, etc.) of the costs associated with the repair, replacement or cleanup, and
 - c. The Contractor will reimburse the State for the full amount of the repair, replacement or cleanup either by:
 - i. Forwarding payment in full within 45 days of receipt of documentary evidence, or

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- ii. By agreeing, in writing, to allow the State to hold back contractual payments until the cost for the repair, replacement or cleanup has been fully reimbursed to the State.

D. Health, Safety and Environmental Protection

1. The Contractor agrees to conform to all applicable federal, state and local laws and to the requirements of this contract.
2. In performing the Contract Activities, the Contractor shall:
 - a. Take all reasonable precautions to prevent the release of hazardous chemicals into the environment.
 - b. Take all additional precautions the Program Manager or designee requires.
3. Any violation of the health, safety and environmental rules may be grounds for termination of this contract.

1.4. Quality Assurance Program

- A. The Contractor shall remain responsible for the repair and maintenance of all equipment used in the performance of the Contract Activities.
- B. The Contractor has not noted any specific Quality Assurance Program.

1.5. Incentives

- A. The Contractor is not offering quick payment terms.

2. Service Levels

2.1. Time Frames

- A. The Contractor agrees all Contract Activities will be performed in compliance with all Schedule A requirements or as requested by the Program Manager or designee.
- B. Contract Activities may commence from receipt of Delivery Order.
- C. The Contractor is not authorized to begin performance until receipt of Delivery Order.
- D. The receipt of order date is pursuant to Section 2, Notices, of the Standard Contract Terms.

2.2. Reporting

A. Reports and Forms

1. Contractor Log / Map:
 - a. Following completion of each service occurrence, the Contractor agrees to meet with the DNR Program Manager or designee to provide a log / map indicating the areas serviced in the preceding week.
 - b. The Contractor and Program Manager or designee will review the log / map and verify service was performed as recorded.
 - c. In the event services were not completed as recorded, service charges will be pro-rated to reflect the deficiency.
 - d. The log / map must be signed by the Program Manager or designee to indicate acceptance.

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2. The Contractor agrees to submit to the Program Manager or designee signed service receipts indicating areas where services were performed during the week.
3. The Contractor agrees to complete and provide any additional reports or DNR required forms. The Program Manager or designee will provide Contractor with DNR required forms.
 - a. Reports and forms may include, but are not limited to:
 - i. Contractor Log / Map
 - ii. Service Receipts
 - iii. Damage Reports
 - iv. Accident / Incident Reports
 - v. Contractor Evaluation
 - c. The State reserves the right to require other reports or completion of additional forms.
2. Damage Reports
 - a. In all instances where State property or equipment is damaged, the Contractor agrees to submit to the Program Manager or designee a Damage Report containing the facts and extent of the damage. Damage reports must be submitted verbally within one hour of the damage, and in writing within twenty-four (24) hours of the damage.
3. Accident Reports
 - a. The Contractor agrees to comply with State of Michigan, OSHA, and other regulatory agency requirements for record keeping and reporting of all accidents resulting in death, trauma, or occupational illness.
 - b. The Contractor agrees to provide a verbal report to the Program Manager or designee within one hour of the accident, and a written report within twenty-four (24) hours of the accident.

2.3. Meetings

- A. The Contractor agrees to attend any meetings requested by the State.
- B. Meetings may include:
 1. Kick-off meeting within 30 calendar days of the Effective Date of the contract to discuss the Contract Requirements, Terms and Contractor work plan.
 2. Annual Service Review and Progress Meeting to discuss services provided and Contractor's service quality.
 3. Quarterly Program Manager Meeting to discuss progress and provide guidance solving issues that arise.
- C. The State may request other meetings as it deems appropriate.

SCHEDULE A – STATEMENT OF WORK

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3. Staffing

3.1 Key Personnel

- A. The Contractor agrees to designate at least one Key Personnel who will be directly responsible for the day-to-day operations of the Contract. Key Personnel may be the same individual as the Contractor Representative.
- B. Key Personnel must be:
 - 1. Knowledgeable of the contractual requirements
 - 2. Respond to emergency situations within two (2) hours, and
 - 3. Respond to State inquiries within eight (8) business hours
 - 4. Trained and qualified to directly supervise the day-to-day Contract Activities.
- C. General employees or attendants may not be substituted for Key Personnel.
- D. The State reserves the right to:
 - 1. Require more than one Key Personnel to adequately supervise the day-to-day Contract Activities.
 - 2. Approve Key Personnel and / or
 - 3. Require replacement of Key Personnel, if necessary, to successfully perform the Contract Activities.
 - 4. Request a résumé and conduct an interview before approving a change.
 - 5. Require a 30 calendar-day training period for replacement personnel.
- E. The Contractor agrees not to remove or assign Key Personnel without 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.

