

A young boy with short dark hair is smiling broadly, looking slightly upwards and to the right. He is wearing a dark blue polo shirt. In the background, other students are visible, some looking at laptops. The setting appears to be a classroom or computer lab.

Financial Review Commission Public Meeting

May 21, 2018

Agenda

DPS Financial Update

DPSCD Financial Update

Debt Certifications

Supplemental Reports

Contracts

Out-of-State Travel

Appendix

DPS Summary '

- **Revenues and Expenditures**

- Local revenues through March were significantly below budget, this led YTD tax collections to fall \$1.4M below anticipated collections.
- DPS received a transfer from DPSCD to fund the employer taxes related to the 3% Payroll Refund. &
- Bond payments on 13 and 18 Mills debt were made as scheduled. &

- **Cash Flow**

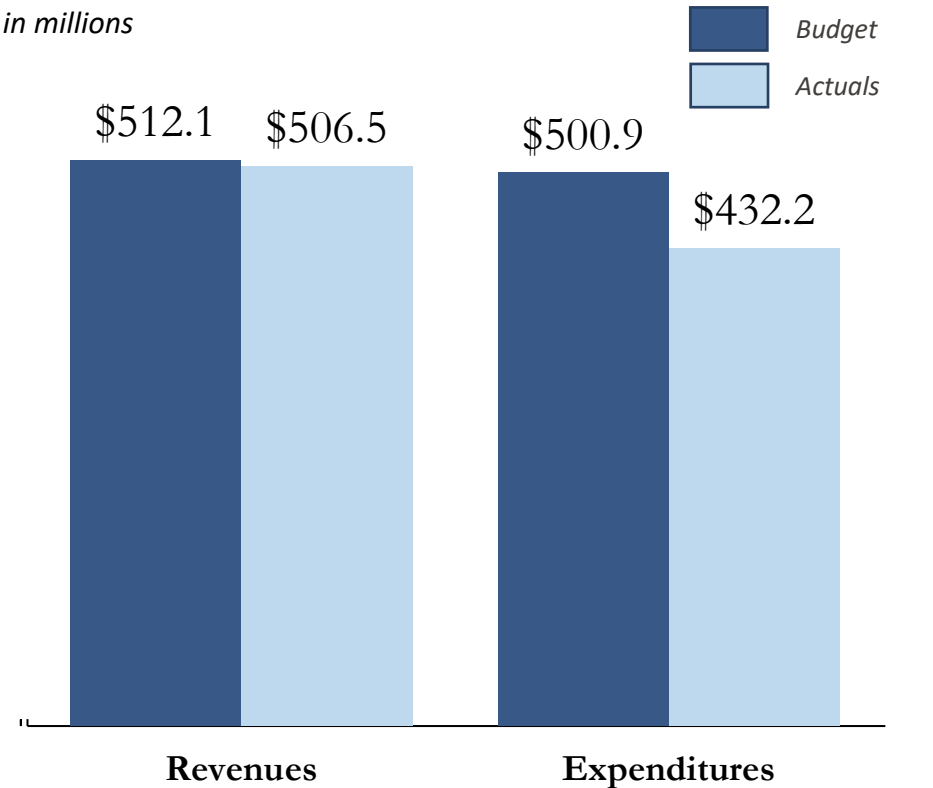
- DPS paid out the \$28.9M received from the Michigan Office of Retirement Services and related taxes as part of the 3% Payroll Refund.
- The ending cash balance for March was \$7.8M, with a projected FY 2018 ending cash balance of \$9.7M. The updated cash balance reflects a shift from June to August for the 13.1M transfer from DPS to DPSCD.

DPSCD Revenues and Expenditures Through March 2018 %

- Budget reflects Budget Amendment No. 2.
- Revenues through March were slightly below revised budget (\$5.6M).
 - Federal Sources were the primary factor
Revenue was slightly below budget. '
- Expenditures through March were 14% below budget (\$68.7M).
 - Salaries and Benefits (\$24.7M) and Purchased Services (\$23.8M) were the primary factors. '

Budget vs. Actuals

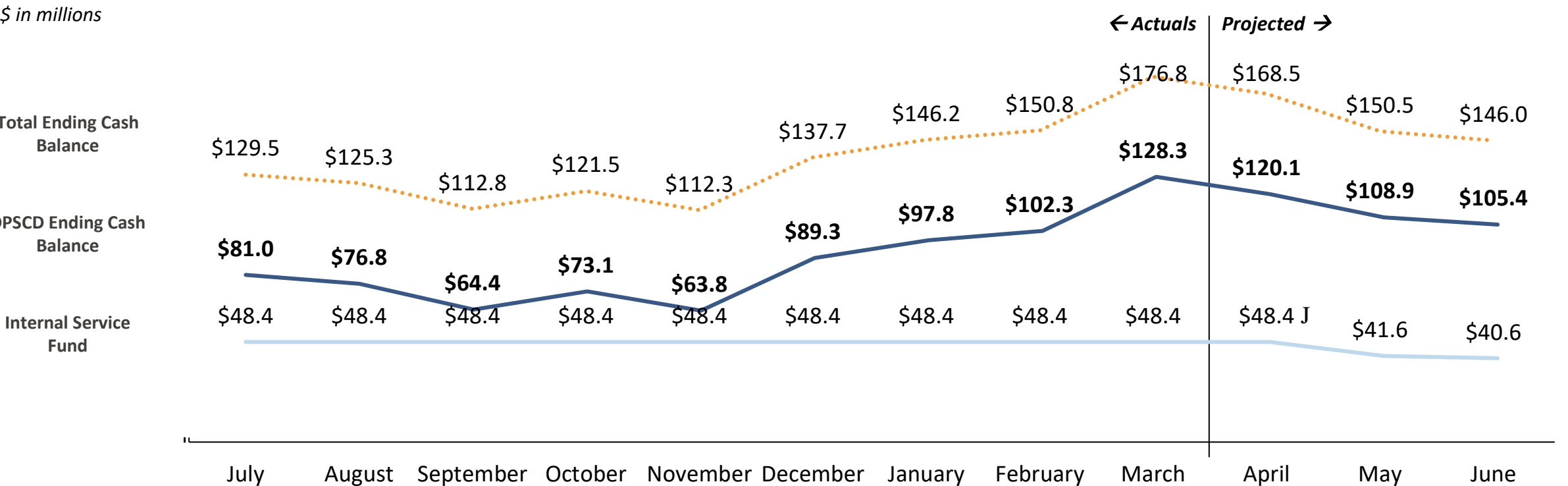
\$ in millions



DPSCD March 2018 Cash Flow Analysis %

- DPSCD’s ending cash balance for March was \$128.3M and the Internal Service Fund ending balance was \$48.4M, for a total ending balance of \$176.8M.
- The projected FY 2018 ending cash balance for DPSCD of \$105.4M was lowered from the previous projected ending cash balance of \$120M (drivers summarized below).
 - \$13.1M transfer from DPS to DPSCD for legacy MPSERS curtailment, which has been delayed into FY 2019. J
 - Additional \$2M in transfers from DPSCD to DPS to help pay for the incremental taxes related to the 3% withholding. J
- The current cash balance is estimated to be equivalent to 10.3 weeks of average expenditures¹.

Actual & Projected Ending Cash Balance



(1) Calculated by taking current cash balance as of April 6, 2018 and dividing it by the average actual YTD expenditures per week, excluding any one-time items such as the \$16M loan to DPS to fund a SODEXO payment.

DPS Monthly Report \$



Summary statement of revenues and expenditures – budget to actual comparison

- Based on actual results through March 2018, DPS recorded a slight deficit of revenues over expenditures of \$1.1M
- For the month of March, DPS paid about \$23.2M towards Bond and Emergency Loan debt service.
- Operating expenditures includes \$36K of legal and audit fees. Budget assumed higher fees.

	Budget Month of Mar-18	Actual Month of Mar-18	Variance		Budget YTD Mar-18	Actual YTD Mar-18	Variance	
			\$	%			\$	%
Revenues								
Local sources	5,230,643	315,479	(4,915,165)	-94%	46,711,145	45,272,593	(1,438,553)	-3%
State sources	361,657	324,805	(36,852)	-10%	3,254,910	3,248,047	(6,863)	0%
Federal sources	-	-	-	-	-	-	-	-
Interdistrict sources	-	-	-	-	-	-	-	-
Other sources	-	-	-	-	-	-	-	-
Total revenue	5,592,300	640,284	(4,952,017)	-89%	49,966,055	48,520,640	(1,445,415)	-3%
Expenditures								
Operating expenditures	-	-	-	-	400,000	36,000	(364,000)	-
Debt Service	24,031,351	24,031,351	-	0%	46,797,808	46,797,808	-	0%
Transfers out	-	-	-	-	-	-	-	-
Total expenditures	24,031,351	24,031,351	-	0%	47,197,808	46,833,808	(364,000)	-1%
Surplus (Deficit)	(18,439,051)	(23,391,068)	(4,952,017)	27%	2,768,248	1,686,832	(1,081,415)	-39%

DPS Cash Forecast to Actuals Variance – Mar. 2018 \$

<i>\$ in thousands</i>	March 6 Forecast 6	March 6 Actuals 6	March 6 Variance 6	Comment 6
Cash Receipts				
Property Tax (13 Mills)	10,545 6	877 6	(9,668) 6	Timing - forecast assumed higher amount
Transfer from DPSCD	1,178 6	5,327 6	4,150 6	Forecast assumed a \$1M transfer to DPS to cover employer related taxes for the 3% payroll reimbursement. Actual \$5.3M transfer was higher than the anticipated 6 projection. 6
Draw from BONY 6	4,081 6	-	(4,081) 6	Draw delayed to a future period per discussion with SOM Treasury 6
Miscellaneous 6	529 6	259 6	(270) 6	Miscellaneous revenue primarily due to food services
Total Cash Receipts	16,333 %	6,464 %	(9,870) %	
Cash Disbursements				
Payroll Direct Deposit	(28,876) 6	(28,876) 6	-	
FICA	(1,000) 6	(4,597) 6	(3,597) 6	\$4.6M includes employee and employer taxes. Employee taxes to be reclassified to the payroll direct deposit account in a future period 6
Accounts Payable 6	(50) 6	(56) 6	(6) 6	
Fringe Benefits 6		(23) 6	(23) 6	
Property Tax Transfer (1) 6	(19,322) 6	(7,411) 6	11,910 6	Additional transfers to be made in future periods 6
Food Service 6	(97) 6	(97) 6	(0) 6	
Transfer to DPSCD 6		-	-	
Other 6	(100) 6	(75) 6	25 6	
Total Cash Disbursements	(49,444) %	(41,135) %	8,309 %	
Net Cash Flow	(33,111) %	(34,671) %	(1,561) %	
Beginning Cash Balance	42,504 6	42,504 6	-	
Net Cash Flow	(33,111) 6	(34,671) 6	(1,561) 6	
Ending Cash Balance	\$ 9,394 %	\$ 7,833 %	\$ (1,561) %	

(1) Property tax transfer relates to 13 Mills property tax receipts collected to cover capital debt service.

