



STATE OF MICHIGAN PROCUREMENT

Department of Natural Resources

525 W. Allegan St. Lansing, MI 48933

CONTRACT CHANGE NOTICE

Change Notice Number **2**
to
Contract Number **22000000841**

CONTRACTOR	Operations Services
	10281 Old 27 S
	Gaylord, MI 49735
	Josh Hall
	(231) 709-3593
	Jhall@operationservices.com
	CV0039973

STATE	Program Manager	Kasey Mahony	DNR
		(231) 775-9727	
	Contract Administrator	Mahonyk@michigan.gov	
		Brooke Jones	DNR
		(517) 388-6833	
		Jonesb30@michigan.gov	

CONTRACT SUMMARY				
DESCRIPTION: Operations and Maintenance of the Wastewater Treatment System and Water Supply and Treatment System at Interlochen State Park.				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW	
04/22/2022	04/21/2025	5, 1-year	04/21/2026	
PAYMENT TERMS		DELIVERY TIMEFRAME		
Net 45		N/A		
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				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input checked="" type="checkbox"/>	1 year	<input type="checkbox"/>		04/21/2027
CURRENT VALUE		VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE	
\$157,657.68		\$40,049.00	\$197,706.68	
DESCRIPTION: Effective 12/15/2025, the DNR is adding \$40,049.00 to the current contract value, making the estimated aggregate value \$197,706.68. The DNR is also exercising the second available option year on the contract, making the revised expiration date 04/21/2027. All other terms, conditions, and specifications remain the same.				

FOR THE CONTRACTOR:

Operations Services
Company Name

Signed copy with DNR Procurement

Authorized Agent Signature

Josh Hall
Authorized Agent (Print or Type)

Date

FOR THE STATE:

Signed copy with DNR Procurement

Signature

Sam Fusco, Buyer Manager
Name & Title

Department of Natural Resources
Agency

Date



STATE OF MICHIGAN PROCUREMENT

Department of Natural Resources

525 W. Allegan St. Lansing, MI 48933

CONTRACT CHANGE NOTICE

Change Notice Number **1**
to
Contract Number **220000000841**

CONTRACTOR	Operations Services
	10281 Old 27 S
	Gaylord, MI 49735
	Josh Hall
	(231) 709-3593
	Jhall@operationservices.com
	CV0039973

STATE	Program Manager	Kasey Mahony	DNR
		(231) 775-9727	
	Mahonyk@michigan.gov		
	Contract Administrator	Brooke Jones	DNR
(517) 388-6833			
Jonesb30@michigan.gov			

CONTRACT SUMMARY				
DESCRIPTION: Operations and Maintenance of the Wastewater Treatment System and Water Supply and Treatment System at Interlochen State Park.				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW	
04/22/2022	04/21/2025	5, 1-year	04/21/2025	
PAYMENT TERMS		DELIVERY TIMEFRAME		
Net 45		N/A		
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				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input checked="" type="checkbox"/>	1 year	<input type="checkbox"/>		04/21/2026
CURRENT VALUE		VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE	
\$118,230.00		\$39,427.68	\$157,657.68	
DESCRIPTION: Effective 12/16/2024, the DNR is adding \$39,427.68 to the current contract value, making the estimated aggregate value \$157,657.68. The DNR is also exercising the first available option year on the contract, making the revised expiration date 04/21/2026. All other terms, conditions, and specifications remain the same.				

FOR THE CONTRACTOR:

Operations Services

Company Name

****Signed copy with DNR Procurement****

Authorized Agent Signature

Josh Hall

Authorized Agent (Print or Type)

Date

FOR THE STATE:

****Signed copy with DNR Procurement****

Signature

Kip Conley, Buyer Manager

Name & Title

Department of Natural Resources

Agency

Date



STATE OF MICHIGAN PROCUREMENT
 Department of Natural Resources
 525 W. Allegan St. Lansing, MI 48933

NOTICE OF CONTRACT

NOTICE OF CONTRACT NO. **22000000841**
 between
 THE STATE OF MICHIGAN
 and

CONTRACTOR	Operations Services
	10281 Old 27 S
	Gaylord, MI 49735
	Josh Hall
	(231) 709-3593
	Jhall@operationservices.com
	CV0039973