Contractor Key Personnel:
Ron Howe, Owner 734-818-0009 or ron.howe@uslawns.net Contact for Staffing, Mechanical, etc. Number of employees supervised:12-15

3.2 Contractor Representative

- A. The Contractor agrees to designate one Contractor Representative assigned to any resulting Contract who will be available to receive calls for service prior to 7:00 a.m. Monday – Friday, respond to notice of unacceptable conditions within four (4) business hours and respond to State inquiries regarding the Contract Activities. The Contractor Representative and Key Personnel may be the same individual.
- B. The Contractor agrees to notify the Contract Administrator at least ten (10) calendar days before removing or assigning a new Contractor Representative. The Contract Administrator will draft a Change Notice for signature by the Contractor.
- C. The Contractor must identify the Contractor Representative, indicate where they will be physically located, provide contact information and describe the functions they will perform.

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Contractor Representative:
Ron Howe, Owner 734-818-0009 or ron.howe@uslawns.net M-F 8 a.m. – 5 p.m.

3.3. Disclosure of Subcontractors

- A. The Contractor agrees to remain responsible for the management of any subcontractors utilized for the performance of Contract Activities. Subcontractors will be bound to the Contractor by the terms of any resulting Contract.
- B. Subcontractors are any individual, organization or company who may be present on State property to perform or supervise Contract Activities, or who assist in the performance of the Contract Activities on or off-site and may include temporary employment agencies, rental companies, delivery companies, etc.
- C. The State reserves the right to review and approve subcontractors or require replacement of unacceptable subcontractors. The State’s written approval of any subcontractor does not relieve the Contractor of any obligation or performance required under any resulting Contract.
- D. Any change in named subcontractor(s) should be pre-approved, in writing (email is acceptable) by the Program Manager, with notice to the Contract Administrator.
- E. The State will direct payments for Contract Activities only to the Contractor.
- F. The Contractor does not intend to utilize a subcontractor. If at any time the Contractor requires the use of a subcontractor for any portion of the Contract Activities the Contractor agrees to provide the following:

Subcontractor Information:
Subcontractor: Business Name: Address: Telephone: Email: Description of organization: Services provided: Detail on Subcontractor’s ability to provide Contract Activities: Previous working relationship with Contractor: Description of Contract Activities to be performed:

3.4. General Staffing

- A. The Contractor agrees all staff performing Contract Activities will be adequately trained.
- B. The Contractor agrees all Contractor employees shall be appropriately attired and wear proper protective equipment while performing Contract Activities.

SCHEDULE A – STATEMENT OF WORK CONTRACT ACTIVITIES

- C. The Contractor should include a description which provides the anticipated number of general staff required to perform the Contract Activities, and any contingency plan for handling sick or no-show employees.

<i>Bidder Response:</i>
General Staffing: The Contractor will provide a THREE (3) Person Crew Contingency for Sick or No-Show Employees: The Contractor agrees to pull employees from other work as required.

3.5 Security

A. Contractor Responsibilities

1. The Contractor agrees all persons assigned by the Contractor to perform Contract Activities will be employees of the Contractor or a named subcontractor and fully qualified to perform the work assigned to them.
2. The Contractor agrees all persons performing Contract Activities will be readily identifiable as Contractor employees by wearing uniforms and / or displaying Contractor ID badges.
3. The State may require Contractor employees to wear State issued ID badges.
4. The Contractor agrees to ensure the safety of State facilities by performing background checks and / or drug screening on employees.
5. Upon request, the Contractor and/or sub-contractors agrees to provide background check results / documentation with DNR Human Resources, or their designee.
6. 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.
7. The Contractor uses E-Verify to perform background checks on employees.
8. The Contractor requires uniforms which identify workers as Contractor employees but does not provide / require ID badges.

B. DNR Human Resources Responsibilities

1. DNR Human Resources, or designee, is the sole contact to view background check or drug testing results on behalf of the State.
2. DNR Human Resources contact person is Amy Abdo, AbdoA@michigan.gov. (517) 284-5017.

C. State Employee Responsibilities

1. 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: T/B/D at Contract.

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4. Pricing

4.1. Price Term

- A. Pricing is firm for a 365-day period (“Pricing Period”) which begins on the Effective Date of any resulting Contract. Adjustments may be requested in writing by either party, effective no earlier than the next Pricing Period.