DPS FY 2018 monthly cash flows

\$ in thousands "

	2017						2018						
	July Actual	August Actual	September Actual	October Actual	November Actual	December Actual	January Actual	February Actual	March Actual	April Forecast	May Forecast	June Forecast	FY 18 Total
Cash Receipts													
State Aid (1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,876	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,876
Property Tax (13 Mills)	290	2,427	27,530	4,209	1,704	1,363	7,855	7,028	877	896	2,429	18,392	75,000
Transfer from DPSCD (2)	-	16,000	-	-	-	-	-	-	5,327	-	178	590	22,096
Draw from BONY	-	16,740	-	-	-	-	-	-	-	5,109	-	1,431	23,281
Miscellaneous (3)	124	112	1,014	137	102	1,137	36	99	259	12	-	-	3,033
Total Cash Receipts	415	35,280	28,543	4,347	1,806	2,500	36,767	7,126	6,464	6,017	2,607	20,414	152,284
Cash Disbursements													
Payroll Direct Deposit (1)	-	-	-	-	-	-	-	-	(28,876)	-	-	-	(28,876)
Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
FICA (1)	-	-	-	-	-	-	-	-	(4,597)	-	-	-	(4,597)
Accounts Payable (4)	-	(16,209)	(304)	(58)	(49)	(58)	(72)	(2,026)	(56)	(2,037)	(50)	(50)	(20,970)
Pension (employee portion)	-	-	-	-	-	-	-	-	-	-	-	-	-
Pension (employer portion)	(4)	-	-	-	-	-	-	-	-	-	-	-	(4)
Health	-	-	-	-	-	-	-	-	-	-	-	-	-
Fringe Benefits (5)	-	(0)	-	-	-	-	-	-	(23)	(11)	-	-	(34)
Property Tax Transfer	-	(1,472)	(27,530)	-	-	-	-	(16,408)	(7,411)	(3,138)	(2,429)	(18,392)	(76,780)
Food Service	-	-	-	-	-	-	-	-	(97)	-	-	-	(97)
Transfer to DPSCD (6)	-	-	(19,779)	-	-	-	-	-	-	(697)	-	-	(20,476)
Other (7)	(24)	(72)	-	(7)	(504)	(2,357)	(1,161)	(23)	(75)	(100)	(100)	(100)	(4,522)
Total Cash Disbursements	(28)	(17,754)	(47,612)	(65)	(553)	(2,415)	(1,233)	(18,457)	(41,135)	(5,983)	(2,579)	(18,542)	(156,356)
Net Cash Flow	386	17,526	(19,069)	4,281	1,253	85	35,534	(11,330)	(34,671)	34	28	1,872	(4,071)
Beginning Cash Balance	13,838	14,225	31,750	12,681	16,963	18,215	18,301	53,835	42,504	7,833	7,867	7,895	13,838
Net Cash Flow	386	17,526	(19,069)	4,281	1,253	85	35,534	(11,330)	(34,671)	34	28	1,872	(4,071)
Ending Cash Balance	\$ 14,225	\$ 31,750	\$ 12,681	\$ 16,963	\$ 18,215	\$ 18,301	\$ 53,835	\$ 42,504	\$ 7,833	\$ 7,867	\$ 7,895	\$ 9,767	\$ 9,767

Forecast includes actuals through April 06, 2018.

(1)) Includes a \$28.9M reimbursement of salaries to District employees, that were previously withheld by the State. The amount withheld plus applicable employer related taxes is to be passed through to the payroll line and FICA line.

(2)) There is a \$178K draw-down from DPSCD in May that is related to the reimbursement of Legal, Worker's Comp, and TIP payments made by DPS on behalf of DPSCD.

(3)) Miscellaneous receipts in September includes a \$1.1M in property tax abatements (Ren. Zone), which should have been sent to the BONY account. Monies were transferred to BONY in January. March receipts include a transfer in from a DPS payroll account to fund the incremental) withholding taxes owed by the District related to the 3% payroll withholding.)

(4)) Includes \$20M in settlement payments to Sodexo (the remaining \$8M will be paid in FY 2019). January includes \$36K in audit and legal fees.

(5)) Fringe benefits includes checks paid to the deceased relating to the 3% payroll reimbursement.

(6)) Transfer to DPSCD in April includes the surplus of the amount transferred to DPS to cover taxes related to the 3% payroll reimbursement compared to the amount actually paid by DPS.

(7)) December activity includes a reimbursement to Wayne County for 2014/2015 overpayment of Act 18 Funds. January activity includes the pass-through to the BONY account mentioned in footnote 3. The forecast for April – June includes the savings from the budgeted legal and audit) fees, which are being spread here as contingency.)

DPS FY 2019 monthly cash flows

\$ in thousands

	2018						2019						FY 19 Total
	July	August	September	October	November	December	January	February	March	April	May	June	
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	
Cash Receipts													
Property Tax (13 Mills)	\$ 951	\$ 2,682	\$ 19,965	\$ 4,076	\$ 1,748	\$ 1,137	\$ 2,468	\$ 4,366	\$ 17,553	\$ 828	\$ 2,243	\$ 16,985	\$ 75,000
Transfer from DPSCD	-	-	-	-	-	-	-	-	-	-	-	-	-
Draw from BONY	9,603	4,188	-	-	-	-	-	-	11,595	-	-	-	25,386
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts	10,554	6,869	19,965	4,076	1,748	1,137	2,468	4,366	29,149	828	2,243	16,985	100,386
Cash Disbursements													
Payroll Direct Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-
Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
FICA	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Payable	-	(8,000)	-	-	-	-	(100)	-	-	-	-	-	(8,100)
Pension (employee portion)	-	-	-	-	-	-	-	-	-	-	-	-	-
Pension (employer portion)	-	-	-	-	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-	-	-	-	-
Fringe Benefits	-	-	-	-	-	-	-	-	-	-	-	-	-
Property Tax Transfer	(951)	(2,682)	(19,965)	(4,076)	(1,748)	(1,137)	(2,468)	(4,366)	(17,553)	(828)	(2,243)	(16,985)	(75,000)
Food Service	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to DPSCD	-	(13,100)	-	-	-	-	-	-	-	-	-	(6,900)	(20,000)
Other	-	-	(2,357)	-	-	-	-	-	-	-	-	-	(2,357)
Total Cash Disbursements	(951)	(23,782)	(22,321)	(4,076)	(1,748)	(1,137)	(2,568)	(4,366)	(17,553)	(828)	(2,243)	(23,885)	(105,457)
Net Cash Flow	9,603	(16,912)	(2,357)	-	(0)	0	(100)	-	11,595	(0)	(0)	(6,900)	(5,071)
Beginning Cash Balance	9,767	19,370	2,458	101	101	101	101	1	1	11,596	11,596	11,596	9,767
Net Cash Flow	9,603	(16,912)	(2,357)	-	(0)	0	(100)	-	11,595	(0)	(0)	(6,900)	(5,071)
Ending Cash Balance	\$ 19,370	\$ 2,458	\$ 101	\$ 101	\$ 101	\$ 101	\$ 1	\$ 1	\$ 11,596	\$ 11,596	\$ 11,596	\$ 4,696	\$ 4,696

DPSCD Monthly Report %



Summary statement of revenues and expenditures (object) – budget to actual comparison

- Based on actual results through March 2018, DPSCD is \$63.1M ahead of budget. However at this point, DPSCD believes some of this favorable variance is due to timing and will reverse before the end of the fiscal year.

	Budget Month of Mar-18		Actual Month of Mar-18		Variance			Budget YTD Mar-18		Actual YTD Mar-18		Variance		
					\$	%						\$	%	
Revenues														
Local sources	\$	\$9,431,010	\$	9,996,626	\$	565,616	6%	\$	53,951,786	\$	54,424,238	\$	472,453	1%
State sources		42,544,438		38,485,176		(4,059,262)	(10%)		351,474,535		363,467,184		11,992,649	3%
Federal sources		12,489,345		10,570,378		(1,918,967)	(15%)		106,660,699		88,631,354		(18,029,346)	(17%)
Total revenues		64,464,793		59,052,180		(5,412,613)	(8%)		512,087,020		506,522,776		(5,564,244)	(1%)
Expenditures														
Salaries		25,219,627		25,893,076		673,449	3%		220,052,608		202,963,400		(17,089,209)	(8%)
Benefits		13,517,661		16,095,124		2,577,463	19%		123,893,081		116,330,180		(7,562,901)	(6%)
Purchased Services		15,481,876		13,813,158		(1,668,718)	(11%)		114,848,979		91,023,141		(23,825,838)	(21%)
Supplies & Textbooks		1,431,087		474,855		(956,232)	(67%)		13,792,499		7,474,298		(6,318,201)	(46%)
Equipment & Capital		318,834		239,100		(79,735)	(25%)		6,334,707		1,397,922		(4,936,784)	(78%)
Utilities		1,381,809		1,284,263		(97,546)	(7%)		12,845,209		12,476,828		(368,381)	(3%)
Other		-		61,309		61,309	0%		9,177,823		569,006		(8,608,817)	(94%)
Total expenditures		57,350,894		57,860,885		509,991	1%		500,944,906		432,234,776		(68,710,129)	(14%)
Surplus (Deficit)	\$	7,113,899	\$	1,191,295	\$	(5,922,604)	(9%)	\$	11,142,115	\$	74,288,000	\$	63,145,886	13%

Summary statement of expenditures (function) – budget to actual comparison

	Budget		Actual		Variance		Budget		Actual		Variance			
	Month of		Month of				YTD		YTD					
	Mar-18		Mar-18		\$	%	Mar-18		Mar-18		\$	%		
INSTRUCTION														
Elementary Programs	\$	13,346,242	\$	11,994,135	\$	(1,352,107)	(10%)	\$	97,513,957	\$	88,819,050	\$	(8,694,907)	(9%)
Middle School Programs		1,310,471		1,093,972		(216,499)	(17%)		9,563,147		8,938,744		(624,403)	(7%)
High School & Summer Programs		5,952,002		5,327,196		(624,806)	(10%)		45,486,759		41,223,666		(4,263,093)	(9%)
Special Education		7,420,411		6,578,581		(841,830)	(11%)		56,083,414		48,527,309		(7,556,105)	(13%)
Compensatory Education		4,482,306		4,405,874		(76,432)	(2%)		43,320,980		29,935,974		(13,385,006)	(31%)
Career and Technical Education		260,664		238,967		(21,697)	(8%)		2,183,563		1,609,541		(574,022)	(26%)
Adult/Continuing Education - Basic		223,350		142,691		(80,659)	(36%)		1,069,420		861,599		(207,821)	(19%)
Total Instruction		32,995,446		29,781,416		(3,214,030)	(10%)		255,221,241		219,915,884		(35,305,356)	(14%)
SUPPORTING SERVICES														
Pupil		5,205,556		5,232,830		27,274	1%		43,928,394		34,331,452		(9,596,943)	(22%)
Instructional Support		2,936,169		2,803,516		(132,653)	(5%)		36,307,712		22,271,703		(14,036,009)	(39%)
General Administration		315,784		350,646		34,862	11%		4,020,365		3,264,558		(755,807)	(19%)
School Administration		3,391,946		3,735,959		344,013	10%		29,555,015		27,794,868		(1,760,147)	(6%)
Business		900,594		691,298		(209,296)	(23%)		6,843,954		6,380,631		(463,324)	(7%)
Maintenance & Operations		5,184,074		9,863,772		4,679,698	90%		68,462,273		62,561,258		(5,901,014)	(9%)
Transportation		3,869,590		2,163,538		(1,706,052)	(44%)		28,071,421		23,934,241		(4,137,179)	(15%)
Central Support Services (1)		2,054,244		2,598,261		544,017	26%		24,151,910		28,565,616		4,413,706	18%
School Activities		405,560		404,706		(854)	(0%)		1,357,659		1,242,271		(115,388)	(8%)
Total Supporting Services		24,263,517		27,844,525		3,581,008	15%		242,698,702		210,346,597		(32,352,105)	(13%)
COMMUNITY SERVICES		91,931		234,944		143,013	156%		3,024,962		1,972,295		(1,052,667)	(35%)
TOTAL EXPENDITURES	\$	57,350,894	\$	57,860,885	\$	509,991	1%	\$	500,944,905	\$	432,234,776	\$	(68,710,128)	(14%)

(1) Central Support Services actuals for the month of October includes a one time MPSERS pass-through to the retirement system, which was funded by State Aid.