STATE	Program Manager	Kasey Mahony	DNR
		(231) 775-9727	
	Mahonyk@michigan.gov		
	Contract Administrator	Brooke Jones	DNR
(517) 388-6833			
Jonesb30@michigan.gov			

CONTRACT SUMMARY			
DESCRIPTION: Operations and Maintenance of the Wastewater Treatment System and Water Supply and Treatment System at Interlochen State Park			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
04/22/2022	04/21/2025	5, 1-year	04/21/2025
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		N/A	
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			
This Contract Agreement is awarded on the basis of our inquiry bearing the solicitation (RFP) No. 220000001408. Orders for delivery will be issued directly by the Michigan Department of Natural Resources. In the event of any conflicts between the specifications, and terms and conditions indicated by the State and those indicated by the vendor, those of the State take precedence.			
ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION			\$118,230.00

FOR THE CONTRACTOR:

Company Name

****Signed copy with DNR Procurement****

Authorized Agent Signature

Authorized Agent (Print or Type)

Date

FOR THE STATE:

****Signed copy with DNR Procurement****

Signature

Name & Title

Agency

Date

STANDARD CONTRACT TERMS

This STANDARD CONTRACT (“**Contract**”) is agreed to between the State of Michigan (the “**State**”) and Operations Services (“**Contractor**”). This Contract is effective on 04/22/2022 (“**Effective Date**”), and unless terminated, expires on 04/21/2025.

This Contract may be renewed for up to 5 additional 1-year period(s). 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 making contact with the State.

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

If to State:	If to Contractor:
Brooke Jones 525 W. Allegan St. 3 rd Floor North Tower Lansing, MI 48933 JonesB30@michigan.gov (517) 388-6833	James Berry 215 Hillcrest Ave, Suite D Yorkville, IL 60560 Jberry@operationservices.com (630) 385-2334

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:
Brooke Jones 525 W. Allegan St. 3 rd Floor North Tower Lansing, MI 48933 JonesB30@michigan.gov (517) 388-6833	Josh Hall, Vice President 18050 E Traverse Hyw, Suite 2260 Traverse City, MI 49684 Jhall@operationservices.com (231) 709-3593

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:
Kasey Mahony 8015 Mackinaw Trail Cadillac, MI 49601 Mahonyk@michigan.gov (231) 775-9727	Josh Hall, Vice President 18050 E Traverse Hyw, Suite 2260 Traverse City, MI 49684 Jhall@operationservices.com (231) 709-3593

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

otherwise 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	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 20 10 12 19 and CG 20 37 12 19.
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	
Environmental and Pollution Liability (Errors and Omissions)	
Minimum Limits: \$1,000,000 Each Occurrence \$2,000,000 Annual Aggregate	Contractor must have their policy: (1) be applicable to the work being performed, including completed operations equal to or exceeding statute of repose; (2) not have exclusions or limitations related to Transportation (upset overturn, spills during loading

Required Limits	Additional Requirements
	or unloading, Hazardous Materials Handling, and Non Owned disposal site liability; and (3) endorsed to add “the State of Michigan, its departments, division, agencies, offices, commissions, officers, employees, and agents” as additional insured.

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 insurance 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. **Reserved.**
- 8. **Reserved.**
- 9. **Independent Contractor.** Contractor is an independent contractor and assumes all rights, obligations and liabilities set forth in this Contract. Contractor, its employees, and agents will not be considered employees of the State. No partnership or joint venture relationship is created by virtue of this Contract. Contractor, and not the State, is responsible for the payment of wages, benefits and taxes of Contractor’s employees and any subcontractors. Prior performance does not modify Contractor’s status as an independent contractor.
- 10. **Subcontracting.** Contractor may not delegate any of its obligations under the Contract without the prior written approval of the State. Contractor must notify

the State at least 90 calendar days before the proposed delegation and provide the State any information it requests to determine whether the delegation is in its best interest. If approved, Contractor must: (a) be the sole point of contact regarding all contractual matters, including payment and charges for all Contract Activities; (b) make all payments to the subcontractor; and (c) incorporate the terms and conditions contained in this Contract in any subcontract with a subcontractor. Contractor remains responsible for the completion of the Contract Activities, compliance with the terms of this Contract, and the acts and omissions of the subcontractor. The State, in its sole discretion, may require the replacement of any subcontractor.