4.2. Price Changes

- A. Adjustments will be based only on actual changes in 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.
- B. 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.
- C. 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

- A. The appropriate authorizing document to begin Contract Activities will be properly executed delivery order (DO). Delivery orders will be provided to the Contractor via the email address in their SIGMA VSS account.

5.2 Order Verification

- A. The Contractor must have internal controls to verify abnormal requests and to ensure that only authorized individuals request service.

6. Service Levels

6.1. Days and Times of Service

- A. The Contractor agrees to adhere to the days and times of service as requested by the Program Manager or designee.
- B. The Contractor agrees all site staff will remain actively working during specified times of service, except during regularly scheduled breaks.

6.2. Acceptance, Inspection and Testing

- A. The Program Manager or designee is the only individual authorized to determine whether the Contract Activities are acceptable. Notice of unacceptable service or

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conditions by anyone other than the Program Manager or designee should be forwarded to the Program Manager for verification.

- B. If the Program Manager or designee determine any portion of the Contract Activities are unacceptable, the Program Manager or designee will immediately notify the Contractor Representative by telephone with follow up written notice by email.
- C. Acceptance of Contract Activities is pursuant to Section 14 of the Standard Contract Terms.
- D. The following criteria will be used by the State to determine Acceptance of the Contract Activities under this RFP.
- E. The Program Manager or designee may inspect for compliance with the requirements of the Contract noting any deficiencies. The Program Manager or designee will make the final determination as to whether any service has been satisfactorily performed.
- F. The Program Manager or designee will maintain a record of complaints from the agency or departmental staff and provide record of complaints to the Contractor. The record will identify areas requiring special attention, on the day the complaint was received, which must be completed by the Contractor within eight business hours of receipt.
- G. The Contractor must remain responsible to successfully perform any service that has not been performed satisfactorily. Contractor must correct the deficiency within 8 business hours, or sooner, depending on the severity of the issue.

6.3. Causes for Contractual Deductions

- A. Deductible Incidents include, but are not limited to:
 - 1. Failure to Respond to Emergency Situations
 - 2. Damage to Trees or Posts
 - 3. Unsatisfactory Conditions
 - 4. Incomplete or Missing Records or Reports
 - 5. Inadequate Equipment or Insufficient Staff
- B. Failure to Respond to Emergency Situations
 - 1. In the event of an emergency, the Program Manager or designee will telephone the assigned Key Personnel.
 - 2. Key Personnel failure to respond to the Program Manager or designee within two (2) hours of the initial call may result in a \$100.00 invoice deduction and an additional deduction of \$50.00 for every ½ hour of delay.
- C. Damage to Trees or Posts
 - 1. DNR will be planting landscape trees and replacing wooden posts, benches, etc. Damage to newly planted trees or new posts will result in the following invoice deductions:
 - a. Tree: Actual replacement cost of a 4' sapling of same or similar species.
 - b. Post: Actual replacement cost of a post of like material and dimensions.

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D. Unsatisfactory Conditions

1. The Program Manager or designee is authorized to determine whether Contract Activities are satisfactory.
2. If the Program Manager or designee determines any Contract Activity has not been adequately performed, the Program Manager or designee will immediately notify the Contractor of the unsatisfactory condition. Notification may be verbal, by telephone, text or email. Text or email is preferred.
3. Failure to correct the deficiency within 8 business hours (or specified timeframe) may result in a \$100.00 per day invoice deduction for the first day, and a \$100.00 deduction for each additional day.

E. Incomplete or Missing Records or Reports

1. Failure to complete and submit any required report or form within specified time may result in a \$25.00 per day invoice deduction.

F. Inadequate Equipment or Insufficient Staff

1. Inadequate Equipment or Insufficient Staff may result in a \$50.00 per day invoice deduction.

6.4. Escalation (Contract Compliance)

A. First Instance –

1. 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:
 - a. Verbally notify the Contractor of the situation or issue
 - b. Provide a description of the non-compliance or Deductible Incident or Condition.
 - c. Specify a date by which the issue must be resolved.
2. The Contractor should provide the Program Manager or designee with a verbal root cause analysis and corrective action plan.
3. 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.

B. Second Instance –

1. If resolution is not achieved, or the issue arises again, the Program Manager or designee will:
2. Schedule an in-person meeting with the Contractor and provide, in writing:
 - a. A description of the specific problem
 - b. A description of the actions the Contractor is expected to take to resolve the problem
 - c. A date by which the Contractor is expected to resolve the problem
 - d. Notify Contractor of the intent to exercise the Contractual Deduction

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- e. Request, in writing, the Contractor's root cause and corrective action plan.
- 3. 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.
- 4. Exercise the Contractual Deduction as a deduction from the next invoice.
- 5. Enter a Vendor Performance Report in SIGMA. Vendor Performance Reports entered in SIGMA may be used for proposal evaluation in future bid opportunities.
- C. If resolution is not achieved or the issue arises again, a written notice of termination may be sent to the Contractor.
- D. In the event a contract is cancelled, the State may award the contract to the next lowest qualified bidder.