DPSCD Cash Forecast to Actuals Variance – Mar. 2018 %

\$ in thousands

Cash Receipts

	March Forecast	March Actuals	March Variance	Comment
State Aid	\$ 41,788	\$ 40,439	\$ (1,349)	Initial forecast anticipated higher receipts. Forecast has been reduced accordingly
MPSERS (State Funded)	2,983	2,983	(0)	
Enhancement Millage	1,431	2,651	1,220	Timing - catch up from prior periods
Grants	10,226	27,995	17,769	Timing - catch up from prior periods
Transfer from DPS	-	-	-	
WCRESA	4,052	8,104	4,052	Due to month end cash reporting cut off, includes two WCRESA payments (March and April receipts)
Food Service Reimbursement	2,317	3,096	779	
Capital Asset Sales	-	-	-	
Miscellaneous	7,986	1,479	(6,507)	\$6.8M draw from the Internal Service Fund for TIP, Legal, and Workers Comp reimbursement to be completed in a future period
Total Cash Receipts	70,783	86,748	15,965	

Cash Disbursements

MPSERS (Pass through)	\$ (2,983)	\$ (2,983)	\$ -	
Payroll Direct Deposit	(14,806)	(15,222)	(415)	
Taxes	(5,869)	(5,201)	668	
FICA	(1,787)	(1,568)	219	
Accounts Payable	(15,305)	(17,683)	(2,378)	Timing - catch up from prior periods
Pension (employee portion)	(2,004)	(1,928)	76	
Pension (employer portion)	(6,103)	(5,752)	351	
Health	(7,394)	(3,197)	4,197	Timing - forecast assumed two health payments. Additional health payment to be made in a future period
Fringe Benefits	(523)	(242)	281	
Food Service	(4,590)	(1,634)	2,956	Timing - forecast assumed higher amount
Transfer to DPS	(1,178)	(5,327)	(4,150)	Forecast assumed a \$1M transfer to DPS to cover employer related taxes for the 3% payroll reimbursement. Actual \$5.3M transfer was higher than the anticipated projection.
Other	(2,405)	-	2,405	Forecast assumed contingency
Total Cash Disbursements	(64,948)	(60,738)	4,210	

Net Cash Flow

Beginning Cash Balance	102,340	102,340	-
Net Cash Flow	5,835	26,010	20,174
Ending Cash Balance	\$ 108,175	\$ 128,349	\$ 20,174

DPSCD FY 2018 monthly cash flows

\$ in thousands "

	2017						2018						FY 18 Total
	July Actual	August Actual	September Actual	October Actual	November Actual	December Actual	January Actual	February Actual	March Actual	April Forecast	May Forecast	June Forecast	
Cash Receipts													
State Aid	\$ 35,012	\$ 35,071	\$ -	\$ 39,508	\$ 40,457	\$ 39,236	\$ 39,920	\$ 36,331	\$ 40,439	\$ 39,359	\$ 39,359	\$ 39,359	\$ 424,050
MPSERS (State Funded)	3,182	3,186	-	6,634	5,966	2,983	2,983	2,983	2,983	2,983	2,983	2,983	39,850
Enhancement Millage	1,078	1,017	2,128	3,342	3,037	1,631	310	2,164	2,651	270	99	273	18,000
Grants	18,108	12,295	11,226	229	5,854	13,756	7,349	23,452	27,995	7,226	7,226	7,226	141,943
Transfer from DPS (1)	-	-	19,779	-	-	-	-	-	-	697	-	-	20,476
WCRESA	-	-	3,848	4,052	6,613	4,052	4,052	4,052	8,104	-	4,052	4,052	42,878
Food Service Reimbursement	4,897	2,828	-	2,295	4,260	9,000	109	318	3,096	2,926	1,716	7,255	38,700
Miscellaneous (2)	2,593	578	588	602	2,985	1,232	1,057	2,674	1,479	1,294	8,900	2,653	26,635
Total Cash Receipts #	64,870	54,974	37,569	56,662	69,172	71,890	55,780	71,974	86,748	54,755	64,335	63,802	752,531
Cash Disbursements													
MPSERS (Pass through)	\$ (3,182)	\$ (3,182)	\$ (3,186)	\$ -	\$ (12,600)	\$ -	\$ (2,985)	\$ (2,983)	\$ (2,983)	\$ (2,983)	\$ (2,983)	\$ (2,983)	\$ (40,051)
Payroll Direct Deposit	(14,688)	(15,085)	(16,264)	(14,168)	(14,479)	(15,232)	(13,230)	(21,948)	(15,222)	(14,893)	(14,891)	(14,891)	(184,990)
Taxes	(4,878)	(4,182)	(4,368)	(5,119)	(8,795)	(5,233)	(5,204)	(5,521)	(5,201)	(5,383)	(8,572)	(5,714)	(68,172)
FICA	(2,017)	(1,752)	(1,261)	(1,554)	(1,802)	(1,635)	(1,509)	(1,675)	(1,568)	(1,747)	(2,680)	(1,787)	(20,989)
Accounts Payable	(11,803)	(8,513)	(15,531)	(11,884)	(17,819)	(14,121)	(13,066)	(17,419)	(17,683)	(12,473)	(14,688)	(16,750)	(171,750)
Pension (employee portion)	(1,635)	(1,454)	(1,140)	(1,751)	(2,773)	(1,875)	(966)	(2,809)	(1,928)	(2,040)	(2,990)	(1,993)	(23,354)
Pension (employer portion)	(5,029)	(4,622)	(3,459)	(5,504)	(8,660)	(5,819)	(2,931)	(8,440)	(5,752)	(6,316)	(9,268)	(6,179)	(71,980)
Health	(1,218)	(3,042)	(3,920)	(5,639)	(6,740)	(66)	(4,639)	(3,574)	(3,197)	(8,165)	(4,645)	(4,645)	(49,490)
Fringe Benefits	(215)	(937)	(592)	(795)	(177)	(214)	(449)	(266)	(242)	(505)	(657)	(577)	(5,627)
Food Service	(684)	(379)	(338)	(1,533)	(2,229)	(2,209)	(2,311)	(2,787)	(1,634)	(5,304)	(8,637)	(6,910)	(34,954)
Transfer to DPS (3)	-	(16,000)	-	-	-	-	-	-	(5,327)	-	(178)	(590)	(22,096)
Other	(23)	-	-	-	(2,356)	-	-	-	-	(3,207)	(5,345)	(4,276)	(15,207)
Total Cash Disbursements #	(45,374)	(59,148)	(50,059)	(47,948)	(78,429)	(46,403)	(47,291)	(67,424)	(60,738)	(63,015)	(75,534)	(67,296)	(708,658)
Net Cash Flow #	19,496	(4,174)	(12,489)	8,714	(9,257)	25,487	8,489	4,550	26,010	(8,260)	(11,200)	(3,494)	43,872
Beginning Cash Balance	61,523	81,020	76,846	64,357	73,071	63,814	89,301	97,790	102,340	128,349	120,089	108,890	61,523
Net Cash Flow	19,496	(4,174)	(12,489)	8,714	(9,257)	25,487	8,489	4,550	26,010	(8,260)	(11,200)	(3,494)	43,872
Ending Cash Balance	\$ 81,020	\$ 76,846	\$ 64,357	\$ 73,071	\$ 63,814	\$ 89,301	\$ 97,790	\$ 102,340	\$ 128,349	\$ 120,089	\$ 108,890	\$ 105,396	\$ 105,396
Memo:													
Internal Service Fund and Fiduciary Account													
Beginning Balance	\$ 48,439	\$ 48,439	\$ 48,439	\$ 48,439	\$ 48,439	\$ 48,439	\$ 48,439	\$ 48,439	\$ 48,439	\$ 48,439	\$ 48,439	\$ 41,606	\$ 48,439
(+) Liability Balance Transfer from DPS	-	-	-	-	-	-	-	-	-	-	-	-	-
(-) TIP, Legal, And Workers' Compensation Claims	-	-	-	-	-	-	-	-	-	-	(6,833)	(1,000)	(7,833)
Ending Balance	48,439	48,439	48,439	48,439	48,439	48,439	48,439	48,439	48,439	48,439	41,606	40,606	40,606
Grand Total #	\$ 129,459	\$ 125,285	\$ 112,795	\$ 121,510	\$ 112,253	\$ 137,740	\$ 146,229	\$ 150,779	\$ 176,788	\$ 168,528	\$ 150,495	\$ 146,001	\$ 146,001

Forecast includes actuals through April 06, 2018.

(1)) Transfer from DPS in April includes the surplus of the amount transferred to DPS to cover taxes related to the 3% payroll reimbursement compared to the amount actually paid by DPS.

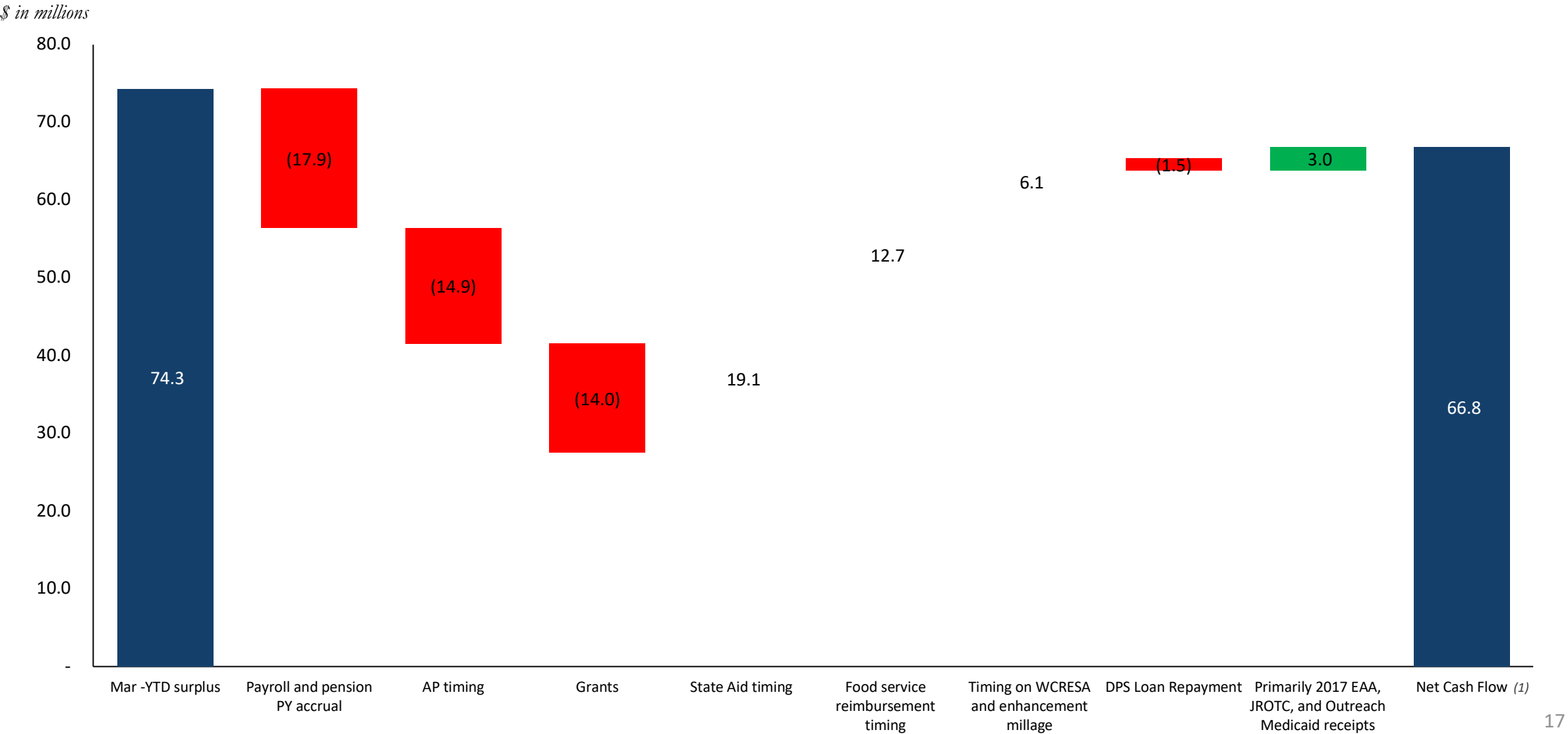
(2)) Miscellaneous receipts in March consist primarily of a \$1.1M transfer from EAA, and two draws from the Internal Service Fund for \$3.4M and \$3.2M, both draws relating to TIP, Legal, and Workers' Compensation.

(3)) Transfers to DPS includes a \$5.3M and a \$178K transfer to DPS in March and May, respectively. The \$5.3M transfer is to cover the employer related taxes associated with \$28.9M in salaries for District employees previously withheld by the State. The \$178K transfer relates to the reimbursement of Legal, Worker's Comp, and TIP payments made by DPS on behalf of DPSCD.