11. **Staffing.** The State's Contract Administrator may require Contractor to remove or reassign personnel by providing a notice to Contractor.
12. **Background Checks.** 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.
13. **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.
14. **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.

15. **Ordering.** Contractor is not authorized to begin performance until receipt of authorization as identified in Schedule A.
16. **Acceptance.** Contract Activities are subject to inspection and testing by the State within 30 calendar days of the State's receipt of them ("**State Review Period**"), unless otherwise provided in 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.

17. **Reserved.**
18. **Reserved.**
19. **Warranty Period.** The warranty period, if applicable, for Contract Activities is a fixed period commencing on the date specified in Schedule A. If the Contract Activities do not function as warranted during the warranty period, the State

may return such non-conforming Contract Activities to the Contractor for a full refund.

- 20. Terms of Payment.** Invoices must conform to the requirements communicated from time-to-time by the State. All undisputed amounts are payable within 45 days of the State's receipt. Contractor may only charge for Contract Activities performed as specified in 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.

- 21. Liquidated Damages.** Liquidated damages, if applicable, will be assessed as described in Schedule A.
- 22. Stop Work Order.** The State may suspend any or all activities under the Contract at any time. The State will provide Contractor a written stop work order detailing the suspension. Contractor must comply with the stop work order upon receipt. Within 90 calendar days, or any longer period agreed to by Contractor, the State will either: (a) issue a notice authorizing Contractor to resume work, or (b) terminate the Contract or delivery order. The State will not pay for Contract Activities, Contractor's lost profits, or any additional compensation during a stop work period.

23. **Termination for Cause.** The State may terminate this Contract for cause, in whole or in part, if Contractor, as determined by the State: (a) endangers the value, integrity, or security of any location, data, or personnel; (b) becomes insolvent, petitions for bankruptcy court proceedings, or has an involuntary bankruptcy proceeding filed against it by any creditor; (c) engages in any conduct that may expose the State to liability; (d) breaches any of its material duties or obligations; or (e) fails to cure a breach within the time stated in a notice of breach. Any reference to specific breaches being material breaches within this Contract will not be construed to mean that other breaches are not material.

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

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

24. **Termination for Convenience.** The State may 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.
25. **Transition Responsibilities.** Upon termination or expiration of this Contract for any reason, Contractor must, for a period of time specified by the State (not to exceed 90 calendar days), provide all reasonable transition assistance requested by the State, to allow for the expired or terminated portion of the Contract Activities to continue without interruption or adverse effect, and to facilitate the orderly transfer of such Contract Activities to the State or its designees. Such transition assistance may include, but is not limited to: (a)

continuing to perform the Contract Activities at the established Contract rates; (b) taking all reasonable and necessary measures to transition performance of the work, including all applicable Contract Activities, training, equipment, software, leases, reports and other documentation, to the State or the State's designee; (c) taking all necessary and appropriate steps, or such other action as the State may direct, to preserve, maintain, protect, or return to the State all materials, data, property, and confidential information provided directly or indirectly to Contractor by any entity, agent, vendor, or employee of the State; (d) transferring title in and delivering to the State, at the State's discretion, all completed or partially completed deliverables prepared under this Contract as of the Contract termination date; and (e) preparing an accurate accounting from which the State and Contractor may reconcile all outstanding accounts (collectively, "**Transition Responsibilities**"). This Contract will automatically be extended through the end of the transition period.

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

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

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

employee, official, or law may be involved or challenged, the State may, at its own expense, control the defense of that portion of the claim.