7. Invoice and Payment

7.1. Invoice Requirements

- A. Invoices must reflect actual work completed.
- B. Invoices for service must not be submitted in advance of actual performance.
- C. Invoice amount must be pro-rated if Service was not completed during the invoice period. Pro-rata calculated by dividing the price per occurrence by the acreage in the Service Area included on the invoice.
- D. All invoices submitted to the State must include:
 - b. Date
 - c. Delivery Order number (DO or Doc I.D.)
 - d. Quantity – Service Area and Acres
 - e. Description of the Contract Activities
 - f. Unit price / Price Per Occurrence
 - g. Total price
- 6. All invoices must match, and will be verified against, service receipts.
- 7. Prior to release of payment, invoices will be adjusted to account for any outstanding invoice deductions, property repair or replacement, or liquidated damages.

7.2. Payment Methods

- A. The State will make payment for Contract Activities by Electronic Funds Transfer (EFT) only.
- B. EFT payment will be adjusted by any Invoice / Contractual Deductions.

7.3. Procedure / Payment Terms

- A. Payment terms are Net 45 Days after receipt of invoice (ARI).

SCHEDULE A – STATEMENT OF WORK

CONTRACT ACTIVITIES

8. Project Plan

- A. The Contractor agrees to carry out this project under the direction and control of the Program Manager. Within 30 calendar days of the Effective Date, the Contractor may be required to submit a project plan to the Program Manager for final approval. If requested the Contractor agrees the plan will include: (a) the Contractor's organizational chart with names and title of personnel assigned to the project, which must align with the staffing stated in accepted proposals; and (b) the project breakdown showing sub-projects, tasks, and resources required.

9. Transition

- A. Contract Execution:** The Contractor agrees to sign and date the Contract by the Contract Start Date and provide a current certificate of liability insurance per Section 6 of the Standard Contract Terms.
- B. Post-Contract Transition:**
1. The Contractor agrees invoices will be received by the State within 45 days after expiration of the contract. Any invoices received after 45 days of contract expiration may result in a non-payment of invoice.
 2. The Contractor agrees, if required, to continue providing Contract Activities for the length of time specified in Section 21 of the Standard Contract Terms.

10. Liquidated Damages

- A. Late or improper completion of the Contract Activities will cause loss and damage to the State and it would be impracticable and extremely difficult to fix the actual damage sustained by the State. The State is entitled to collect liquidated damages in the amount of \$500 and an additional \$100 per day for each day Contractor fails to remedy the late or improper completion of the Work.

SCHEDULE B - VENDOR PRICE QUOTE

Contract Number 210000000611
 Department of Natural Resources
 Grounds Maintenance
 DNR Parks and Recreation Department / Belle Isle, Detroit, MI

1. The Contractor agrees this price proposal includes all costs, including but not limited to, any one-time or set-up charges, fees, and potential costs that Contractor may charge the State (e.g., shipping and handling, per piece pricing, and palletizing).
2. The Contractor is not offering quick payment terms. The number of days must not include processing time for payment to be received by the Contractor's financial institution.
 Quick payment terms: 0% discount off invoice if paid within 0 days after receipt of invoice.
3. Estimated occurrences are for proposal purposes only based on historic annual requirements. Actual number of occurrences subject to change based on weather and growth conditions.

Service Area	Frequency	Price per Occurrence	Estimated Occurrences	Total Annual	TOTAL PROPOSED FOR CONTRACT
Area A, 7 Acres, 7/1 – 10/21	Weekly	\$ 196.00	9	\$ 1,764.00	\$ 8,820.00
Area B, 9 Acres, 4/1 – 10/31	Weekly	\$ 252.00	15	\$ 3,780.00	\$ 18,900.00
Area C, 16 Acres, 4/1 – 10/31	Weekly	\$ 448.00	15	\$ 6,720.00	\$ 33,600.00
Area D, 50 Acres, 5/1 – 10/31	Bi-Weekly	\$1,400.00	12	\$16,800.00	\$ 84,000.00
Total Annual Quote				\$29,064.00	
TOTAL QUOTE FOR 5 YEAR CONTRACT					\$145,320.00

EXHIBIT A – AERIAL MAPS OF SERVICE AREAS AND YARD WASTE DISPOSAL REQUIREMENTS



Estimated number of occurrences are for proposal purposes only. Actual number of annual service occurrences will vary based on weather and growth conditions.