DPSCD FY 2019 monthly cash flows

\$ in thousands	-----2017-----						-----2018-----						FY 19 Total
	July	August	September	October	November	December	January	February	March	April	May	June	
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	
Cash Receipts													
State Aid	\$ 39,359	\$ 39,359	\$ -	\$ 39,545	\$ 39,545	\$ 39,545	\$ 39,545	\$ 39,545	\$ 39,545	\$ 39,545	\$ 39,545	\$ 39,545	\$ 434,619
MPSERS (State Funded)	2,983	2,983	-	-	5,967	2,983	2,983	2,983	2,983	2,983	2,983	2,983	32,816
Enhancement Millage	1,111	1,048	2,193	3,444	3,129	1,680	320	2,229	2,732	279	102	282	18,548
Grants	12,311	16,468	13,715	13,715	14,631	19,800	13,041	13,041	13,041	13,041	14,462	13,041	170,305
Transfer from DPS	-	13,100	-	-	-	-	-	-	-	-	-	6,900	20,000
WCRESA	-	-	4,209	4,209	4,209	4,209	4,209	4,209	4,209	4,209	4,209	4,209	42,089
Food Service Reimbursement	7,255	9,069	3,808	3,808	4,760	3,808	4,760	3,808	3,808	3,808	4,760	3,808	57,261
Miscellaneous	941	1,092	23,941	941	1,092	2,941	1,092	941	2,941	941	1,092	2,941	40,894
Total Cash Receipts	63,960	83,119	47,866	65,662	73,332	74,966	65,950	66,755	69,257	64,805	67,153	73,708	816,533
Cash Disbursements													
MPSERS (Pass through)	\$ (2,983)	\$ (2,983)	\$ (2,983)	\$ -	\$ -	\$ (5,967)	\$ (2,983)	\$ (2,983)	\$ (2,983)	\$ (2,983)	\$ (2,983)	\$ (2,983)	\$ (32,816)
Payroll Direct Deposit	(13,931)	(20,896)	(27,519)	(14,534)	(14,534)	(14,534)	(22,485)	(14,990)	(14,990)	(14,990)	(14,990)	(14,990)	(203,380)
Taxes	(5,343)	(5,343)	(10,414)	(5,573)	(8,360)	(5,573)	(5,747)	(5,747)	(5,747)	(5,747)	(8,621)	(5,747)	(77,961)
FICA	(1,561)	(1,561)	(3,050)	(1,629)	(2,443)	(1,629)	(1,680)	(1,680)	(1,680)	(1,680)	(2,520)	(1,680)	(22,794)
Accounts Payable	(16,750)	(20,938)	(13,536)	(13,536)	(16,921)	(13,536)	(16,921)	(13,536)	(13,536)	(13,536)	(16,921)	(13,536)	(183,204)
Pension (employee portion)	(2,249)	(2,505)	(2,511)	(2,226)	(3,936)	(2,624)	(2,665)	(2,706)	(2,706)	(2,706)	(4,059)	(2,706)	(33,601)
Pension (employer portion)	(7,037)	(7,894)	(7,908)	(7,028)	(12,384)	(8,256)	(8,382)	(8,509)	(8,509)	(8,509)	(12,763)	(8,509)	(105,688)
Health	(5,799)	(7,895)	(5,095)	(6,050)	(6,888)	(6,050)	(8,495)	(6,239)	(6,239)	(6,239)	(7,104)	(6,239)	(78,333)
Fringe Benefits	(613)	(834)	(538)	(639)	(728)	(639)	(897)	(659)	(659)	(659)	(750)	(659)	(8,274)
Food Service	(2,339)	(2,923)	(2,339)	(2,339)	(2,923)	(2,339)	(2,923)	(2,339)	(2,339)	(2,339)	(2,923)	(2,339)	(30,403)
Transfer to DPS	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	(1,400)	(1,750)	(1,400)	(1,400)	(1,750)	(1,400)	(1,750)	(1,400)	(1,400)	(1,400)	(1,750)	(1,400)	(18,199)
Total Cash Disbursements	(60,004)	(75,523)	(77,293)	(54,953)	(70,867)	(62,546)	(74,928)	(60,789)	(60,789)	(60,789)	(75,384)	(60,789)	(794,654)
Net Cash Flow	3,956	7,596	(29,427)	10,708	2,466	12,419	(8,979)	5,967	8,469	4,016	(8,232)	12,919	21,879
Beginning Cash Balance	105,396	109,352	116,948	87,521	98,229	100,695	113,114	104,136	110,103	118,571	122,587	114,356	105,396
Net Cash Flow	3,956	7,596	(29,427)	10,708	2,466	12,419	(8,979)	5,967	8,469	4,016	(8,232)	12,919	21,879
Ending Cash Balance	\$ 109,352	\$ 116,948	\$ 87,521	\$ 98,229	\$ 100,695	\$ 113,114	\$ 104,136	\$ 110,103	\$ 118,571	\$ 122,587	\$ 114,356	\$ 127,275	\$ 127,275
Memo:													
Internal Service Fund and Fiduciary Account													
Beginning Balance	\$ 40,606	\$ 40,606	\$ 40,606	\$ 17,606	\$ 17,606	\$ 17,606	\$ 15,606	\$ 15,606	\$ 15,606	\$ 13,606	\$ 13,606	\$ 13,606	\$ 40,606
(+) Liability Balance Transfer from DPS	-	-	-	-	-	-	-	-	-	-	-	-	-
(-) TIP, Legal, And Workers' Compensation Claims	-	-	(23,000)	-	-	(2,000)	-	-	(2,000)	-	-	(2,000)	(29,000)
Ending Balance	40,606	40,606	17,606	17,606	17,606	15,606	15,606	15,606	13,606	13,606	13,606	11,606	11,606
Grand Total	\$ 149,957	\$ 157,554	\$ 105,127	\$ 115,835	\$ 118,301	\$ 128,720	\$ 119,741	\$ 125,708	\$ 132,177	\$ 136,193	\$ 127,961	\$ 138,880	\$ 138,880

Reconciliation of FY 2018 March YTD general ledger surplus to actual net cash flow



(1) Net Cash Flow is the sum of year-to-date monthly cash flows (i.e., the summation of monthly cash flows from July to March).

Debt Certifications %



DPS FY 2018 Q4 Debt Summary \$

Debt Obligation	FY18 Required Debt Service	YTD Payment (Q1 - Q3)	Current quarter payment (Q4)
Series 1998 C	\$ 6,339,138	\$ 1,064,569	\$ 5,274,569
Series 2001 A	11,021,700	5,510,850	5,510,850
Series 2002 A	2,147,100	1,073,550	1,073,550
Series 2005 A	11,907,000	5,953,500	5,953,500
Series 2009 A	9,056,574	1,435,500	7,621,074 (2)
Series 2009 B	13,617,963	7,123,282	6,494,681 (2)
Series 2010 A	14,822,707	5,346,235	9,476,472 (2)
Series 2010 B	2,286,637	1,698,587	1,143,319 (2)
Series 2012 A	23,111,750	7,193,375	15,918,375
Series 2015 A	36,383,500	3,486,750	32,896,750
Series 2017	5,353,461	1,108,426	4,245,035
Sub-total (13 mills)¹	136,047,530	40,994,624	95,608,174
Series 2016 D1 & D2	37,074,724	37,074,724	-
EL Note	1,965,000	1,965,000	-
MPSERS liability	2,000,000	-	2,000,000
Sub-total (18 mills)	41,039,724	39,039,724	2,000,000
Total	\$ 177,087,254	\$ 80,034,348	\$ 97,608,174
Memo:			
13 mill property tax collections	\$ 77,329,572	\$ 76,622,452	\$ 707,120
Borrowings required from SLRF	58,717,958	-	58,717,958
Total 13 mill sources¹	\$ 136,047,530	\$ 76,622,452	\$ 59,425,078

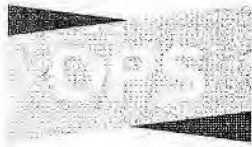
Notes:

(1) 13 mill debt service was funded by a combination of property tax collections in FY 2018 and additional borrowings from the SLRF, which is summarized in the memo section above.

(2) Amounts shown for Q4 deviate from the provided PFM schedules due to differences in the final federal subsidy assumed. DPSCD paid the amount owed as requested by the trustee, which included the actual Federal subsidy, rather than the estimate used in the PFM schedules.

DPS FY 2019 Q1 Debt Summary \$

Debt Obligation	FY19		FY19	
	Required Debt Service	Next quarter payment (Q1 2019)	Year-To-Go payments (Q2 - Q4 2019)	
Series 1998 C	\$ 6,338,113	\$ -	\$ 6,338,113	
Series 2001 A	11,021,700	-	11,021,700	
Series 2002 A	13,387,100	-	13,387,100	
Series 2005 A	11,907,000	-	11,907,000	
Series 2009 A	11,057,232	-	11,057,232	
Series 2009 B	11,317,822	-	11,317,822	
Series 2010 A	10,273,917	-	10,273,917	
Series 2010 B	2,286,637	-	2,286,637	
Series 2012 A	23,050,500	-	23,050,500	
Series 2015 A	25,138,000	-	25,138,000	
Series 2017	58,135,071	-	58,135,071	
Sub-total (13 mills)	183,913,092	-	183,913,092	
Series 2016 D1 & D2	37,383,077	15,002,937	22,380,140	
EL Note	1,965,000	982,500	982,500	
MPSERS liability	2,000,000	-	2,000,000	
Sub-total (18 mills)	41,348,077	15,985,437	25,362,640	
Total	\$ 225,261,169	\$ 15,985,437	\$ 209,275,732	



SEE IT BELIEVE IT

DETROIT PUBLIC SCHOOLS

Jeremy Vidito
Senior Executive Director of Finance

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Detroit, MI 48202

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November 20, 2017

Detroit Financial Review Commission
3062 W. Grand Blvd.
Detroit, Michigan 48202

Re: Detroit Public Schools Debt Service Requirements and Certification Fiscal Year 2018,
Quarter 3

Dear Commissioners:

Enclose with this letter you will find the debt service requirements due on all bonds, leases and other debt of Detroit Public Schools in compliance with section 6 of the Michigan Financial Review Commission Act, Act 181, Public Acts of Michigan, 2014. I hereby certify as of the date of this letter: (1) that the amounts specified herein are accurate statements of Detroit Public Schools' debt service requirements; and (2) that Detroit Public Schools is financially able to meet the debt service requirements through the end of the fiscal year.

Sincerely,

Jeremy Vidito
Senior Executive Director of Finance

DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT

Jeremy Vidito

Senior Executive Director of Finance

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3011 West Grand Boulevard
Detroit, MI 48202

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November 20, 2017

Detroit Financial Review Commission
3062 W. Grand Blvd.
Detroit, Michigan 48202

Re: Detroit Public Schools Community District Debt Service Requirements and Certification
Fiscal Year 2018, Quarter 3

Dear Commissioners:

There are currently no debt service requirements due on all bonds, leases, and other municipal debt of the Detroit Public Schools Community District in compliance with section 6 of the Michigan Financial Review Commission Act, Act 181, Public Acts of Michigan, 2014.

I hereby certify as of the date of this letter there are no debt service requirements.

Sincerely,



Jeremy Vidito
Senior Executive Director of Finance



SEE IT BELIEVE IT

DETROIT PUBLIC SCHOOLS

Jeremy Vidito
Senior Executive Director of Finance

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November 20, 2017

Detroit Financial Review Commission
3062 W. Grand Blvd.
Detroit, Michigan 48202

Re: Detroit Public Schools Debt Service Requirements and Certification Fiscal Year 2018,
Quarter 4

Dear Commissioners:

Enclose with this letter you will find the debt service requirements due on all bonds, leases and other debt of Detroit Public Schools in compliance with section 6 of the Michigan Financial Review Commission Act, Act 181, Public Acts of Michigan, 2014. I hereby certify as of the date of this letter: (1) that the amounts specified herein are accurate statements of Detroit Public Schools' debt service requirements; and (2) that Detroit Public Schools is financially able to meet the debt service requirements through the end of the fiscal year.

Sincerely,

Jeremy Vidito
Senior Executive Director of Finance

DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT

Jeremy Vidito

Senior Executive Director of Finance

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November 20, 2017

Detroit Financial Review Commission
3062 W. Grand Blvd.
Detroit, Michigan 48202

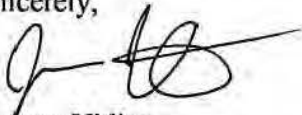
Re: Detroit Public Schools Community District Debt Service Requirements and Certification
Fiscal Year 2018, Quarter 4

Dear Commissioners:

There are currently no debt service requirements due on all bonds, leases, and other municipal debt of the Detroit Public Schools Community District in compliance with section 6 of the Michigan Financial Review Commission Act, Act 181, Public Acts of Michigan, 2014.

I hereby certify as of the date of this letter there are no debt service requirements.

