



**STATE OF MICHIGAN
DEPT. OF NATURAL RESOURCES**

PO Box 30028
525 West Allegan St.
Lansing, MI 48909

NOTICE OF CONTRACT

NOTICE OF CONTRACT NO. **220000000847**

between

THE STATE OF MICHIGAN

and

CONTRACTOR	Steigerwaldt Land Services, Inc.
	856 North 4 th Street
	Tomahawk, WI 54487
	Lee Steigerwaldt
	715-453-3274
	Lee.steigerwaldt@steigerwaldt.com
	MI Vendor ID: CV0049720

STATE	Program Manager	Matthew Torreano	DNR
		906-226-1342	
	torreanom@michigan.gov		
	Contract Administrator	Patrick Avendt, DNR Buyer	DNR
517-388-6265			
avendtp@michigan.gov			

CONTRACT SUMMARY			
DESCRIPTION: Michigan Upper Peninsula Easement and Real Estate Consulting Services for the Dept. of Natural Resources, East and West Regions.			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
May 1, 2022	April 30, 2027	Five (5) One-Year Options	April 30, 2027
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		As Stated in Delivery Order	
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. 220000001483. 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			\$1,000,000.00

FOR THE CONTRACTOR:

Company Name

Authorized Agent Signature

Authorized Agent (Print or Type)

Date

FOR THE STATE:

Signature

Name & Title

Agency

Date

STANDARD CONTRACT TERMS

This STANDARD CONTRACT (“**Contract**”) is agreed to between the State of Michigan (the “**State**”) and Steigerwaldt Land Services, Inc., (“**Contractor**”), a Wisconsin Corporation. This Contract is effective on May 1, 2022, and unless terminated, expires on April 30, 2027.

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 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) 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; (i) comply with all State physical and IT security policies and standards which will be made available upon request; and (j) 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.

3.

If to State:	If to Contractor:
Patrick Avendt DNR Procurement Services PO Box 30028 Lansing, MI 48909 avendtp@michigan.gov Tx: 517-388-6265	Haakon Hagemeister 109 US 41 W Negaunee, MI 49866 Haakon.h@steigerwaldt.com 715-218-0078

4. **Contract Administrator.** The Contract Administrator, or the individual duly authorized 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:
Patrick Avendt DNR Procurement Services PO Box 30028 Lansing, MI 48909 avendtp@michigan.gov Tx: 517-388-6265	Haakon Hagemeister 109 US 41 W Negaunee, MI 49866 Haakon.h@steigerwaldt.com 715-218-0078

5. **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:
Matthew Torreano DNR Parks and Recreation Division DNR Marquette Customer Service Ctr. 1990 US Hwy 41-S Marquette, MI 49855 torreanom@michigan.gov Tx: 906-226-1342	Haakon Hagemeister 109 US 41 W Negaunee, MI 49866 Haakon.h@steigerwaldt.com 715-218-0078

6. **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.

7. 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.

TABLE 6.1

Required Limits	Additional Requirements
Commercial General Liability Insurance	
<p>Minimum Limits:</p> <p>\$1,000,000 Each Occurrence</p> <p>\$1,000,000 Personal & Advertising Injury</p> <p>\$2,000,000 Products/Completed Operations</p> <p>\$2,000,000 General Aggregate</p>	<p>Contractor must have their policy endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds using endorsement CG 20 10 11 85, or both CG 20 10 12 19 and CG 20 37 12 19.</p>
Automobile Liability Insurance	
<p>Minimum Limits:</p> <p>\$1,000,000 Per Accident</p>	<p>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.</p>

Required Limits	Additional Requirements
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 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 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 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 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).

8. – RESERVED

9. - RESERVED

10. Relationship of the Parties. The relationship between the parties is that of independent contractors. 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. Neither party has authority to contract for nor bind the other party in any manner whatsoever.

- 11. Intellectual Property Rights.** If Schedule A, Statement of Work, requires Contractor to create any intellectual property, 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.
- 12. 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.
- 13. Staffing.** The State's Contract Administrator may require Contractor to remove or reassign personnel by providing a notice to Contractor.
- 14. 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.
- 15. 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.

- 16. Change of Control.** Contractor will notify the State, within 30 days of any public announcement or otherwise once legally permitted to do so, 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.