Service Area A – 7 Acres

Service is weekly, July 1 – October 31. Estimated 9 service occurrences.

Service Area B – 9 Acres

Service is weekly, April 1 – October 31. Estimated 15 service occurrences.

Service Area C – 16 Acres

Service is weekly, April 1 – October 31. Estimated 15 service occurrences.

Service Area D – **50 Acres**

Service is BI-weekly, May 1 – October 31. Estimated 12 service occurrences.

EXHIBIT A – AERIAL MAPS OF SERVICE AREAS AND YARD WASTE DISPOSAL REQUIREMENTS

324.11521 YARD CLIPPINGS.

Sec 11521. (1) If the owner or operator of a landfill or a municipal solid waste incinerator knows or should know that solid waste to be disposed of includes yard clippings that are generated or collected, or both, on land that is owned by a county, municipality, or a state facility, the owner or operator of the landfill or municipal solid waste incinerator shall not accept the solid waste for disposal.

(2) Beginning on March 28, 1995, if the owner or operator of a landfill or a municipal solid waste incinerator knows or should know that solid waste to be disposed of includes yard clippings from any source, the owner or operator of the landfill or municipal solid waste incinerator shall not accept the solid waste for disposal.

(3) This section does not apply to yard clippings that are diseased or infested.

324.11522 OPEN BURNING OF GRASS CLIPPING OR LEAVES.

Sec. 11522. (1) Beginning on March 28, 1995, the open burning of grass clippings or leaves, or both, is prohibited in any municipality having a population of 7,500 or more, unless specifically authorized by local ordinance, which ordinance shall be reported to the department of natural resources within 30 days of enactment.

(2) This section does not allow a county or municipality to permit open burning of grass clippings or leaves, or both, by an ordinance that would otherwise be prohibited under part 55 or rules promulgated under that part.

STANDARD CONTRACT TERMS

This STANDARD CONTRACT (“**Contract**”) is agreed to between the State of Michigan (the “**State**”) and R.F.C. Inc, d/b/a U.S. Lawns of Livonia, (“**Contractor**”), a Michigan corporation.

Contract is effective April 1, 2021 (“**Effective Date**”) and unless terminated expires March 31, 2024.

This Contract may be renewed for up to TWO 1-Year Options to Renew. 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.** Contractor must 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.

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 Schedule 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 contacting / communicating 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.

STANDARD CONTRACT TERMS

If to State:	If to Contractor:
Lisa Crozier-Green 525 West Allegan Constitution Hall, Third Floor Lansing, MI 48933 CrozierGreenL@michigan.gov 517-388-6626	Ron Howe 15040 Dumay Southgate, MI 48195 ron.howe@uslawns.net 734-818-0009

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:	Contractor:
Lisa Crozier-Green 525 West Allegan Constitution Hall, Third Floor Lansing, MI 48933 CrozierGreenL@michigan.gov 517-388-6626	Ron Howe 15040 Dumay Southgate, MI 48195 ron.howe@uslawns.net 734-818-0009

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:	Contractor:
Karis Floyd, Park Manager Belle Isle FloydK@michigan.gov 313-821-9844	Carol Howe 15040 Dumay Southgate, MI 48195 carol.howe@uslawns.net 734-818-0016

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 Schedule A – Statement of Work) if, in the opinion of the State, it will ensure performance of the Contract.
6. **Insurance Requirements.** Contractor, at its sole expense, must maintain the insurance coverage identified below. 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	
Minimum Limits: \$1,000,000 Each Occurrence \$1,000,000 Personal & Advertising Injury \$2,000,000 Products/Completed Operations \$2,000,000 General Aggregate Deductible Maximum: \$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 04.

STANDARD CONTRACT TERMS

Required Limits	Additional Requirements
Umbrella or Excess Liability Insurance	
Minimum Limits: \$5,000,000 General Aggregate	Contractor must have their policy follow form.
Automobile Liability Insurance	
Minimum Limits: \$1,000,000 Per Accident	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	
Minimum Limits: Coverage according to applicable laws governing work activities.	Waiver of subrogation, except where waiver is prohibited by law.
Employers Liability Insurance	
Minimum Limits: \$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 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 cancelled 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 delivery order number, at Contract formation and within twenty (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 five (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 to 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. 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.