Sincerely,



Jeremy Vidito
Senior Executive Director of Finance



SEE IT BELIEVE IT

DETROIT PUBLIC SCHOOLS

Jeremy Vidito
Chief Financial Officer

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April 18, 2018

Detroit Financial Review Commission
3062 W. Grand Blvd.
Detroit, Michigan 48202

Re: Detroit Public Schools Debt Service Requirements and Certification Fiscal Year 2019,
Quarter 1

Dear Commissioners:

Enclose with this letter you will find the debt service requirements due on all bonds, leases and other debt of Detroit Public Schools in compliance with section 6 of the Michigan Financial Review Commission Act, Act 181, Public Acts of Michigan, 2014. I hereby certify as of the date of this letter: (1) that the amounts specified herein are accurate statements of Detroit Public Schools' debt service requirements; and (2) that Detroit Public Schools is financially able to meet the debt service requirements through the end of the fiscal year.

Sincerely,

A handwritten signature in black ink, appearing to be "J. Vidito", written over a light gray horizontal line.

Jeremy Vidito
Chief Financial Officer

DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT

Jeremy Vidito
Chief Financial Officer

Fisher Building, 11th Floor
3011 West Grand Boulevard
Detroit, MI 48202

Phone: (313) 873-4149
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www.detroitk12.org

April 18, 2018

Detroit Financial Review Commission
3062 W. Grand Blvd.
Detroit, Michigan 48202

Re: Detroit Public Schools Community District Debt Service Requirements and Certification
Fiscal Year 2019, Quarter 1

Dear Commissioners:

There are currently no debt service requirements due on all bonds, leases, and other municipal debt of the Detroit Public Schools Community District in compliance with section 6 of the Michigan Financial Review Commission Act, Act 181, Public Acts of Michigan, 2014.

I hereby certify as of the date of this letter there are no debt service requirements.

Sincerely,



Jeremy Vidito
Chief Financial Officer



SCHOOL DISTRICT OF THE CITY OF DETROIT
County of Wayne, State of Michigan
SCHEDULE OF EXISTING UTQ AFTER 2017 REFUNDING BONDS

		Title: 1998C Refunding Bonds					Title: 2001A Building & Site Bonds					Title: 2002A Building & Site Bonds				
		Outstanding Principal: \$40,555,000					Outstanding Principal: \$183,695,000					Outstanding Principal: \$35,785,000				
		Dated: 11/1/1998					Dated: 10/1/2001					Dated: 10/31/2002				
		Call Prov: Non-Optional					Call Prov: 5/1/12 @ 100 (except 2029 term (22-29 maturities))					Call Prov: 5/1/13 @ 100 (except 2019-2021 maturities)				
Levy Year	Fiscal Yr. End 30-Jun	Interest Due 1-Nov	Interest Rates	Principal Due 1-May	Interest Due 1-May	Total Payment	Interest Due 1-Nov	Interest Rates	Principal Due 1-May	Interest Due 1-May	Total Payment	Interest Due 1-Nov	Interest Rates	Principal Due 1-May	Interest Due 1-May	Total Payment
2017	2018	\$1,064,569	5.250%	\$4,210,000	\$1,064,569	\$6,339,138	\$5,510,850	0.000%	\$0	\$5,510,850	\$11,021,700	\$1,073,550	0.000%	\$0	\$1,073,550	\$2,147,100
2018	2019	954,056	5.250%	4,430,000	954,056	6,338,113	5,510,850	-	-	5,510,850	11,021,700	1,073,550	6.000%	11,240,000	1,073,550	13,387,100
2019	2020	837,769	5.250%	4,660,000	837,769	6,335,538	5,510,850	-	-	5,510,850	11,021,700	736,350	6.000%	11,915,000	736,350	13,387,700
2020	2021	715,444	5.250%	4,905,000	715,444	6,335,888	5,510,850	-	-	5,510,850	11,021,700	378,900	6.000%	12,630,000	378,900	13,387,800
2021	2022	586,688	5.250%	5,165,000	586,688	6,338,375	5,510,850	6.000%	14,320,000	5,510,850	25,341,700	-	-	-	-	-
2022	2023	451,106	5.250%	5,440,000	451,106	6,342,213	5,081,250	6.000%	15,180,000	5,081,250	25,342,500	-	-	-	-	-
2023	2024	308,306	5.250%	5,720,000	308,306	6,336,613	4,625,850	6.000%	16,095,000	4,625,850	25,346,700	-	-	-	-	-
2024	2025	158,156	5.250%	6,025,000	158,156	6,341,313	4,143,000	6.000%	17,055,000	4,143,000	25,341,000	-	-	-	-	-
2025	2026	-	-	-	-	-	3,631,350	6.000%	24,420,000	3,631,350	31,682,700	-	-	-	-	-
2026	2027	-	-	-	-	-	2,898,750	6.000%	25,885,000	2,898,750	31,682,500	-	-	-	-	-
2027	2028	-	-	-	-	-	2,122,200	6.000%	27,430,000	2,122,200	31,674,400	-	-	-	-	-
2028	2029	-	-	-	-	-	1,299,300	6.000%	43,310,000	1,299,300	45,908,600	-	-	-	-	-
2029	2030	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2030	2031	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2031	2032	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2032	2033	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2033	2034	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2034	2035	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2035	2036	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2036	2037	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2037	2038	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2038	2039	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2039	2040	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2040	2041	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		\$5,076,094		\$40,555,000	\$5,076,094	\$50,707,188	\$51,355,950		\$183,695,000	\$51,355,950	\$286,406,900	\$3,262,350		\$35,785,000	\$3,262,350	\$42,309,700



SCHOOL DISTRICT OF THE CITY OF DETROIT
County of Wayne, State of Michigan
SCHEDULE OF EXISTING UTQ AFTER 2017 REFUNDING BONDS

Title: 2005A Refunding Bonds Outstanding Principal: \$226,800,000 Dated: 8/17/2005 Call Prov: 5/1/15 @ 100 (only 2016-2029 maturities)							Title: 2009 School Building and Site Bonds (QSCBs), Series A Outstanding Principal: \$90,000,000 Dated: 12/30/2009 Call Prov: None							Title: 2009 School Building and Site Bonds (BABs), Series B Outstanding Principal: \$184,550,000 Dated: 12/30/2009 Call Prov: None						
Levy Year	Fiscal Yr. End 30-Jun	Interest Due 1-Nov	Interest Rates	Principal Due 1-May	Interest Due 1-May	Total Payment	Interest Due 1-Nov	Interest Rates	Set Aside Due 1-May	Interest Due 1-May	Conversion Reserve Fund	Interest Credit	Total Payment	Interest Due 1-Nov	Interest Rates	Principal Due 1-May	Interest Due 1-May	35% Federal Subsidy	6.60% Federal Sequestration	Total Payment
2017	2018	\$5,953,500	0.000%	\$0	\$5,953,500	\$11,907,000	\$1,435,500	0.000%	\$7,055,000	\$1,435,500	\$0	(\$513,768)	\$9,412,232	\$7,123,282	6.252%	\$1,700,000	\$7,123,282	(\$4,986,297)	\$329,096	\$11,289,362
2018	2019	5,953,500	-	-	5,953,500	11,907,000	1,435,500	-	7,700,000	1,435,500	-	(513,768)	10,057,232	7,070,140	6.352%	1,800,000	7,070,140	(4,949,098)	326,640	11,317,822
2019	2020	5,953,500	-	-	5,953,500	11,907,000	1,435,500	-	7,700,000	1,435,500	-	(513,768)	10,057,232	7,012,972	7.747%	1,900,000	7,012,972	(4,909,080)	323,999	11,340,863
2020	2021	5,953,500	-	-	5,953,500	11,907,000	1,435,500	-	7,700,000	1,435,500	-	(513,768)	10,057,232	6,939,375	7.747%	2,300,000	6,939,375	(4,857,563)	320,599	11,641,787
2021	2022	5,953,500	-	-	5,953,500	11,907,000	1,435,500	-	7,700,000	1,435,500	-	(513,768)	10,057,232	6,850,285	7.747%	2,400,000	6,850,285	(4,795,199)	316,483	11,621,853
2022	2023	5,953,500	-	-	5,953,500	11,907,000	1,435,500	-	7,700,000	1,435,500	-	(513,768)	10,057,232	6,757,321	7.747%	2,500,000	6,757,321	(4,730,125)	312,188	11,596,705
2023	2024	5,953,500	-	-	5,953,500	11,907,000	1,435,500	-	7,700,000	1,435,500	-	(513,768)	10,057,232	6,660,483	7.747%	2,600,000	6,660,483	(4,662,338)	307,714	11,566,343
2024	2025	5,953,500	-	-	5,953,500	11,907,000	1,435,500	3.190%	9,745,000	1,435,500	(2,045,250)	(513,768)	10,056,982	6,559,772	7.747%	2,700,000	6,559,772	(4,591,841)	-	11,227,704
2025	2026	5,953,500	5.250%	16,145,000	5,953,500	28,052,000	-	-	-	-	-	-	-	6,455,188	7.747%	3,150,000	6,455,188	(4,518,631)	-	11,541,744
2026	2027	5,529,694	5.250%	16,990,000	5,529,694	28,049,388	-	-	-	-	-	-	-	6,333,173	7.747%	6,275,000	6,333,173	(4,433,221)	-	14,508,124
2027	2028	5,083,706	5.250%	17,890,000	5,083,706	28,057,413	-	-	-	-	-	-	-	6,090,110	7.747%	6,525,000	6,090,110	(4,263,077)	-	14,442,143
2028	2029	4,614,094	5.250%	18,825,000	4,614,094	28,053,188	-	-	-	-	-	-	-	5,837,365	7.747%	6,625,000	5,837,365	(4,086,155)	-	14,213,574
2029	2030	4,119,938	5.250%	65,715,000	4,119,938	73,954,875	-	-	-	-	-	-	-	5,580,745	7.747%	6,925,000	5,580,745	(3,906,522)	-	14,179,969
2030	2031	2,394,919	5.250%	69,165,000	2,394,919	73,954,838	-	-	-	-	-	-	-	5,312,505	7.747%	6,925,000	5,312,505	(3,718,754)	-	13,831,257
2031	2032	579,338	5.250%	22,070,000	579,338	23,228,675	-	-	-	-	-	-	-	5,044,265	7.747%	8,925,000	5,044,265	(3,530,986)	-	15,482,545
2032	2033	-	-	-	-	-	-	-	-	-	-	-	-	4,698,556	7.747%	9,550,000	4,698,556	(3,288,989)	-	15,658,122
2033	2034	-	-	-	-	-	-	-	-	-	-	-	-	4,328,636	7.747%	18,625,000	4,328,636	(3,030,045)	-	24,252,227
2034	2035	-	-	-	-	-	-	-	-	-	-	-	-	3,607,197	7.747%	18,625,000	3,607,197	(2,525,038)	-	23,314,356
2035	2036	-	-	-	-	-	-	-	-	-	-	-	-	2,885,758	7.747%	18,625,000	2,885,758	(2,020,030)	-	22,376,485
2036	2037	-	-	-	-	-	-	-	-	-	-	-	-	2,164,318	7.747%	18,625,000	2,164,318	(1,515,023)	-	21,438,614
2037	2038	-	-	-	-	-	-	-	-	-	-	-	-	1,442,879	7.747%	18,625,000	1,442,879	(1,010,015)	-	20,500,742
2038	2039	-	-	-	-	-	-	-	-	-	-	-	-	721,439	7.747%	18,625,000	721,439	(505,008)	-	19,562,871
2039	2040	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2040	2041	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		\$75,903,188		\$226,800,000	\$75,903,188	\$378,606,375	\$11,484,000		\$63,000,000	\$11,484,000	(\$2,045,250)	(\$4,110,146)	\$79,812,604	\$115,475,763		\$184,550,000	\$115,475,763	(\$80,833,034)	\$2,236,720	\$336,905,212



SCHOOL DISTRICT OF THE CITY OF DETROIT
County of Wayne, State of Michigan
SCHEDULE OF EXISTING UTQ AFTER 2017 REFUNDING BONDS