- 17. Ordering.** Contractor is not authorized to begin performance until receipt of authorization as identified in Schedule A.
- 18. Acceptance.** Contract Activities are subject to inspection and testing by the State within 30 calendar days of the State's receipt of them ("**State Review Period**"), unless otherwise provided in Schedule A. If the Contract Activities are not fully accepted by the State, the State will notify Contractor by the end of the State Review Period that either: (a) the Contract Activities are accepted but noted deficiencies must be corrected; or (b) the Contract Activities are rejected. If the State finds material deficiencies, it may: (i) reject the Contract Activities without performing any further inspections; (ii) demand performance at no additional cost; or (iii) terminate this Contract in accordance with Section 24, Termination for Cause.

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

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

- 19. Delivery.** 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.

- 20. Risk of Loss and Title.** Until final acceptance, title and risk of loss or damage to Contract Activities remains with Contractor. Contractor is responsible for filing, processing, and collecting all damage claims. The State will record and report to Contractor any evidence of visible damage. If the State rejects the Contract Activities, Contractor must remove them from the premises within 10 calendar days after notification of rejection. The risk of loss of rejected or non-conforming Contract Activities remains with Contractor. Rejected Contract Activities not removed by Contractor within 10 calendar days will be deemed abandoned by Contractor, and the State will have the right to dispose of it as its own property. Contractor must reimburse the State for costs and expenses incurred in storing or effecting removal or disposition of rejected Contract Activities.
- 21. Warranty Period.** The warranty period, if applicable, for Contract Activities is a fixed period commencing on the date specified in Schedule A. If the Contract Activities do not function as warranted during the warranty period, the State may return such non-conforming Contract Activities to the Contractor for a full refund.
- 22. Invoices and 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 provided as specified in Schedule A. Invoices must include an itemized statement of all charges. The State is exempt from State sales tax for direct purchases and may be exempt from federal excise tax, if Services purchased under this Agreement are for the State's exclusive use. Notwithstanding the foregoing, all fees 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.

Excluding federal government charges and terms. Contractor warrants and agrees that each of the fees, economic or product terms or warranties granted pursuant to this Contract are comparable to or better than the equivalent fees, economic or

product term or warranty being offered to any commercial or government customer (including any public educational institution within the State of Michigan) of Contractor. If Contractor enters into any arrangements with another customer of Contractor to provide the products or services, available under this Contract, under more favorable prices, as the prices may be indicated on Contractor's current U.S. and International price list or comparable document, then this Contract will be deemed amended as of the date of such other arrangements to incorporate those more favorable prices, and Contractor will immediately notify the State of such fee and formally memorialize the new pricing in a change notice.

- 23. Liquidated Damages.** Liquidated damages, if applicable, will be assessed as described in Schedule A. The parties understand and agree that any liquidated damages (which includes but is not limited to applicable credits) set forth in this Contract are reasonable estimates of the State's damages in accordance with applicable law. The parties acknowledge and agree that Contractor could incur liquidated damages for more than 1 event. The assessment of liquidated damages will not constitute a waiver or release of any other remedy the State may have under this Contract for Contractor's breach of this Contract, including without limitation, the State's right to terminate this Contract for cause under Section 24 and the State will be entitled in its discretion to recover actual damages caused by Contractor's failure to perform its obligations under this Contract. However, the State will reduce such actual damages by the amounts of liquidated damages received for the same events causing the actual damages. Amounts due the State as liquidated damages may be set off against any fees payable to Contractor under this Contract, or the State may bill Contractor as a separate item and Contractor will promptly make payments on such bills.
- 24. Stop Work Order.** The State may suspend any or all activities under the Contract at any time. The State will provide Contractor a written stop work order detailing the suspension. Contractor must comply with the stop work order upon receipt. Within 90 calendar days, or any longer period agreed to by Contractor, the State will either: (a) issue a notice authorizing Contractor to resume work, or (b) terminate the Contract or delivery order. The State will not pay for Contract Activities, Contractor's lost profits, or any additional compensation during a stop work period.
- 25. Termination for Cause.** The State may terminate this Contract for cause, in whole or in part, if Contractor, as determined by the State: (a) endangers the value, integrity, or security of any location, data, or personnel; (b) becomes insolvent, petitions for bankruptcy court proceedings, or has an involuntary bankruptcy proceeding filed against it by any creditor; (c) engages in any conduct that may expose the State to liability; (d) breaches any of its material duties or obligations; or (e) fails to cure a breach within the time stated in a notice of breach. Any reference to specific breaches being material breaches within this Contract will not be construed to mean that other breaches are not material.