STANDARD CONTRACT TERMS

Contractor hereby acknowledges that the State is and will be the sole and exclusive owner of all right, title, and interest in the Contract Activities and all associated intellectual property rights, if any. Such Contract Activities are works made for hire as defined in Section 101 of the Copyright Act of 1976. To the extent any Contract Activities and related intellectual property do not qualify as works made for hire under the Copyright Act, Contractor will, and hereby does, immediately on its creation, assign, transfer and otherwise convey to the State, irrevocably and in perpetuity, throughout the universe, all right, title and interest in and to the Contract Activities, including all intellectual property rights therein.

8. **Subcontracting.** Contractor may utilize subcontractors for Contract Activities, but 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.
9. **Staffing.** The State's Contract Administrator may require Contractor to remove or reassign personnel by providing a notice to Contractor.
10. **Background Checks.** Pursuant to Michigan law, all agencies subject to IRS Pub. 1075 are required to ask the Michigan State Police to perform fingerprint background checks on all employees, including Contractor and Subcontractor employees, who may have access to any database of information maintained by the federal government that contains confidential or personal information, including, but not limited to, federal tax information. Further, pursuant to Michigan law, any agency described above is prohibited from providing Contractors or Subcontractors with the result of such background check. For more information, please see Michigan Public Act 427 of 2018. Upon request, or as may be specified in Schedule A, Contractor must 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. Contractor is responsible for all costs associated with the requested background checks. The State, in its sole discretion, may also perform background checks.
11. **Assignment.** Contractor may not assign this Contract to any other party without the prior approval of the State. Upon notice to 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, Contractor will agree to the novation and provide all necessary documentation and signatures.

STANDARD CONTRACT TERMS

12. Change of Control. Contractor will notify within 30 days of any public announcement or otherwise once legally permitted to do so, 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.

13. Ordering. Contractor is not authorized to begin performance until receipt of authorization as identified in Schedule A.

14. 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.

15. 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 Schedule A. All containers and packaging become the State's exclusive property upon acceptance.

16. 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.

STANDARD CONTRACT TERMS

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. All prices are exclusive 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.

- 17. Liquidated Damages.** Liquidated damages, if applicable, will be assessed as described in Schedule A.
- 18. 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 delivery order. The State will not pay for Contract Activities, Contractor's lost profits, or any additional compensation during a stop work period.
- 19. 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

STANDARD CONTRACT TERMS

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.

- 20. 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.
- 21. 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.
- 22. 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

STANDARD CONTRACT TERMS

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.

- 23. 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.
- 24. 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.
- 25. 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

STANDARD CONTRACT TERMS

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.

26. 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.

27. 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

STANDARD CONTRACT TERMS

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.
- 28. 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

STANDARD CONTRACT TERMS

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.

- 29. 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.
- 30. 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.
- 31. Compliance with Laws.** Contractor must comply with all federal, state and local laws, rules and regulations.
- 32. Prevailing Wage.** Contractor must comply with prevailing wage requirements to the extent applicable to this Contract.

STANDARD CONTRACT TERMS

- 33. Nondiscrimination.** Under the Elliott-Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, *et seq.*, the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, *et seq.*, and [Executive Directive 2019-09](#). 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 (as defined in Executive Directive 2019-09), height, weight, marital status, partisan considerations, any mental or physical disability, or genetic information that is unrelated to the person's ability to perform the duties of a particular job or position. Breach of this covenant is a material breach of this Contract.
- 34. 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.
- 35. 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.
- 36. 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.
- 37. 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.
- 38. 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

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order or other injunctive relief is the only adequate remedy. This Section does not limit the State’s right to terminate the Contract.

- 39. 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.
- 40. Website Incorporation.** The State is not bound by any content on Contractor’s website unless expressly incorporated directly into this Contract.
- 41. Schedules.** All Schedules and Exhibits that are referenced herein and attached hereto are hereby incorporated by reference. The following Schedules are attached hereto and incorporated herein:

Schedule A	Statement of Work
Schedule B	Vendor Price Quote
Exhibit A	Service Area Maps / Yard Waste Disposal Requirements

- 42. Entire Agreement and Order of Precedence.** This Contract, which includes Schedule A – Statement of Work, and schedules and exhibits which are hereby expressly incorporated, 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.
- 43. 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.
- 44. Waiver.** Failure to enforce any provision of this Contract will not constitute a waiver.
- 45. 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.

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- 46. 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.

FEDERAL PROVISIONS ADDENDUM

This addendum applies to purchases that will be paid for in whole or in part with funds obtained from the federal government. The provisions below are required, and the language is not negotiable. If any provision below conflicts with the State's terms and conditions, including any attachments, schedules, or exhibits to the State's Contract, the provisions below take priority to the extent a provision is required by federal law; otherwise, the order of precedence set forth in the Contract applies. Hyperlinks are provided for convenience only; broken hyperlinks will not relieve Contractor from compliance with the law.