Title: School Building and Site Bonds, Series 2010A (QSCBs)										Title: School Building and Site Bonds, Series 2010B (BABs)						
Outstanding Principal: \$160,910,000										Outstanding Principal: \$49,630,000						
Dated: 10/28/2010										Dated: 10/28/2010						
Call Prov: None										Call Prov: 5/1/2020 @ Par						
Levy Year	Fiscal Yr. End	Interest Due 1-Nov	Interest Rates	Set Aside Due 1-May	Interest Due 1-May	Less: 5.01% Federal Subsidy	6.60% Federal Sequestration	Interest Credit	Total Payment	Interest Due 1-Nov	Interest Rates	Principal Due 1-May	Interest Due 1-May	35% Federal Subsidy	6.60% Federal Sequestration	Total Payment
2017	2018	\$5,346,235	6.645%	\$7,895,000	\$5,346,235	(\$8,061,591)	\$532,065	(\$509,026)	\$10,548,917	\$1,698,587	0.000%	\$0	\$1,698,587	(\$1,189,011)	\$78,475	\$2,286,637
2018	2019	5,346,235	6.645%	7,620,000	5,346,235	(8,061,591)	532,065	(509,026)	10,273,917	1,698,587	-	-	1,698,587	(1,189,011)	78,475	2,286,637
2019	2020	5,346,235	6.645%	7,985,000	5,346,235	(8,061,591)	532,065	(509,026)	10,638,917	1,698,587	-	-	1,698,587	(1,189,011)	78,475	2,286,637
2020	2021	5,346,235	6.645%	8,095,000	5,346,235	(8,061,591)	532,065	(509,026)	10,748,917	1,698,587	-	-	1,698,587	(1,189,011)	78,475	2,286,637
2021	2022	5,346,235	6.645%	8,525,000	5,346,235	(8,061,591)	532,065	(509,026)	11,178,917	1,698,587	-	-	1,698,587	(1,189,011)	78,475	2,286,637
2022	2023	5,346,235	6.645%	8,960,000	5,346,235	(8,061,591)	532,065	(509,026)	11,613,917	1,698,587	-	-	1,698,587	(1,189,011)	78,475	2,286,637
2023	2024	5,346,235	6.645%	9,415,000	5,346,235	(8,061,591)	532,065	(509,026)	12,068,917	1,698,587	-	-	1,698,587	(1,189,011)	78,475	2,286,637
2024	2025	5,346,235	6.645%	9,885,000	5,346,235	(8,061,591)	-	(509,026)	12,006,852	1,698,587	-	-	1,698,587	(1,189,011)	-	2,208,163
2025	2026	5,346,235	6.645%	16,850,000	5,346,235	(8,061,591)	-	(509,026)	18,971,852	1,698,587	-	-	1,698,587	(1,189,011)	-	2,208,163
2026	2027	5,346,235	6.645%	14,265,000	5,346,235	(8,061,591)	-	(509,026)	16,386,852	1,698,587	-	-	1,698,587	(1,189,011)	-	2,208,163
2027	2028	5,346,235	6.645%	14,650,000	5,346,235	(8,061,591)	-	(509,026)	16,771,852	1,698,587	-	-	1,698,587	(1,189,011)	-	2,208,163
2028	2029	5,346,235	6.645%	15,280,000	5,346,235	(8,061,591)	-	(509,026)	17,401,852	1,698,587	-	-	1,698,587	(1,189,011)	-	2,208,163
2029	2030	-	-	-	-	-	-	-	-	1,698,587	6.845%	4,510,000	1,698,587	(1,189,011)	-	6,718,163
2030	2031	-	-	-	-	-	-	-	-	1,544,232	6.845%	4,510,000	1,544,232	(1,080,962)	-	6,517,502
2031	2032	-	-	-	-	-	-	-	-	1,389,877	6.845%	4,510,000	1,389,877	(972,914)	-	6,316,840
2032	2033	-	-	-	-	-	-	-	-	1,235,523	6.845%	4,510,000	1,235,523	(864,866)	-	6,116,179
2033	2034	-	-	-	-	-	-	-	-	1,081,168	6.845%	4,510,000	1,081,168	(756,817)	-	5,915,518
2034	2035	-	-	-	-	-	-	-	-	926,813	6.845%	4,510,000	926,813	(648,769)	-	5,714,857
2035	2036	-	-	-	-	-	-	-	-	772,458	6.845%	4,510,000	772,458	(540,721)	-	5,514,196
2036	2037	-	-	-	-	-	-	-	-	618,104	6.845%	4,515,000	618,104	(432,672)	-	5,318,535
2037	2038	-	-	-	-	-	-	-	-	463,578	6.845%	4,515,000	463,578	(324,504)	-	5,117,651
2038	2039	-	-	-	-	-	-	-	-	309,052	6.845%	4,515,000	309,052	(216,336)	-	4,916,767
2039	2040	-	-	-	-	-	-	-	-	154,526	6.845%	4,515,000	154,526	(108,168)	-	4,715,884
2040	2041	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		\$64,154,817		\$129,425,000	\$64,154,817	(\$96,739,092)	\$3,724,455	(\$6,108,313)	\$158,611,684	\$30,576,957		\$49,630,000	\$30,576,957	(\$21,403,870)	\$549,323	\$89,929,367



SCHOOL DISTRICT OF THE CITY OF DETROIT
County of Wayne, State of Michigan
SCHEDULE OF EXISTING UTQ AFTER 2017 REFUNDING BONDS

<div>Title: 2012 Refunding Bonds Outstanding Principal: \$287,735,000 Dated: 3/27/2012 Call Prov: 05/01/2022 @ Par</div>							<div>Title: 2015 Refunding Bonds Outstanding Principal: \$140,870,000 Dated: 3/12/2015 Call Prov: 05/01/2025 @ Par</div>					<div>Title: 2017 Refunding Bonds Outstanding Principal: \$291,755,000 Dated: 9/14/17 Call Prov: non-callable</div>					<div>TOTAL UTQ DEBT</div>	
Levy Year	Fiscal Yr. End	Interest Due 1-Nov	Interest Rates	Principal Due 1-May	Interest Due 1-May	Total Payment	Interest Due 1-Nov	Interest Rates	Principal Due 1-May	Interest Due 1-May	Total Payment	Interest Due 1-Nov	Interest Rates	Principal Due 1-May	Interest Due 1-May	Total Payment	SET ASIDE / PRINCIPAL	TOTAL PAYMENT
2017	2018	\$7,193,375	5.000%	\$8,725,000	\$7,193,375	\$23,111,750	\$3,486,750	5.000%	\$29,410,000	\$3,486,750	\$36,383,500	\$1,108,426	0.000%	\$0	\$4,245,035	\$5,353,461	\$58,995,000	\$129,800,797
2018	2019	6,975,250	5.000%	9,100,000	6,975,250	23,050,500	2,751,500	5.000%	19,635,000	2,751,500	25,138,000	4,245,035	2.910%	49,645,000	4,245,035	58,135,071	111,170,000	182,913,092
2019	2020	6,747,750	5.000%	9,500,000	6,747,750	22,995,500	2,260,625	5.000%	20,625,000	2,260,625	25,146,250	3,522,701	2.910%	50,750,000	3,522,701	57,795,401	115,035,000	182,912,738
2020	2021	6,510,250	5.000%	9,910,000	6,510,250	22,930,500	1,745,000	5.000%	21,655,000	1,745,000	25,145,000	2,784,288	2.910%	51,885,000	2,784,288	57,453,576	119,080,000	182,916,037
2021	2022	6,262,500	5.000%	20,505,000	6,262,500	33,030,000	1,203,625	5.000%	11,520,000	1,203,625	13,927,250	2,029,361	2.910%	53,170,000	2,029,361	57,228,723	123,305,000	182,917,687
2022	2023	5,749,875	5.000%	21,465,000	5,749,875	32,964,750	915,625	**	12,105,000	915,625	13,936,250	1,255,738	2.910%	54,360,000	1,255,738	56,871,476	127,710,000	182,918,680
2023	2024	5,213,250	5.000%	22,480,000	5,213,250	32,906,500	648,000	5.000%	12,645,000	648,000	13,941,000	464,800	2.910%	31,945,000	464,800	32,874,600	108,600,000	159,291,541
2024	2025	4,651,250	5.000%	23,655,000	4,651,250	32,957,500	331,875	5.000%	13,275,000	331,875	13,938,750	-	-	-	-	-	82,340,000	125,985,263
2025	2026	4,059,875	5.000%	24,905,000	4,059,875	33,024,750	-	-	-	-	-	-	-	-	-	-	85,470,000	125,481,209
2026	2027	3,437,250	5.000%	26,145,000	3,437,250	33,019,500	-	-	-	-	-	-	-	-	-	-	89,560,000	125,854,527
2027	2028	2,783,625	5.000%	27,450,000	2,783,625	33,017,250	-	-	-	-	-	-	-	-	-	-	93,945,000	126,171,221
2028	2029	2,097,375	5.000%	14,520,000	2,097,375	18,714,750	-	-	-	-	-	-	-	-	-	-	98,560,000	126,500,127
2029	2030	1,734,375	5.000%	16,095,000	1,734,375	19,563,750	-	-	-	-	-	-	-	-	-	-	93,245,000	114,416,756
2030	2031	1,332,000	5.000%	16,900,000	1,332,000	19,564,000	-	-	-	-	-	-	-	-	-	-	97,500,000	113,867,596
2031	2032	909,500	5.000%	17,745,000	909,500	19,564,000	-	-	-	-	-	-	-	-	-	-	53,250,000	64,592,060
2032	2033	465,875	5.000%	18,635,000	465,875	19,566,750	-	-	-	-	-	-	-	-	-	-	32,695,000	41,341,051
2033	2034	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	23,135,000	30,167,745
2034	2035	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	23,135,000	29,029,213
2035	2036	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	23,135,000	27,890,680
2036	2037	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	23,140,000	26,757,148
2037	2038	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	23,140,000	25,618,393
2038	2039	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	23,140,000	24,479,638
2039	2040	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,515,000	4,715,884
2040	2041	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		\$66,123,375		\$287,735,000	\$66,123,375	\$419,981,750	\$13,343,000		\$140,870,000	\$13,343,000	\$167,556,000	\$15,410,348		\$291,755,000	\$18,546,958	\$325,712,306	\$1,633,800,000	\$2,336,539,086