If the State terminates this Contract under this Section, the State will issue a termination notice specifying whether Contractor must: (a) cease performance immediately, or (b) continue to perform for a specified period. If it is later determined that Contractor was not in breach of the Contract, the termination will be deemed to

have been a Termination for Convenience, effective as of the same date, and the rights and obligations of the parties will be limited to those provided in Section 25, Termination for Convenience.

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

- 26. Termination for Convenience.** The State may immediately terminate this Contract in whole or in part without penalty and for any reason, including but not limited to, appropriation or budget shortfalls. The termination notice will specify whether Contractor must: (a) cease performance of the Contract Activities immediately, or (b) continue to perform the Contract Activities in accordance with Section 26, Transition Responsibilities. If the State terminates this Contract for convenience, the State will pay all reasonable costs, as determined by the State, for State approved Transition Responsibilities.
- 27. Transition Responsibilities.** Upon termination or expiration of this Contract for any reason, Contractor must, for a period of time specified by the State (not to exceed **90** calendar days), provide all reasonable transition assistance requested by the State, to allow for the expired or terminated portion of the Contract Activities to continue without interruption or adverse effect, and to facilitate the orderly transfer of such Contract Activities to the State or its designees. Such transition assistance may include, but is not limited to: (a) continuing to perform the Contract Activities at the established Contract rates; (b) taking all reasonable and necessary measures to transition performance of the work, including all applicable Contract Activities, training, equipment, software, leases, reports and other documentation, to the State or the State's designee; (c) taking all necessary and appropriate steps, or such other action as the State may direct, to preserve, maintain, protect, or return to the State all materials, data, property, and confidential information provided directly or indirectly to Contractor by any entity, agent, vendor, or employee of the State; (d) transferring title in and delivering to the State, at the State's discretion, all completed or partially completed deliverables prepared under this Contract as of the Contract termination date; and (e) preparing an accurate accounting from which the State and Contractor may reconcile all outstanding accounts (collectively, "**Transition Responsibilities**"). This Contract will automatically be extended through the end of the transition period.
- 28. 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, at its own cost and expense, if the State deems necessary. Contractor will not, without the State's prior 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.

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.

The State is constitutionally prohibited from indemnifying Contractor or any third parties.

- 29. Infringement Remedies.** If, in either party's opinion, any piece of equipment, software, commodity, or service supplied by Contractor or its subcontractors, or its operation, use or reproduction, is likely to become the subject of a copyright, patent, trademark, or trade secret infringement claim, Contractor must, at its expense: (a) procure for the State the right to continue using the equipment, software, commodity, or service, or if this option is not reasonably available to Contractor, (b) replace or modify the same so that it becomes non-infringing; or (c) accept its return by the State with appropriate credits to the State against Contractor's charges and reimburse the State for any losses or costs incurred as a consequence of the State ceasing its use and returning it.
- 30. Limitation of Liability and Disclaimer of Damages. IN NO EVENT WILL THE STATE'S AGGREGATE LIABILITY TO CONTRACTOR UNDER THIS CONTRACT, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR BY STATUTE OR OTHERWISE, FOR ANY CLAIM RELATED TO OR ARISING UNDER THIS CONTRACT, EXCEED THE MAXIMUM AMOUNT OF FEES PAYABLE UNDER THIS CONTRACT.** The State is not liable for consequential, incidental, indirect, or special damages, regardless of the nature of the action.
- 31. Disclosure of Litigation, or Other Proceeding.** Contractor must notify the State within 14 calendar days of receiving notice of any litigation, investigation, arbitration, or other proceeding (collectively, "**Proceeding**") involving Contractor, a

subcontractor, or an officer or director of Contractor or subcontractor, that arises during the term of the Contract, including: (a) a criminal Proceeding; (b) a parole or probation Proceeding; (c) a Proceeding under the Sarbanes-Oxley Act; (d) a civil Proceeding involving: (1) a claim that might reasonably be expected to adversely affect Contractor’s viability or financial stability; or (2) a governmental or public entity’s claim or written allegation of fraud; or (3) any complaint filed in a legal or administrative proceeding alleging the Contractor or its subcontractors discriminated against its employees, subcontractors, vendors, or suppliers during the term of this Contract; or (e) a Proceeding involving any license that Contractor is required to possess in order to perform under this Contract.