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

27. **Infringement Remedies.** If, in either party's opinion, any piece of equipment, software, commodity, or service supplied by Contractor or its subcontractors, or its operation, use or reproduction, is likely to become the subject of a copyright, patent, trademark, or trade secret infringement claim, Contractor must, at its expense: (a) procure for the State the right to continue using the equipment, software, commodity, or service, or if this option is not reasonably available to Contractor, (b) replace or modify the same so that it becomes non-infringing; or (c) accept its return by the State with appropriate credits to the State against Contractor's charges and reimburse the State for any losses or costs incurred as a consequence of the State ceasing its use and returning it.
28. **Limitation of Liability 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.
29. **Disclosure of Litigation, or Other Proceeding.** Contractor must notify the State within 14 calendar days of receiving notice of any litigation, investigation, arbitration, or other proceeding (collectively, "**Proceeding**") involving Contractor, a subcontractor, or an officer or director of Contractor or subcontractor, that arises during the term of the Contract, including: (a) a criminal Proceeding; (b) a parole or probation Proceeding; (c) a Proceeding under the Sarbanes-Oxley Act; (d) a civil Proceeding involving: (1) a claim that might reasonably be expected to adversely affect Contractor's viability or financial stability; or (2) a governmental or public entity's claim or written allegation of fraud; or (e) a Proceeding involving any license that Contractor is required to possess in order to perform under this Contract.
30. **State Data.** All data and information provided to Contractor by or on behalf of the State, and all data and information derived therefrom, is the exclusive property of the State ("**State Data**"); this definition is to be construed as broadly as possible. Upon request, Contractor must provide to the State, or a

third party designated by the State, all State Data within 10 calendar days of the request and in the format requested by the State. Contractor will assume all costs incurred in compiling and supplying State Data. No State Data may be used for any marketing purposes.

31. **Reserved.**
32. **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.
33. **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.
34. **Obligation of Confidentiality.** The parties agree to hold all Confidential Information in strict confidence and not to copy, reproduce, sell, transfer, or otherwise dispose of, give or disclose such Confidential Information to third parties other than employees, agents, or subcontractors of a party who have a need to know in connection with this Contract or to use such Confidential Information for any purposes whatsoever other than the performance of this Contract. The parties agree to advise and require their respective employees, agents, and subcontractors of their obligations to keep all Confidential Information confidential. Disclosure to a subcontractor is permissible where: (a) use of a subcontractor is authorized under this Contract; (b) the disclosure is necessary or otherwise naturally occurs in

connection with work that is within the subcontractor's responsibilities; and
(c) Contractor obligates the subcontractor in a written contract to maintain the State's Confidential Information in confidence. At the State's request, any employee of Contractor or any subcontractor may be required to execute a separate agreement to be bound by the provisions of this Section.

- 35. 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.
- 36. 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.
- 37. 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.

38. Reserved.

39. **Reserved.**

40. **Reserved.**

41. **Records Maintenance, Inspection, Examination, and Audit.** The State or its designee may audit Contractor to verify compliance with this Contract. Contractor must retain and provide to the State or its designee and the auditor general upon request, all financial and accounting records related to the Contract through the term of the Contract and for 4 years after the latter of termination, expiration, or final payment under this Contract or any extension (“**Audit Period**”). If an audit, litigation, or other action involving the records is initiated before the end of the Audit Period, Contractor must retain the records until all issues are resolved.

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

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

42. **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.

43. **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.
44. **Compliance with Laws.** Contractor must comply with all federal, state and local laws, rules and regulations.
45. **Reserved.**
46. **Reserved.**
47. **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.
48. **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.
49. **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.

50. **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.
51. **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.
52. **Dispute Resolution.** The parties will endeavor to resolve any Contract dispute in accordance with this provision. The dispute will be referred to the parties' respective Contract Administrators or Program Managers. Such referral must include a description of the issues and all supporting documentation. The parties must submit the dispute to a senior executive if unable to resolve the dispute within 15 business days. The parties will continue performing while a dispute is being resolved, unless the dispute precludes performance. A dispute involving payment does not preclude performance.