SCHOOL DISTRICT OF THE CITY OF DETROIT
County of Wayne, State of Michigan

SCHEDULE OF PROJECTED MILLAGE REQUIRED TO REPAY BONDED DEBT - AFTER SLRF REFUNDING

		Taxable Value		Debt After Refunding					SLRF Activity at					3.50%	
	Fiscal	Projected		PPT	UTQ	Net	Total		1-Jul			Amount	30-Jun		
Levy	Yr. End	Taxable		Exemption	After	Proposed	Mills	UT	SLRF	2017 Ref	Accrued	Borrowed	SLRF		
Year	30-Jun	Value [1]	Growth	Reimburs	Refunding	& Extng UT Debt	without SLRF	Mills Levied	Balance	Repayment	Interest	(Repaid)	Balance		
2017	2018	\$5,575,772,832		(\$6,534,468)	\$129,800,797	\$123,266,329	22.11	13.00	\$289,283,594	(\$291,107,000)	\$2,119,875	\$50,781,282	\$51,077,750		
2018	2019	5,659,409,424	1.50%	(6,534,468)	182,913,092	176,378,623	31.17	13.00	51,077,750		2,406,604	102,806,301	156,290,655		
2019	2020	5,744,300,565	1.50%	(6,534,468)	182,912,738	176,378,269	30.70	13.00	156,290,655		6,122,123	101,702,362	264,115,141		
2020	2021	5,830,465,074	1.50%	(6,534,468)	182,916,037	176,381,569	30.25	13.00	264,115,141		9,929,953	100,585,523	374,630,617		
2021	2022	5,917,922,050	1.50%	(6,534,468)	182,917,687	176,383,219	29.80	13.00	374,630,617		13,832,870	99,450,232	487,913,719		
2022	2023	6,006,690,881	1.50%	(6,534,468)	182,918,680	176,384,211	29.36	13.00	487,913,719		17,833,591	98,297,230	604,044,540		
2023	2024	6,096,791,244	1.50%	(6,534,468)	159,291,541	152,757,073	25.06	13.00	604,044,540		21,797,118	73,498,787	699,340,445		
2024	2025	6,188,243,113	1.50%	(6,534,468)	125,985,263	119,450,795	19.30	13.00	699,340,445		24,967,037	39,003,634	763,311,116		
2025	2026	6,281,066,759	1.50%	(6,534,468)	125,481,209	118,946,741	18.94	13.00	763,311,116		27,220,051	37,292,873	827,824,040		
2026	2027	6,375,282,761	1.50%	(6,534,468)	125,854,527	119,320,058	18.72	13.00	827,824,040		29,497,261	36,441,383	893,762,684		
2027	2028	6,470,912,002	1.50%	(6,534,468)	126,171,221	119,636,753	18.49	13.00	893,762,684		31,824,469	35,514,897	961,102,050		
2028	2029	6,567,975,682	1.50%	(6,534,468)	126,500,127	119,965,658	18.27	13.00	961,102,050		34,201,190	34,581,974	1,029,885,214		
2029	2030	6,666,495,317	1.50%	(6,534,468)	114,416,756	107,882,288	16.18	13.00	1,029,885,214		36,556,472	21,217,849	1,087,659,535		
2030	2031	6,766,492,747	1.50%	(6,534,468)	113,867,596	107,333,127	15.86	13.00	1,087,659,535		38,589,480	19,368,722	1,145,617,737		
2031	2032	6,867,990,138	1.50%	(6,534,468)	64,592,060	58,057,592	8.45	13.00	1,145,617,737		40,344,643	(31,226,280)	1,154,736,100		
2032	2033	6,971,009,990	1.50%	(6,534,468)	41,341,051	34,806,583	4.99	13.00	1,154,736,100		40,523,766	(55,816,547)	1,139,443,320		
2033	2034	7,075,575,140	1.50%	(6,534,468)	30,167,745	23,633,277	3.34	13.00	1,139,443,320		39,909,670	(68,349,200)	1,111,003,789		
2034	2035	7,181,708,767	1.50%	(6,534,468)	29,029,213	22,494,744	3.13	13.00	1,111,003,789		38,888,917	(70,867,470)	1,079,025,237		
2035	2036	7,289,434,399	1.50%	(6,534,468)	27,890,680	21,356,212	2.93	13.00	1,079,025,237		37,742,849	(73,406,435)	1,043,361,651		
2036	2037	7,398,775,915	1.50%	(6,534,468)	26,757,148	20,222,680	2.73	13.00	1,043,361,651		36,466,328	(75,961,407)	1,003,866,572		
2037	2038	7,509,757,553	1.50%	(6,534,468)	25,618,393	19,083,925	2.54	13.00	1,003,866,572		35,054,111	(78,542,923)	960,377,760		
2038	2039	7,622,403,917	1.50%	(6,534,468)	24,479,638	17,945,170	2.35	13.00	960,377,760		33,500,488	(81,146,081)	912,732,167		
2039	2040	7,736,739,976	1.50%	(6,534,468)	4,715,884	(1,818,585)	0.00	13.00	912,732,167		31,691,042	(102,396,205)	842,027,005		
2040	2041	7,852,791,075	1.50%	(6,534,468)	-	(6,534,468)	0.00	13.00	842,027,005		29,153,502	(108,620,752)	762,559,755		
2041	2042	7,970,582,941	1.50%	(6,534,468)	-	(6,534,468)	0.00	13.00	762,559,755		26,333,376	(110,152,047)	678,741,084		
2042	2043	8,090,141,685	1.50%	(6,534,468)	-	(6,534,468)	0.00	13.00	678,741,084		23,359,183	(111,706,310)	590,393,957		
2043	2044	8,211,493,811	1.50%	(6,534,468)	-	(6,534,468)	0.00	13.00	590,393,957		20,224,657	(113,283,888)	497,334,725		
2044	2045	8,334,666,218	1.50%	(6,534,468)	-	(6,534,468)	0.00	13.00	497,334,725		16,923,300	(114,885,129)	399,372,895		
2045	2046	8,459,686,211	1.50%	(6,534,468)	-	(6,534,468)	0.00	13.00	399,372,895		13,448,371	(116,510,389)	296,310,877		
2046	2047	8,586,581,504	1.50%	(6,534,468)	-	(6,534,468)	0.00	13.00	296,310,877		9,792,878	(118,160,028)	187,943,726		
2047	2048	8,715,380,227	1.50%	(6,534,468)	-	(6,534,468)	0.00	13.00	187,943,726		5,949,569	(119,834,411)	74,058,884		
2048	2049	8,846,110,930	1.50%	(4,098,848)	-	(4,098,848)	0.00	8.15	74,058,884		2,175,171	(76,234,055)	0		
2049	2050	8,978,802,594	1.50%	0	-	0	0.00	0.00	0		0	0	0		
				(\$206,667,370)	\$2,336,539,086	\$2,129,871,715									



SCHOOL DISTRICT OF THE CITY OF DETROIT
County of Wayne, State of Michigan
SCHEDULE OF EXISTING LTNQ DEBT

Title: Emergency Loan - 2016 Outstanding Principal: \$150,000,000 Dated: 7/19/2016 Call Prov: None							Title: MFA - Fiscal Stabilization Bonds - Series 2016D-1 (Taxable) Outstanding Principal: \$122,195,000 Dated: 9/29/2016 Call Prov: None						Title: MFA - Fiscal Stabilization Bonds - Series 2016D-2 (Tax Exempt) Outstanding Principal: \$63,125,000 Dated: 9/29/2016 Call Prov: None Interest rate as of 1/1/2018: 4.32%						TOTAL LTNQ DEBT	
Levy Year	Fiscal Yr. End 30-Jun	Interest Due 1-Sep	Interest Rates	Principal Due 1-Sep	Interest Due 1-Mar	Total Payment	Interest Due 1-Sep	Interest Rates	Principal Due 1-Sep	Principal Due 1-Mar	Interest Due 1-Mar	Total Payment	Interest Due 1-Sep	Interest Rates*	Principal Due 1-Sep	Principal Due 1-Mar	Interest Due 1-Mar	Total Payment	PRINCIPAL	TOTAL PAYMENT
2017	2018	\$982,500	0.000%	\$0	\$982,500	\$1,965,000	\$2,532,071	3.900%	\$7,300,000	\$12,330,000	\$2,376,274	\$24,538,345	\$1,190,461	3.550%	\$3,760,000	\$6,350,000	\$1,235,918	\$12,536,380	\$29,740,000	\$39,039,725
2018	2019	982,500	-	-	982,500	1,965,000	2,148,237	3.900%	7,675,000	12,705,000	1,987,246	24,515,483	1,229,700	3.550%	3,950,000	6,550,000	1,137,894	12,867,594	30,880,000	39,348,076
2019	2020	982,500	-	-	982,500	1,965,000	1,749,738	3.900%	8,060,000	13,095,000	1,589,998	24,494,736	1,002,278	3.550%	4,150,000	6,745,000	911,167	12,808,445	32,050,000	39,268,182
2020	2021	982,500	-	-	982,500	1,965,000	1,332,435	3.900%	8,465,000	13,505,000	1,162,544	24,464,979	764,208	3.550%	4,360,000	6,960,000	667,263	12,751,471	33,290,000	39,181,450
2021	2022	982,500	-	-	982,500	1,965,000	906,497	3.900%	8,875,000	13,930,000	728,955	24,440,452	521,120	3.550%	4,575,000	7,170,000	419,723	12,685,843	34,550,000	39,091,294
2022	2023	982,500	1.310%	8,000,000	930,100	9,912,600	460,581	3.900%	9,305,000	14,250,000	277,114	24,292,695	266,733	3.550%	4,800,000	7,515,000	161,879	12,743,612	43,870,000	46,948,907
2023	2024	930,100	1.310%	8,000,000	877,700	9,807,800	-	-	-	-	-	-	-	-	-	-	-	-	8,000,000	9,807,800
2024	2025	877,700	1.310%	14,000,000	786,000	15,663,700	-	-	-	-	-	-	-	-	-	-	-	-	14,000,000	15,663,700
2025	2026	786,000	1.310%	50,000,000	458,500	51,244,500	-	-	-	-	-	-	-	-	-	-	-	-	50,000,000	51,244,500
2026	2027	458,500	1.310%	70,000,000	-	70,458,500	-	-	-	-	-	-	-	-	-	-	-	-	70,000,000	70,458,500
2027	2028	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2028	2029	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2029	2030	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2030	2031	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2031	2032	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2032	2033	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2033	2034	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2034	2035	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2035	2036	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2036	2037	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2037	2038	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2038	2039	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2039	2040	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2040	2041	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2041	2042	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		\$8,947,300		\$150,000,000	\$7,964,800	\$166,912,100	\$9,129,559		\$49,680,000	\$79,815,000	\$8,122,130	\$146,746,689	\$4,974,500		\$25,595,000	\$41,290,000	\$4,533,845	\$76,393,345	\$346,380,000	\$390,052,134

* As of 1/1/2018 the interest rate is 4.32% due to corporate tax rate decrease from 35% at close to 21% on 1/1/2018 that resulted in a Margin Rate Factor of 1.21538



Supplemental Reports '

Key Grant Draw

Corrective Action Plan Update

Compliance Calendar



Key Grant Draw \$



State & Federal Grants Report FY 2018 %

Detroit Public Schools Community District Summary of Projected Expenditures April 30, 2018										
	Title I, Part A	Title II, Part A	Title III LEP	Title III Immigrant (1)	Title IV (2)	SIG	SIG V	21st Century	CTE Perkins	
Grant Availability	\$ 129,624,676	21,528,710	\$ 956,931	\$ 75,641	\$ 1,713,679	\$ 573,678	\$ 4,488,829	\$ 2,025,000	\$ 2,804,950	
Expenditures, YTD	59,904,691	2,004,487	228,341	-	53,450	110,554	1,549,059	769,029	1,408,334	
Balance, 4/30/2018	\$ 69,719,985	\$ 19,524,223	\$ 728,590	\$ 75,641	\$ 1,660,229	\$ 463,124	\$ 2,939,770	\$ 1,255,971	\$ 1,396,616	
Projected Expenditures										
Compensation (9 payrolls, excluding Summer School)	\$ 18,151,202	\$ 2,715,190	\$ 63,165	\$ -	\$ 29,198	\$ 106,700	\$ 1,169,782	\$ 326,551	\$ 597,711	
Existing Purchase Orders	5,336,224	27,176	75,900	25,088	4,339	306,252	811,750	\$ 361,138	404,791	
Summer School Programs	5,502,155	-	-	-	-	-	-	-	-	
Computer and Technology Purchases	16,000,000	-	-	-	-	-	-	-	-	
Other Costs	4,958,670	2,906,765	50,000	15,000	473,388	29,000	225,000	\$ 143,200	242,332	
Projected Expenditures	\$ 49,948,250	\$ 5,649,131	\$ 189,065	\$ 40,088	\$ 506,925	\$ 441,952	\$ 2,206,532	\$ 830,889	\$ 1,244,834	
Projected Balance, 11/29/2018	\$ 19,771,735	\$ 13,875,092	\$ 539,525	\$ 35,553	\$ 1,153,305	\$ 21,172	\$ 733,238	\$ 425,082	\$ 151,782	
Expenditure Percentage, YTD	46%	9%	24%	0%	3%	19%	35%	38%	50%	
Projected Expenditure Percentage, 11/29/2018	85%	36%	44%	53%	33%	96%	84%	79%	95%	

Notes

(1) Title III Immigrant was awarded in March.

(2) Title IV budget was approved in March.

Corrective Action Plan Update)



Audit Findings – Corrective Action Plan &

General Overview / Issue	Finding Number from Audit Reports	Corrective Action Commentary
Timely account reconciliation: Certain accounting reconciliations and analyses were not prepared on a timely basis, resulting in numerous audit adjustments.	2017-001 2017-002	Action Items -Complete Staffing Analysis & Recruitment Plan <ul style="list-style-type: none"> • Hire Principal Accountant – Cash Management (Completed January) • Hire Principal Accountant – General Ledger (Complete by End of April) -Develop Month-Close Calendar – (Completed November 2017) -Implement GL Wand Reporting Tool & Staff Training (Complete April 2018) -Quarterly Balance Sheet Account Reviews <ul style="list-style-type: none"> • 1st & 2nd Quarter – Complete, 3rd Quarter – In progress, 4th Quarter – Complete by 7/31
The District recognized expenditures that were incurred outside the period of performance: The questioned payments relate to work performed for the Detroit Public Schools in Project Year 2016, but paid from Detroit Public Schools Community District in the subsequent project year. Events -- extraordinary in nature (creating the new District)-- served as the driver for the misapplication of the invoice payments.	2017-003	Action Items -Develop New Administrative Guidelines for State & Federal Programs (In Progress) -Deliver Training to District Staff (July 2018): The new District training will ensure that team members are notified and aware of grant-closing dates, and that team members understand that payments must correspond with the assigned funding period. -Implement E-Settlements Module in PeopleSoft: Increases payment accuracy, vendor communication and efficiency to pay vendor invoices within a timely manner. (Currently in testing phase with a July 1, 2018 launch) -Develop Internal Auditing Team (In Progress July Completion date): The independent Internal Audit team will be responsible for ongoing monitoring to ensure compliance with policies.