32. State Data. All data and information provided to Contractor by or on behalf of the State, and all data and information derived therefrom, is the exclusive property of the State (“**State Data**”); this definition is to be construed as broadly as possible. Upon request, Contractor must provide to the State, or a third party designated by the State, all State Data within 10 calendar days of the request and in the format requested by the State. Contractor will assume all costs incurred in compiling and supplying State Data. No State Data may be used for any marketing or commercial purposes.

33. Non-Disclosure of Confidential Information. The parties acknowledge that each party may be exposed to or acquire communication or data of the other party that is confidential, privileged communication not intended to be disclosed to third parties.

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; or, (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 or is: (a) subject to disclosure under the Michigan Freedom of Information Act (FOIA); (b) already in the possession of the receiving party without an obligation of confidentiality; (c) developed independently by the receiving party, as demonstrated by the receiving party, without violating the disclosing party’s proprietary rights; (d) obtained from a source other than the disclosing party without an obligation of confidentiality; or, (e) publicly available when received, or thereafter became publicly available (other than through any unauthorized disclosure by, through, or on behalf of, the receiving party). For purposes of this Contract, in all cases and for all matters, State Data is deemed to be Confidential Information.

b. Obligation of Confidentiality. The parties agree to hold all Confidential Information in strict confidence and not to copy, reproduce, sell, transfer, or otherwise dispose of, give or disclose such Confidential Information to third parties other than employees, agents, or subcontractors of a party who have a need to know in connection with this Contract or to use such Confidential Information for any purposes whatsoever other than the performance of this

Contract. The parties agree to advise and require their respective employees, agents, and subcontractors of their obligations to keep all Confidential Information confidential. Disclosure to a subcontractor is permissible where: (a) use of a subcontractor is authorized under this Contract; (b) the disclosure is necessary or otherwise naturally occurs in connection with work that is within the subcontractor's responsibilities; and (c) Contractor obligates the subcontractor in a written contract to maintain the State's Confidential Information in confidence. At the State's request, any employee of Contractor or any subcontractor may be required to execute a separate agreement to be bound by the provisions of this Section.

- c. Cooperation to Prevent Disclosure of Confidential Information.** Each party must use its best efforts to assist the other party in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limiting the foregoing, each party must advise the other party immediately in the event either party learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this Contract and each party will cooperate with the other party in seeking injunctive or other equitable relief against any such person.
- d. Remedies for Breach of Obligation of Confidentiality.** Each party acknowledges that breach of its obligation of confidentiality may give rise to irreparable injury to the other party, which damage may be inadequately compensable in the form of monetary damages. Accordingly, a party may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies which may be available, to include, in the case of the State, at the sole election of the State, the immediate termination, without liability to the State, of this Contract or any Statement of Work corresponding to the breach or threatened breach.
- e. Surrender of Confidential Information upon Termination.** Upon termination of this Contract or a Statement of Work, in whole or in part, each party must, within 5 calendar days from the date of termination, return to the other party any and all Confidential Information received from the other party, or created or received by a party on behalf of the other party, which are in such party's possession, custody, or control; provided, however, that Contractor must return State Data to the State following the timeframe and procedure described further in this Contract. Should Contractor or the State determine that the return of any Confidential Information is not feasible, such party must destroy the Confidential Information and must certify the same in writing within 5 calendar days from the date of termination to the other party. However, the State's legal ability to destroy Contractor data may be restricted by its retention and disposal schedule, in which case Contractor's Confidential Information will be destroyed after the retention period expires.

34. - RESERVED

35. - RESERVED

36. – RESERVED

- 37. Records Maintenance, Inspection, Examination, and Audit.** Pursuant to MCL 18.1470, 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 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 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.

- 38. Representations and Warranties.** 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 24, Termination for Cause.

- 39. 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.

- 40. Compliance with Laws.** Contractor must comply with all federal, state and local laws, rules and regulations.
- 41. – RESERVED**
- 42. – RESERVED**
- 43. 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.
- 44. 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.
- 45. 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 the Michigan Court of Claims. Complaints against the State must be initiated in Ingham County, Michigan. Contractor waives any objections, such as lack of personal jurisdiction or *forum non conveniens*. Contractor must appoint an agent in Michigan to receive service of process.
- 46. Non-Exclusivity.** Nothing contained in this Contract is intended nor is to be construed as creating any requirements contract with Contractor, nor does it provide Contractor with a right of first refusal for any future work. This Contract does not restrict the State or its agencies from acquiring similar, equal, or like Contract Activities from other sources.
- 47. 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.