1. Equal Employment Opportunity

If this Contract is a “**federally assisted construction contract**” as defined in [41 CFR Part 60-1.3](#), and except as otherwise may be provided under [41 CFR Part 60](#), then during performance of this Contract, the Contractor agrees as follows:

- 1) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following:
Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
- 2) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.
- 3) The Contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted

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by the employer, or is consistent with the Contractor's legal duty to furnish information.

- 4) The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the Contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- 5) The Contractor will comply with all provisions of [Executive Order 11246](#) of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- 6) The Contractor will furnish all information and reports required by [Executive Order 11246](#) of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- 7) In the event of the Contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this Contract may be canceled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in [Executive Order 11246](#) of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in [Executive Order 11246](#) of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- 8) The Contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of [Executive Order 11246](#) of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance:

Provided, however, that in the event a Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in

FEDERAL PROVISIONS ADDENDUM

federally assisted construction work: *Provided*, that if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.

The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings.

2. **Davis-Bacon Act (Prevailing Wage)**

If this Contract is a **prime construction contract** in excess of \$2,000, the Contractor (and its Subcontractors) must comply with the Davis-Bacon Act ([40 USC 3141-3148](#)) as supplemented by Department of Labor regulations ([29 CFR Part 5](#), "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"), and during performance of this Contract the Contractor agrees as follows:

- 1) All transactions regarding this contract shall be done in compliance with the Davis-Bacon Act (40 U.S.C. 3141- 3144, and 3146-3148) and the requirements of 29 C.F.R. pt. 5 as may be applicable. The contractor shall comply with 40 U.S.C. 3141-3144, and 3146-3148 and the requirements of 29 C.F.R. pt. 5 as applicable.

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- 2) Contractors are required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor.
- 3) Additionally, contractors are required to pay wages not less than once a week.

3. Copeland “Anti-Kickback” Act

If this Contract is a contract for construction or repair work in excess of \$2,000 where the Davis-Bacon Act applies, the Contractor must comply with the Copeland “Anti-Kickback” Act ([40 USC 3145](#)), as supplemented by Department of Labor regulations ([29 CFR Part 3](#), “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”), which prohibits the Contractor and subrecipients from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled, and during performance of this Contract the Contractor agrees as follows:

- 1) **Contractor.** The Contractor shall comply with 18 U.S.C. § 874, 40 U.S.C. § 3145, and the requirements of 29 C.F.R. pt. 3 as may be applicable, which are incorporated by reference into this contract.
- 2) **Subcontracts.** The Contractor or Subcontractor shall insert in any subcontracts the clause above and such other clauses as FEMA or the applicable federal awarding agency may by appropriate instructions require, and also a clause requiring the Subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all of these contract clauses.
- 3) **Breach.** A breach of the contract clauses above may be grounds for termination of the contract, and for debarment as a Contractor and Subcontractor as provided in 29 C.F.R. § 5.12.

4. Contract Work Hours and Safety Standards Act

If the Contract is **in excess of \$100,000** and **involves the employment of mechanics or laborers**, the Contractor must comply with [40 USC 3702](#) and [3704](#), as supplemented by Department of Labor regulations ([29 CFR Part 5](#)), as applicable, and during performance of this Contract the Contractor agrees as follows:

- 1) **Overtime requirements.** No Contractor or Subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

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- 2) Violation; liability for unpaid wages; liquidated damages.** In the event of any violation of the clause set forth in paragraph (1) of this section the Contractor and any Subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such Contractor and Subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1) of this section, in the sum of \$27 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1) of this section.
- 3) Withholding for unpaid wages and liquidated damages.** The State shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the Contractor or Subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2) of this section.
- 4) Subcontracts.** The Contractor or Subcontractor shall insert in any subcontracts the clauses set forth in paragraph (1) through (4) of this section and also a clause requiring the Subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (1) through (4) of this section.

5. Rights to Inventions Made Under a Contract or Agreement

If the Contract is funded by a federal “funding agreement” as defined under [37 CFR §401.2 \(a\)](#) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with [37 CFR Part 401](#), “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.