Litigation to resolve the dispute will not be instituted until after the dispute has been elevated to the parties' senior executive and either concludes that resolution is unlikely or fails to respond within 15 business days. The parties are not prohibited from instituting formal proceedings: (a) to avoid the expiration of statute of limitations period; (b) to preserve a superior position with respect to creditors; or (c) where a party makes a determination that a temporary restraining order or other injunctive relief is the only adequate remedy. This Section does not limit the State's right to terminate the Contract.
53. **Media Releases.** News releases (including promotional literature and commercial advertisements) pertaining to the Contract or project to which it relates must not be made without prior written State approval, and then only in accordance with the explicit written instructions of the State.
54. **Website Incorporation.** The State is not bound by any content on Contractor's website unless expressly incorporated directly into this Contract.

55. **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	Pricing Matrix

56. **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.

57. **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.

58. **Waiver.** Failure to enforce any provision of this Contract will not constitute a waiver.

59. **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.

60. **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.

SCHEDULE A – STATEMENT OF WORK CONTRACT ACTIVITIES

SCOPE

The contractor must provide full-service contract operation and maintenance of the Wastewater Treatment System and Water Supply and Treatment System for Interlochen State Park Campground. The contractor must do so in a safe, secure, effective, and efficient manner. Operations and Maintenance of Interlochen State Park's existing Wastewater Treatment System is currently provided by the DNR staff. With the construction of a new Wastewater Treatment Plant and new water treatment technologies, the DNR wishes to contract with a business that can provide these services. The Wastewater Treatment System (including water treatment upgrades) is currently under construction with an anticipated substantial completion date of May 24th, 2022 with startup and operator training estimated in Mid-April of 2022.

Interlochen State Park owns a Type II water supply that serves the State Park campground and headquarters building. The system consists of two wells, an iron filtration system (under construction) and pressure tanks. The water system operates year-round, with one well shutting down when the campground closes for the season (Nov. 1 – May 1). Contract operations would be responsible for operation of the two wells, and treatment system including any testing, regulatory reporting, and shut down and start up requirements. Contract operations would not be responsible for the water distribution system outside of the two well houses. The DNR will be adding a dialer system to the WWTP.

The existing sewer collection system was constructed in the 1980's and has had small extensions over the years. The proposed treatment system will be a sequencing batch reactor style plant. Average daily design flow is 17,000 gpd. The Interlochen State Park is a seasonal campground and because of this the flow and organic loading to the plant is expected to be highly variable with low flow and loading in the beginning and end of the season with high flow and loading during the summer months. The new WWTP is designed for an average BOD load of 200 mg/l but is anticipated to see peaks of 2,000 mg/l. The new wastewater treatment plant is permitted to operate (discharge) from May 1 to November 1 each year. Storage for flow outside of the camping season has been provided in the system design. The operations staff is responsible for startup and shut down and winterization of the wastewater plant each season.

REQUIREMENTS

1. General Requirements

1.1. Product Specifications

The Contractor must provide services for the operation, maintenance, and management of the systems. The Contractor must provide services in a safe, secure, effective, and efficient manner. The Contractor must provide full-service contract operation and management of the Wastewater Treatment System and Water Supply and Treatment System. Full-Service may include, but is not limited to, provision of:

- Employ all facility staff and payment of labor benefits. It is not anticipated that full time staffing will be required to perform this Work Scope. The Contractor must clearly state the assumed on-site staff hours in the Work Plan.
- Pay all chemical, supplies, manufacturer required scheduled maintenance and replacement items, and related routine operating expenses.
 - The DNR will pay for utilities such as electrical, gas, phone, and internet.
 - The DNR will pay for capital equipment expenses as required, all consumables will be the responsibility of the Contractor (i.e. filters, belts, lubricants, chemical tubing, etc.)
 - The DNR will perform all exterior maintenance services not related to WWTP operation such as mowing, snow removal, tree removal, etc.
 - The DNR will be responsible for all building interior and exterior maintenance, except when caused by operational error (i.e. chemical spill).
 - The DNR will provide trash services, including a dumpster for screenings.
 - The DNR will provide basic building cleaning and sanitation supplies such as hand soap, toilet paper, trash bags (not specialized screening bags).
- Provide all laboratory and analytical services necessary for permit compliance or coordinate and pay for the outsourcing of lab work, including Monitoring Well testing as defined in the Part 22 permit.
- Operate the systems in compliance with EGLE Part 22 permit requirements and Act 399 Rules for Supplying Water to The Public.