48. 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.

49. 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 the prior written approval of the State, and then only in accordance with the explicit written instructions of the State.

50. 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	Price Schedule

51. Entire Agreement and Order of Precedence. This Contract, which includes Schedule A – Statement of Work, and schedules and exhibits, is the entire agreement of the parties related to the Contract Activities. This Contract supersedes and replaces all previous understandings and agreements between the parties for the Contract Activities. If there is a conflict between documents, the order of precedence is: (a) first, this Contract, excluding its schedules, exhibits, and Schedule A – Statement of Work; (b) second, Schedule A – Statement of Work as of the Effective Date; and (c) third, schedules expressly incorporated into this Contract as of the Effective Date. NO TERMS ON CONTRACTOR'S INVOICES, ORDERING DOCUMENTS, WEBSITE, BROWSE-WRAP, SHRINK-WRAP, CLICK-WRAP, CLICK-THROUGH OR OTHER NON-NEGOTIATED TERMS AND CONDITIONS PROVIDED WITH ANY OF THE CONTRACT ACTIVITIES, OR DOCUMENTATION HEREUNDER, EVEN IF ATTACHED TO THE STATE'S DELIVERY OR PURCHASE ORDER, WILL CONSTITUTE A PART OR AMENDMENT OF THIS CONTRACT OR IS BINDING ON THE STATE OR ANY AUTHORIZED USER FOR ANY PURPOSE. ALL SUCH OTHER TERMS AND CONDITIONS HAVE NO FORCE AND EFFECT AND ARE DEEMED REJECTED BY THE STATE AND THE AUTHORIZED USER, EVEN IF ACCESS TO OR USE OF THE CONTRACT ACTIVITIES REQUIRES AFFIRMATIVE ACCEPTANCE OF SUCH TERMS AND CONDITIONS.

- 52. 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.
- 53. Waiver.** Failure to enforce any provision of this Contract will not constitute a waiver.
- 54. Survival.** Any right, obligation or condition that, by its express terms or nature and context is intended to survive, will survive the termination or expiration of this Contract; such rights, obligations, or conditions include, but are not limited to, those related to transition responsibilities; indemnification; disclaimer of damages and limitations of liability; State Data; non-disclosure of Confidential Information; representations and warranties; insurance and bankruptcy.
- 55. 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.

Steigerwaldt Land Services

SCHEDULE A – STATEMENT OF WORK CONTRACT ACTIVITIES

Contract No. 220000000847

Michigan Dept. of Natural Resources – Easement and Land Consulting Services

SCOPE AND REQUIREMENTS

This contract is established primarily for recreational trail easement acquisition services. Other real estate-related consulting projects may also be requested. The Contractor will have the sole responsibility to negotiate and close multiple easements throughout Michigan's Upper Peninsula. This process will include: researching the parcel, contacting the landowner, determining if a land survey is necessary, and if so, obtaining approval from the DNR and then obtaining the survey, determining if an appraisal is necessary, and if so, obtaining approval from the DNR and then obtaining the appraisal, researching the property deed, obtaining a full title search to ensure the owner has good title to the land and the right to legally grant easement, and negotiating with landowners and reporting back to the DNR.

For each project, the DNR will provide all details of the project to the Contractor, and request a quotation. A delivery order will be issued for each agree-upon project proposal.

1. General Requirements

a. Objectives –

The process is not limited to these duties.

- i. The Contractor will receive direction from DNR personnel regarding which easements to pursue and how to prioritize specific easements.
- ii. The Contractor will contact landowners to explain easement terms and answer questions about the permanent easement program.
- iii. The Contractor will confirm current ownership to ensure the owner holds good title to the land by conducting the necessary title search and provide a certificate or statement of title confirmation.
- iv. If the trail's location cannot be legally described without a survey, the Contractor will be responsible for having a survey of the property and easement performed. (The Contractor must obtain prior approval from the DNR Project Manager prior to having the survey performed.) This shall

- provide the Contractor with an end product that is a recordable survey drawing and the legal description.
- v. If the value of the easement is disputed, the Contractor must conduct an appraisal to determine the value of the land. (The Contractor must obtain prior approval from the DNR Project Manager prior to having the appraisal performed.)
 - vi. The Contractor must obtain owners agreement to grant easement on a provided purchase and sale agreement form.
 - vii. The Contractor must compile packet of easement acquisition information with all of the above materials included, along with reimbursement requests and submit to the DNR for approval.
 - viii. The Contractor must execute the official easement.
 - ix. The Contractor must record the easement with the county register of deeds.
 - x. The Contractor must provide a copy of the recorded easement and invoice to the DNR for the completed work.