6. Clean Air Act and the Federal Water Pollution Control Act

If this Contract is **in excess of \$150,000**, the Contractor must comply with all applicable standards, orders, and regulations issued under the Clean Air Act ([42](#)

FEDERAL PROVISIONS ADDENDUM

[USC 7401-7671q](#)) and the Federal Water Pollution Control Act ([33 USC 1251-1387](#)), and during performance of this Contract the Contractor agrees as follows:

Clean Air Act

1. The Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.
2. The Contractor agrees to report each violation to the State and understands and agrees that the State will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency or the applicable federal awarding agency, and the appropriate Environmental Protection Agency Regional Office.
3. The Contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA or the applicable federal awarding agency.

Federal Water Pollution Control Act

1. The Contractor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.
2. The Contractor agrees to report each violation to the State and understands and agrees that the State will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency or the applicable federal awarding agency, and the appropriate Environmental Protection Agency Regional Office.
3. The Contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA or the applicable federal awarding agency.

7. Debarment and Suspension

A “contract award” (see [2 CFR 180.220](#)) must not be made to parties listed on the government-wide exclusions in the [System for Award Management](#) (SAM), in accordance with the OMB guidelines at [2 CFR 180](#) that implement [Executive Orders 12549](#) ([51 FR 6370; February 21, 1986](#)) and 12689 ([54 FR 34131; August 18, 1989](#)), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than [Executive Order 12549](#).

- 1) This Contract is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such, the Contractor is required to verify that none of the Contractor’s principals (defined at 2 C.F.R. § 180.995) or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).

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- 2) The Contractor must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.
- 3) This certification is a material representation of fact relied upon by the State. If it is later determined that the contractor did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to the State, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment
- 4) The bidder or proposer agrees to comply with the requirements of 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

8. Byrd Anti-Lobbying Amendment

Contractors who apply or bid for an award of **\$100,000 or more** shall file the required certification in Exhibit 1 – Byrd Anti-Lobbying Certification below. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, officer or employee of Congress, or an employee of a Member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient who in turn will forward the certification(s) to the awarding agency.

9. Procurement of Recovered Materials

Under [2 CFR 200.322](#), Contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act.

- 1) In the performance of this contract, the Contractor shall make maximum use of products containing recovered materials that are EPA-designated items unless the product cannot be acquired:
 - a. Competitively within a timeframe providing for compliance with the contract performance schedule;
 - b. Meeting contract performance requirements; or
 - c. At a reasonable price.
- 2) Information about this requirement, along with the list of EPA- designated items, is available at EPA's Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>.

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- 3) The Contractor also agrees to comply with all other applicable requirements of Section 6002 of the Solid Waste Disposal Act.

10. Additional FEMA Contract Provisions.

The following provisions apply to purchases that will be paid for in whole or in part with funds obtained from the Federal Emergency Management Agency (FEMA):

- 1) **Access to Records.** The following access to records requirements apply to this contract:
- a. The Contractor agrees to provide the State, the FEMA Administrator, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Contractor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts, and transcriptions
 - b. The Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed
 - c. The Contractor agrees to provide the FEMA Administrator or his authorized representatives access to construction or other work sites pertaining to the work being completed under the contract
 - d. In compliance with the Disaster Recovery Act of 2018, the State and the Contractor acknowledge and agree that no language in this contract is intended to prohibit audits or internal reviews by the FEMA Administrator or the Comptroller General of the United States.
- 2) **Changes.**
See the provisions regarding modifications or change notice in the Contract Terms.
- 3) **DHS Seal Logo and Flags.**
The Contractor shall not use the DHS seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre-approval.
- 4) **Compliance with Federal Law, Regulations, and Executive Orders.**
This is an acknowledgement that FEMA financial assistance will be used to fund all or a portion of the contract. The Contractor will comply with all applicable Federal law, regulations, executive orders, FEMA policies, procedures, and directives.
- 5) **No Obligation by Federal Government.**
The Federal Government is not a party to this contract and is not subject to any obligations or liabilities to the State, Contractor, or any other party pertaining to any matter resulting from the Contract.”
- 6) **Program Fraud and False or Fraudulent Statements or Related Acts**
The Contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the Contractor’s actions pertaining to this contract.

EXHIBIT 1

BYRD ANTI-LOBBYING CERTIFICATION

Contractor must complete this certification if the purchase will be paid for in whole or in part with funds obtained from the federal government and the purchase is greater than \$100,000.

APPENDIX A, 44 C.F.R. PART 18 – CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The Contractor, RONALD HOWE, certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. Chap. 38, Administrative Remedies for False Claims and Statements, apply to this certification and disclosure, if any.

RONALD HOWE
Signature of Contractor's Authorized Official

RONALD HOWE OWNER
Name and Title of Contractor's Authorized Official

2-25-2021
Date