- Maintain operation certifications as required for EGLE Part 22 permit requirements (currently C-3b, A-1f and C-1b).
- Maintain operation certifications as required by Act 399 rules for a Type II well (currently Level 5 Certification).
- Report to regulatory agencies, submit all forms, notices, and reports, and meet all legal operating and safety requirements of the regulatory agencies.
- Conduct routine maintenance of facilities and associated equipment, including developing and administering a preventative maintenance program.
- Establish an Asset Management Program for all system equipment.
- Coordinate with the DNR regarding capital improvements. Attend an annual budget meeting with DNR staff to review anticipated expenses.
- Provide building janitorial cleaning at wastewater facilities.
- Coordinate a Transition Plan to assume responsibility of day-to-day operations.
- Attend and participate in periodic progress meetings and start up activities at the new WWTP. Assist the DNR with startup of the new WWTP and redirection of wastewater to the new WWTP.
- Attend and participate in periodic progress meetings and start up activities at the new iron filtration system at the well house.
- Provide emergency response within one hour of notification.
- Scope of work shall include up to six (6) emergency responses at DNR's request annually.
- Prepare and administer an emergency response plan.
- Provide and administer a yearly start-up and shut-down plan for the wastewater treatment facility and second water supply well.
- Provide a monthly written summary of operations to the DNR Project Manager.
- Disposal or land application of biosolids is not part of annual contract services or fee and will be processed by Change Order when needed.

1.2. Warranties

The Contractor shall be responsible for maintaining all manufacturer's warranties on new equipment purchased by the DNR and assist the DNR in enforcing existing equipment warranties and guarantees.

The State reserves the right to require additional warranties other than those identified by the Contractor in its response to this Contract.

1.3. Transition

- A. Post-Contract Transition:** Invoices must be sent within 45 days after expiration of contract. Any invoices received after 45 days will result in a non-payment of invoice.

2. Service Requirements

2.1. Emergency Response and Support

Response to emergencies must occur within 1 hour of notification. Up to six (6) emergency responses are included within the scope of services.

2.2. Maintenance

On-site maintenance must be performed according to the recommended manufacturer maintenance schedule.

2.3. Training

The Contractor must provide the following training for their personnel: training for personnel in areas of operation, maintenance, safety, supervisory skills, laboratory, energy management, etc. A proper safety program must be implemented, and all portions of that program shall be adhered to. The Contractor will provide all MIOSHA PPE required safety equipment and maintain proper licensure per regulatory requirements.

2.4. Reporting

The Contractor must submit to the Program Manager, the following written reports:

- Annual summary report of operating expenses.
- Regulatory permit reports should be submitted to EGLE directly from the Contractor. DNR should be copied (or have MiWaters access) on all submittals.
- Monthly written operations summary.

2.5. Meetings

The Contractor must attend the following meetings:

Kick Off meeting to be held after awarded.

The State may request other meetings as it deems appropriate.

3. Staffing

3.1. Contractor Representative

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

The Contractor must notify the Contract Administrator at least 14 calendar days before removing or assigning a new Contractor Representative.

Contract Representative:

Josh Hall
JHall@operationservices.com
(231) 709-3593

3.2. Customer Service Toll-Free Number

The Contractor must specify its toll-free number for the State to contact the Contractor Representative who must be available for calls during the hours of 8 am to 5 pm EST Monday through Friday, at a minimum. Identify customer service availability for this proposal by hours and days of the week.

Customer Service Number: 866-737-8361

24 Hour Customer Service Emergency Response Line: 989-370-5589

3.3. Technical Support, Repairs and Maintenance

The Contractor must specify its toll-free number for the State to contact the Contractor for technical support, repairs and maintenance. The Contractor must be available for calls and service during the hours of 8 am to 5 pm EST Monday through Friday at a minimum. Identify availability for this proposal by hours and days of the week.