2. Service Requirements

a. Timeframes –

All Contract Activities must be delivered within the time specific on the Delivery Order that initiates the project. The receipt of order date is pursuant to the **Notices** section of the *Standard Contract Terms*.

b. General Correspondence -

The Contractor has specified its public landline or cell phone number and e-mail address for the State to contact the Contractor for all communication concerning contract deliverables. The Contractor will be available for calls and service during the hours of 8:00 a.m. to 5:00 p.m. EST Monday through Friday, at a minimum. Identify availability for this proposal by hours and days of the week.

c. Disclosure of Subcontractors –

The DNR recognizes that the Contractor has identified the following subcontractors as business partners that will be used on a regular, but intermittent basis:

TriMedia Environmental and Engineering
830 W Washington St.
Marquette, MI 49855
906-361-4443

Lake State Land Surveying
3647 Moon Lake Dr.
Iron Mountain, MI 49804
906-235-0404

Jewles Title and Abstract
12172 S. Copeland Road
Solon Springs, WI 54873
715-558-2010

3. Staffing –

a. Contractor Representative

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

The Contractor must notify the Contract Administrator at least 30 calendar days before removing or assigning a new Contractor Representative.

The Contractor’s Designated Representative:

Haakon Hagemeister

Haakon.h@steigerwaldt.com

715-218-0078

c. Key Personnel –

The Contractor has identified the following individuals who will be directly responsible for the day-to-day operations of the Contract (“Key Personnel”). Key Personnel must be specifically assigned to the State account, be knowledgeable on the contractual requirements, and respond to State inquiries within 8 hours.

Contractor will not remove any Key Personnel from their assigned roles on this Contract without the prior written consent of the State. The Contractor’s removal of Key Personnel without the prior written consent of the State is an unauthorized removal (“Unauthorized Removal”). An Unauthorized Removal does not include replacing Key Personnel for reasons beyond the reasonable control of Contractor, including illness, disability, leave of absence, personal emergency circumstances, resignation, or for cause termination of the Key Personnel’s employment. Any Unauthorized Removal may be considered by the State to be a material breach of this Contract, in respect of which the State may elect to terminate this Contract for cause under Termination for Cause in the Standard Terms. It is further acknowledged that an Unauthorized Removal will interfere with the timely and proper completion of this Contract, to the loss and damage of the State, and that it would be impracticable and extremely difficult to fix the actual damage sustained by the State as a result of any Unauthorized Removal. Therefore, Contractor and the State agree that in the case of any Unauthorized Removal in respect of which the State does not elect to exercise its rights under Termination for Cause, Contractor will issue to the State the corresponding credits set forth below (each, an “Unauthorized Removal Credit”):

The Contractor’s Designated Key Personnel:

Haakon Hagemeister

Haakon.h@steigerwaldt.com

715-218-0078

Carol Ahles

Carol.ahles@steigerwaldt.com

715-453-3274

4. Project Management

A DNR Project Manager will be assigned to each project assigned to the Contractor. The Contractor and DNR Project Manager must maintain communication and work cooperatively to achieve easement acquisition in accordance with the contract requirements.

5. Project Plan -

Requirements:

- Timely and effective communication between all parties as specified by the timelines in the delivery order/project description.
- Contractor to identify specific team roles and responsibilities prior to the project start.
- Internal weekly team meetings are required to assess progress and goals. Meeting minutes to be noted in final project reports.
- Haakon K. Hagemester of Steigerwaldt Land Services, Inc. will serve as the contracted project manager and lead agent. Field agents will be appointed to provide support all aspects of this project.
- The Contractor's agents must meet with landowners and the MDNR project representative about project expectations, project philosophy, project background and other pertinent information.
- A bi-weekly report on project status and any landowner issues must be provided to the MDNR project representative. Outline will be produced of any specific landowner issues, status updates on specific parcels, legal questions, and any pertinent project issues that need to be addressed.
- Immediately upon contracting for the project, the Contractor's team will perform full title searches on all affected parcels.
- The final titles will be reviewed, and ownership information will be utilized in document preparation.
- An easement holder list must be composed. If exclusive easements are encountered, that are directly affected by the acquisition, The Contractor must coordinate with MDNR real estate to determine the course of action to be taken in obtaining subordination.
- The Contractor's team will utilize the MDNR project approved documents in the creation of landowner project files.
- Anticipated completed documents necessary must include, but is not limited to: Trail Easement Purchase and Sale Agreement, Easement for Trail Purposes, and a W9 for sales tax purposes.
- Provide the agents with a complete parcel file for their review and presentation to landowners, allowing the land agents to concentrate on the landowners.
- The land agents must enter individual diary notes, status notes and other important information following any meeting or correspondence with the landowners.
- Electronic and hard copies of all documents must be retained.
- The landowners must be treated with respect and kept well-informed.