Customer Service Number: 866-737-8361

24 Hour Customer Service Emergency Response Line: 989-370-5589

3.4. Disclosure of Subcontractors

If the Contractor intends to utilize subcontractors, the Contractor must disclose the following:

- The legal business name; address; telephone number; a description of subcontractor’s organization and the services it will provide; and information concerning subcontractor’s ability to provide the Contract Activities.
- The relationship of the subcontractor to the Contractor. Of the total bid, the price of the subcontractor’s work. Whether the Contractor has a previous working experience with the subcontractor. If yes, provide the details of that previous relationship.

- A complete description of the Contract Activities that will be performed or provided by the subcontractor.

3.5. Security

The Contractor's staff may be required to make deliveries to or enter State facilities. The State may require the Contractor's personnel to wear State issued identification badges.

4. Pricing

4.1. Price Term

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

4.2. Price Changes

Adjustments will be based on changes in actual Contractor costs. Any request must be supported by written evidence documenting the change in costs. The State may consider sources, such as the Consumer Price Index; Producer Price Index; other pricing indices as needed; economic and industry data; manufacturer or supplier letters noting the increase in pricing; and any other data the State deems relevant.

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.

The Contractor remains responsible for Contract Activities at the current price for all orders received before the mutual execution of a Change Notice indicating the start date of the new Pricing Period.

5. Ordering

5.1. Authorizing Document

The appropriate authorizing document for the Contract will be a Delivery Order. Work must not begin before a Delivery Order is issued.

6. Acceptance

6.1. Acceptance, Inspection and Testing

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.

7. Invoice and Payment

7.1. Invoice Requirements

All invoices submitted to the State must include: (a) date; (b) purchase order; (c) quantity; (d) description of the Contract Activities; (e) unit price; (f) shipping cost (if any); (g) vendor-generated invoice number; and (h) total price.

7.2. Payment Methods

The State will make payment for Contract Activities via EFT.

7.3. Procedure

Contractor must submit invoice to Program Manager for review and approval.

8. Project Plan

A final edition of this Plan and all the requirements will be submitted on or before May 6th, 2022.

1. Personnel – Project Contacts - Responsibilities

- a. Chris Johnson – President – All correspondence (admin and Ops)
- b. Jim Berry – Senior V.P. – Administrative contact, payroll, accounts receivable, accounts payable.

- c. Josh Hall – Vice President – All correspondences and daily operations (admin and Ops)
 - d. Ken Witkowski – Director of Operations – Administrative and Reporting issues
 - e. Phil Corkins – Project Manager – Operations expert
 - f. To Be determined – Operations Specialists – Daily activities
2. Scheduling – The Contractor will be on site 7 days a week during the discharge season (April 15th – Nov 15th). This covers 15 days prior and after discharge to facilitate start up and shut down procedures. The off season will consist of three days a week visits (M, W and F). The Contractors normal working hours are M-F 7am – 3:30pm. Weekends and Holidays will also be covered by the Contractor. Those site times may vary per each weekend and holiday. Weekend coverage will be achieved by the Contractor. The Contractor will work at minimum 2 hours per visit to a full day (8hrs) depending on tasks needed to be completed.
3. Updates and Progress reports - Progress reports will be submitted at a minimum of monthly. No major process or other important decisions will be made without consulting appropriate park staff and DNR Project Manager. Once all parties have agreed to the proposed changes or resolution the Contractor will then initiate the plan set forth.
4. Project Breakdown – Master Project - Interlochen State Park Operations & Maintenance Contract
- a. Sub Projects –
 - i. Type II water supply system
 - ii. Sequencing Batch Reactor Wastewater Treatment Plant
 - b. Tasks –
 - i. Daily operations – Water and wastewater
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 - ii. Weekly progress reports
 - iii. Monthly Operating and progress reports (water and wastewater)
 - iv. Assets management and CMMS program
 - v. Annual Budgets and capital Improvements
 - vi. NPDES Permit events and or reports
 - c. Resources –
 - i. Contractor personnel

- ii. DNR Project Manager
- iii. Gosling Czubak Engineering
- iv. EGLE drinking water and Ground water discharge staff

5. Operating Plan

a. Drinking Water – The Contractor will operate the water system using the structure set forth by EGLE Type 1 drinking water system requirements. A monthly operations report, though not required by a regulator, will be submitted by the 10th of the following month of operations. The Contractor will conduct routine bacteriological samples at minimum quarterly per the type II water system requirements. The Contractor will also perform a yearly partial chemistry analysis on both ground water wells, and those results will be submitted to park staff. Annual cross connection inspections will be performed on all high hazard locations. The Contractor will also perform yearly PFAS sampling on both wells and possibly some lead and copper sampling done every 3 years or so.

b. Wastewater – No formal operating plan has been developed, but one will be developed once awarded the contract. The Contractor will use the NPDES permit as its basis of operations. All conditions and stipulations will be followed precisely as outlined in the permit. The Contractor will use all owner's manuals and literature provide by the design engineers and major equipment suppliers to develop this plan. This plan will be amended as required once the Contractor gets a firm grasp on the new plants' operational tendencies. As stated by the design engineer this a new plant designed based on a 2018 study and actual loading and plant performances are yet to be seen.

6. Emergency Responses – All emergency responses will be handled by the VP. The VP will dispatch personnel accordingly and will either respond personally or be in constant communication with the responding operator.

7. Disputes and Conflict Resolution – The Contractors VP will handle disputes and conflicts between operators. The VP will consult with the Director of Operations, The President, and The Senior VP on all issues that arise. Conflict resolution between The Contractor and the State of Michigan is covered in paragraph 47 of the standard terms.

9. Liquidated Damages

Late or improper completion of the Contract Activities that leads to shut down or partial shut down of the park 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. Therefore, if there is late or improper completion of the Contract

Activities the State is entitled to collect liquidated damages in the amount of \$7,500 and an additional \$1,000 per day for each day Contractor fails to remedy the late or improper completion of the Work. The Contractor will also be responsible for paying any regulatory fines.

10. Additional Requirements

10.1. Environmental and Energy Efficiency Product Standards

The Contractor must identify any energy efficient, bio-based, or otherwise environmentally friendly products used in the products. Contractor must include any relevant third-party certification, including the verification of a United States Department of Agriculture certified bio-based product label. Contractor must describe how products that meet these requirements are identified or otherwise labelled.

10.2. Hazardous Chemical Identification

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

The Contractor must identify any hazardous chemicals that will be provided under any resulting contract.

10.3. Mercury Content

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

10.4. Brominated Flame Retardants

The State prefers to purchase products that do not contain brominated flame retardants (BFRs) whenever possible. The Contractor must disclose whether the products contain BFRs. Contractor must describe how products that meet these requirements are identified or otherwise labelled.

12.5 Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS)

The Contractor must confirm that the provided products do not intentionally contain PFAS. This consists of all components of the provided products, including product packaging.

OR

The Contractor must disclose whether a product or its components contain intentionally added PFAS. If the product or its components contain intentionally added PFAS the Contractor must:

- a. provide an explanation with respect to the intentionally added PFAS contents, including the purpose for which PFAS are used in the product or its components, the types of PFAS used in the product or its components, and the amount of each PFAS used in the product or its components.
- b. indicate whether the product will be labeled or packaged with information about the intentionally added PFAS contents.
- c. identify any alternative products that do not contain intentionally added PFAS.
- d. provide any additional information that would further the Department's implementation of ED 2021-08.

SCHEDULE B - PRICING

Quick payment terms: 2% discount off invoice if paid within 15 days after receipt of invoice.

Description of Service	Total Cost per Year
Water System Ongoing Operations and Support	\$11,823.00
Wastewater System Seasonal Operations and Support	\$27,587.00
1. Total One Year Service Fee (Water System + Wastewater System)	\$39,410.00
2. Years in Contract Term	3 years
3. (Multiply line 1 and 2) Total Contract Term Service Fee	\$118,230.00

Emergency Hourly Rate: \$85.00

**Emergency Hourly Rate occurs after six (6) annual emergency responses included in scope are extinguished. **