- Prior to attempting to deliver the Purchase and Sale Agreement, Contractor's agents will make contact via phone with each landowner in order to provide them ample notice of the project and inform them of the MDNR desire to work with them to secure an easement across their property.
- The Contractor's agents must provide the Purchase and Sale Agreement for the landowner's and MDNR's review and execution.
- Once the Purchase and Sale Agreement is executed, the Contractor must request approval from the appropriate MDNR representative to make the agreed payment to the landowner.
- The Contractor's agent must then set up a meeting at a place and time convenient to the landowner to execute the Trail Easement and make final landowner payment.
- The Contractor must make payment directly to the landowner using a Contractor's or cashier's check. This cost will then be passed on to the MDNR as a project expense. The Contractor will also be responsible for providing the landowner the appropriate 1099 at year end for tax purposes, provided the payment does come directly from Contractor. Apart from the initial outreach by phone, every effort will be made to coordinate on site and personal meetings with each landowner.
- The Contractor's agents must be professional at all times with the landowners and all other personnel associated with the project.
- The Contractor's agents must review the title, appraisal (if needed), and all other acquisition documents to make certain the information being presented is accurate. The Contractor's agents must take the time to listen and address issues as they may arise.
- If a landowner is requesting an increase to the offered amount, the Contractor's agent must discuss the landowner justifications of a higher settlement and present them to the DNR Project Manager for further evaluation. If the Contractor's team agrees a landowner may be justified in receiving additional compensation, the Contractor's agent must prepare a justification email with the pertinent facts and provide backup material to request a settlement. The Contractor's agents will be responsible for entering the contact notes and any negotiations into the project log, along with other parcel updates.
- The Contractor's agents must close out the files and provide both electronic and digital copies of all relevant documents and correspondence to the appropriate MDNR Project Manager.
- The Contractor's agents must properly file all document recording with the local Register of Deeds and send the original recorded easement documents to Lansing for entry into the LOTS system.
- The Contractor must develop a MDNR-approved a "File Closing Checklist" which will include landowner/file name, project name and work order number. The project file package must be organized by executed documents first, followed by all correspondence with the landowner, any maps necessary, contact diaries, title search and appraisal if necessary. A hard copy of the file close out must be provided to the MDNR Project Manager along with a digital copy of all project files

on either a CD or a USB flash drive. Alternate close out processes or documentation will be discussed as necessary to accommodate the requirements.

- The Contractor's appraisal team will be led by a crew of certified general appraisers, assisted by appraisal assistants assigned to specified tasks in individual project plan. All appraisal work must be conducted in accordance with Michigan Statutes and Uniform Standards of Professional Appraisal Practice (USPAP) standards. Quality control and continuity among appraisers and appraisals must be maintained to ensure all statutory requirements are met should an acquisition go through the condemnation process.
- After receiving MDNR approval to proceed with appraisals, the Contractor's agents must reach out to the landowner(s) as needed, requesting to meet on site to inspect the property with the landowner(s) prior to completing the appraisal, or requesting permission to access the property if the landowner does not desire to meet. Should the landowner decline the meeting, not grant permission to access the property, or not respond, every effort must be made to complete an inspection from public property or road right-of-way. In the event this is not possible, an inspection using recent aerial photography, a United States Geological Survey (USGS) topographic map, and Natural Resources Conservation Services (NRCS) soil survey maps must be used.
- Following the property inspection, the Contractor's appraiser will finalize comparable sales to be used based on the inspection and complete the before and after appraisal report conforming to USPAP standards to determine the value diminishment due to the proposed easement. Understanding that the condemnation process is timeline-driven, which in turn plays into project timeline, it is understood that there is a sense of urgency that needs to be placed on appraisal submission rates. Maintaining a smooth process from start to finish, and verifying consistency among appraisals, must involve rigorous oversight by the Contractor's appraisal proofing team.
- After completion of the before and after appraisal report, the draft must be routed to key personnel for an initial review. This review will look at grammatical format, content and valuation information. The team must also closely scrutinize the comparable sales data and any aspect of the report that may come into question should the landowner move on to a commission hearing. The appraisal must then be reviewed and proofread internally by a second in-house certified general appraiser. Calculations must be proofread. Exhibit references used in the reports must be cross-checked. The Contractor's administrative staff must also perform ad hoc additional proofreading and spell checking of the report before final copies are submitted. Upon final review of content and valuation, the final appraisal must be uploaded into the consultant database and to the Contractor's agent for submittal to the landowner.
- A final template must be submitted to the MDNR Project Manager for review prior to the first reports being delivered to any landowners. The review will help identify and address any issues or concerns prior to completing the report. These changes will

then carry over to all reports for continuity. Individual case-by-case appraisals may be submitted to the project team as requested.

- The Contractor's agent must provide professional land surveying services, as needed. The Contractor must confirm State of Michigan licensure and experience of the land surveying firms before employing their services.
- The Contractor's agents must schedule periodic, but regular project teams, either by telephonic or video conferencing, to review progress and goals.
- The Contractor's agents must submit to the MDNR Project Manager full reports, appraisals, agreements, titles, easement documentation, disclosures, insurances, and all pertinent related documents contained in the project file along with the Contractor's invoice for services rendered.

6. Meetings

The Contractor must contact the Program Manager to initiate a project kick-off meeting within 20 days of a project effective date.

The State may request other meetings, as it deems appropriate.

7. Reporting

A bi-weekly status report must be submitted by the Contractor to the DNR Project Manager.

8. Ordering

a. Authorizing Document

The appropriate authorizing document for the Contract will be a Dept. of Natural Resources Delivery Order.

9. Pricing –

a. Price Term

Hourly rates are firm for the entire length of the Contract.

b. 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.

10. Ordering

a. Authorizing Document –

The appropriate authorizing document for the Contract will be a Dept. of Natural Resources Delivery Order.

b. Order Verification –

The Contractor must have internal controls approved by the Dept. of Natural Resources to verify abnormal orders and to ensure that only authorized individuals place orders.

11. Delivery Acceptance

a. Confirmation and Acceptance of Reporting

The State will use the following criteria to determine acceptance of the Contract Activities:

- Verification that the easement has been properly purchased and recorded.
- Verification that the Contractor followed the steps in the work plan.
- Verification that all authorized payments have been made and proper receipts have been submitted.

12. Invoice and Payment

a. 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); and (g) total price. Overtime, holiday pay, and travel expenses will not be paid.

b. Payment Methods –

The State will make payment for Contract Activities by EFT (Electronic Funds Transfer).

c. Procedure –

Invoices shall be submitted upon approval of deliverables. Some easement projects may be broken into stages, while others will be one project and reimbursable upon completion.

13. Liquidated Damages –

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. Therefore, if there is late or improper completion of the Contract Activities the State is entitled to collect liquidated damages in the amount of \$1,000 and an additional \$100 per day for each day Contractor fails to remedy the late or improper completion of the Work.

Steigerwaldt Land Services

SCHEDULE B - PRICING

Contract No. 220000000847

Michigan Dept. of Natural Resources – Easement and Land Consulting Services

1. The Contractor has provided the following pricing schedule for the proposed Contract Activities using this form.
2. Price proposals for Quotation Requests must include 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).
3. The Contractor has not offer quick payment terms.
4. The Contractor agrees to the following hourly rate schedule for the following individuals and/or categories of work requiring similar expertise:

Staffing	Hourly Rate
Haakon Hagemeister – Real Estate Manager	\$125.00
Carol Ahles – Real Estate Specialist	\$100.00
Sam Rigney – Real Estate Assistant	\$68.00

*Travel expenses should not be included.

Travel rates will be reimbursed based on the current State of Michigan travel rates which are updated annually. The rates can be found at http://www.michigan.gov/dtmb/0,5552,7-150-9141_13132--,00.html. Contractor must receive approval for travel expenses from the DNR Project Manager.