Audit Findings – Corrective Action Plan &

General Overview / Issue	Finding Number from Audit Reports	Corrective Action Commentary
<p>The District paid vendors for allowable services, but at a rate and amount less than specified in the contract:</p> <p>The School District charged invoices to the grant, the billing details of which did not agree to the terms and conditions outlined in the approved contract.</p>	2017-004	<p>Action Items</p> <ul style="list-style-type: none"> -Complete Staffing Analysis & Recruitment Plan <ul style="list-style-type: none"> • Hire Executive Director– Budget (Completed April 2018) -Develop New Administrative Guidelines for State & Federal Programs (In Progress) -Deliver Training to District (July 2018): The District training with focus on user departments and central office staff will receive training in reference to securing necessary program-specific supporting documentation that details the duration of activities and the nature of service delivered. -Implement E-Settlements Module in PeopleSoft: Increases payment accuracy, vendor communication and efficiency to pay vendor invoices within a timely manner. (Currently in testing phase with a July 1, 2018 launch) -Develop Internal Auditing Team (In Progress July Completion date): The independent Internal Audit team will be responsible for ongoing monitoring to ensure compliance with policies.
<p>Cost charged to grants for goods and services received by the School District should be supported by invoices and other documentation that are billed in accordance with the terms and conditions of approved contracts:</p> <p>The School District charged invoices to the grant, the billing details of which did not agree to the terms and conditions outlined in the approved contract.</p>	2017-005	<p>TeaAction Items</p> <ul style="list-style-type: none"> -Develop New Administrative Guidelines for State & Federal Programs (In Progress) -Deliver Training to District (July 2018): -Implement E-Settlements Module in PeopleSoft: Increases payment accuracy, vendor communication and efficiency to pay vendor invoices within a timely manner. (Currently in testing phase with a July 1, 2018 launch) -Develop Internal Auditing Team (In Progress July Completion date)

Audit Findings – Corrective Action Plan &

General Overview / Issue	Finding Number from Audit Reports	Corrective Action Commentary
<p>The School District's procurement policy for competitive bidding is required for all purchases of goods and services that exceed the competitive bidding threshold per MCL 380.1274, which is updated annually for inflation.:</p> <p>The School District was unable to provide evidence that competitive bidding was performed for purchases in excess of the threshold established in its procurement policy. The District was able to demonstrate that the purchases were reasonable and necessary.</p>	2017-006	<p>Action Items</p> <ul style="list-style-type: none">-Complete Staffing Analysis & Recruitment Plan<ul style="list-style-type: none">• Hire Project Manager– (Completed April 2018)• Hire Internal Audit Director & Associate – (July 2018)-Develop New Administrative Guidelines for Procurement & Logistics (In Progress)-Deliver Training to District (July 2018)

Compliance Calendar +



Compliance Reporting – Completed Submissions +

Organization	Category	Report/Task	Entity	Submission Date
DPSCD	Tax	Submit electronic forms W-2 (employer copy)	Social Security Administration	31-Mar
DPS	Debt	Payment on 18 Mills debt	BONY	31 - Mar
DPS	Debt	School Loan Revolving Fund Draw Request	State of Michigan	1-Apr
DPSCD	Budget	FY 19 Budget Hearing	School Board	10-Apr
DPSCD	Budget	FY 19 Budget Adoption	School Board	10-Apr
DPS	Debt	Payment on 13 Mills debt	Creditors	24-Apr
DPSCD	Tax	Submit payroll State, Federal Tax Payment and Retirement withholdings	Reporting Entity	Bi-weekly
DPS/DPSCD	Reporting	Monthly financial results vs monthly budget and PY	School Board/FRC	Monthly
DPS/DPSCD	Reporting	FTE actuals vs budget and PY	School Board/FRC	Monthly
DPS/DPSCD	Reporting	Bridge cash to budget and actual financial results	School Board/FRC	Monthly
DPS/DPSCD	Reporting	Cash forecast including actuals	School Board/FRC	Monthly
DPSCD	Procurement	FRC Out of State Travel	School Board/FRC	Monthly
DPS/DPSCD	Procurement	Contract approval (>\$750k OR term>2 years)	School Board/FRC	Monthly
DPS/DPSCD	Procurement	Collective bargaining agreements	School Board/FRC	Monthly
DPSCD	Grants	Personnel activity report for split funded staff	Internal Tracking	Monthly

Compliance Reporting – Upcoming Submissions +

Organization	Category	Report/Task	Entity	Submission Date
DPS/DPSCD	Debt	FY 2018 3 rd Quarter Debt Certification	Treasury	18-May
DPS/DPSCD	Debt	FY 2018 4 th Quarter Debt Certification	Treasury	18-May
DPS/DPSCD	Debt	FY 2019 1 st Quarter Debt Certification	Treasury	18-May
DPSCD	Tax	Submit payroll State, Federal Tax Payment and Retirement withholdings	Reporting Entity	Bi-weekly
DPS/DPSCD	Reporting	Monthly financial results vs monthly budget and PY	School Board/FRC	Monthly
DPS/DPSCD	Reporting	FTE actuals vs budget and PY	School Board/FRC	Monthly
DPS/DPSCD	Reporting	Bridge cash to budget and actual financial results	School Board/FRC	Monthly
DPS/DPSCD	Reporting	Cash forecast including actuals	School Board/FRC	Monthly
DPSCD	Procurement	FRC Out of State Travel	School Board/FRC	Monthly
DPS/DPSCD	Procurement	Contract approval (>\$750k OR term>2 years)	School Board/FRC	Monthly
DPS/DPSCD	Procurement	Collective bargaining agreements	School Board/FRC	Monthly
DPSCD	Grants	Personnel activity report for split funded staff	Internal Tracking	Monthly

Contracts



Contract Requests (

The following contracts are being provided to the Financial Review Commission (“FRC”) for review and approval. Contracts over \$750,000 or a two (2) year period must also be provided to the FRC for review and approval pursuant to section 6(6) of the Michigan Financial Review Commission Act. Please review the individual Action Items provided for more detailed information.

	Department	Contract Number	Description	Contract Request Type	Competitively Bid? If not a new contract, was the original contract competitively bid?	Lowest Bid? If not a New Contract, was the original contract the lowest bid?	DPSCD Approval Date	Comments
1	Facilities	01-10-14-0-2014-ZONE 3	Contract Amount: \$9,222,559 NTE Contract Period: July 1, 2017 - June 30, 2018 Source: General Funds & Grant Funds Purpose: Custodial, engineering, and building maintenance services Contractor: LGC Facility Management Location: 7310 Woodward Ave. Suite 500 Detroit, MI 48202	Increase Contract Total	Yes	Yes	Anticipated Approval Board 05.08.2018 FRC 05.21.2018	<p>This request is to increase contract total for the existing contract by \$2,903,526. The current contracts allowed for expenditures for parts and supplies and community use, but the contract total did not include those costs. Parts and supplies and community use were budgeted for in the approved budget.</p> <p>Request for Proposal 01-10-14-0-2014 was issued on Demand star with 7 bidders responding. DPS’ evaluation team recommended that the contract be awarded to DTZ, Inc., but DPS and DTZ were unable to agree on contract terms. DPS then reached out to the second bidder, Aramark, and again, the parties were unable to agree on contract terms. DPS subsequently divided the district into three zones and awarded contracts to The Facility Group, Inc., US Metro and Lakeshore Rickman Joint Venture, LLC.</p>
2	Facilities	01-10-14-0-2014-ZONE 2	Contract Amount: \$20,836,092 NTE Contract Period: July 1, 2017 - June 30, 2018 Source: General Funds & Grant Funds Purpose: Custodial, engineering, and building maintenance services Contractor: US Metro Location: 605 South Wilton Place, Los Angeles, CA 90005	Increase Contract Total	Yes	Yes	Anticipated Approval Board 05.08.2018 FRC 05.21.2018	<p>This request is to increase funding on the existing contract by \$3,910,442. The current contracts allowed for expenditures for parts and supplies and community use, but the contract total did not include those costs. Parts and supplies and community use were budgeted for in the approved budget.</p> <p>Request for Proposal 01-10-14-0-2014 was issued on Demand star with 7 bidders responding. DPS’ evaluation team recommended that the contract be awarded to DTZ, Inc., but DPS and DTZ were unable to agree on contract terms. DPS then reached out to the second bidder, Aramark, and again, the parties were unable to agree on contract terms. DPS subsequently divided the district into three zones and awarded contracts to The Facility Group, Inc., US Metro and Lakeshore Rickman Joint Venture, LLC.</p>

Contract Requests (

The following contracts are being provided to the Financial Review Commission (“FRC”) for review and approval. Contracts over \$750,000 or a two (2) year period must also be provided to the FRC for review and approval pursuant to section 6(6) of the Michigan Financial Review Commission Act. Please review the individual Action Items provided for more detailed information.

	Department	Contract Number	Description	Contract Request Type	Competitively Bid? If not a new contract, was the original contract competitively bid?	Lowest Bid? If not a New Contract, was the original contract the lowest bid?	DPSCD Approval Date	Comments															
3	Operations	18-0060-C	<p>Contract Amount: \$1,491,600 (incl. contingency)</p> <p>Contract Period: May 22, 2018 – December 31, 2018</p> <p>Source: General Funds (State Transition Funds)</p> <p>Purpose: Full roof replacement for Palmer Park School</p> <p>Contractor: Bloom Roofing System, Inc.</p> <p>Location: 12238 Emerson Drive, Brighton MI 48116</p>	New	Yes	No	<p>Anticipated Approval Board 05.22.2018</p> <p>FRC 05.21.2018</p>	<p>Request for Proposal 18-0060 was issued on Demandstar on March 9, 2018. 265 vendors were notified with six bidders responding. While Bloom was not the lowest bidder, their proposal was the most comprehensive with a low-cost option (which would be the lowest bid) that the District is still considering and was only \$40K higher than the second place vendor.</p> <p>The total cost for Bloom include additional work needed for the walls of the building that, left untreated, would have jeopardized the roof project.</p> <table><tr><td><i>Respondent</i></td><td><i>Score</i></td><td><i>Cost</i></td></tr><tr><td>Bloom</td><td>93</td><td>\$1.35M</td></tr><tr><td>Lutz</td><td>92</td><td>\$1.31M</td></tr><tr><td>Quality</td><td>84</td><td>\$1.18M</td></tr><tr><td>JD Candler</td><td>82</td><td>\$1.49M</td></tr></table>	<i>Respondent</i>	<i>Score</i>	<i>Cost</i>	Bloom	93	\$1.35M	Lutz	92	\$1.31M	Quality	84	\$1.18M	JD Candler	82	\$1.49M
<i>Respondent</i>	<i>Score</i>	<i>Cost</i>																					
Bloom	93	\$1.35M																					
Lutz	92	\$1.31M																					
Quality	84	\$1.18M																					
JD Candler	82	\$1.49M																					



Agenda Item Details

Meeting	May 08, 2018 - Regular Board Meeting
Category	14. Administrative Action Items
Subject	14.05 Facilities Operations Management Contract Amendment
Access	Public
Type	Action
Recommended Action	Motion to approve contract amendments for (i) LGC Facility Management in the amount of \$2,903,526 for a total contract not-to-exceed amount of \$9,222,559; and (ii) US Metro Group in the amount of \$3,910,442 for a total contract not-to-exceed amount of \$20,836,092 for fiscal year 2017-2018.

Public Content

Recommendation:

That the School Board approve contract amendments for (i) LGC Facility Management in the amount of \$2,903,526 for a total contract not-to-exceed amount of \$9,222,559; and (ii) US Metro Group in the amount of \$3,910,442 for a total contract not-to-exceed amount of \$20,836,092 for fiscal year 2017-2018.

Description and Background:

In 2014 under Emergency Management, the District entered into contracts with LGC Facility Management, US Metro Group, and The Facilities Group (together, the "Complete Facilities Service Providers") for the provision of custodial, engineering, and building maintenance services. Although the contracts contemplated expenditures for parts and supplies, emergency maintenance completed by sub-contractors and managed by the Complete Facilities Service Providers (the "Additional Maintenance Costs") and for community use, during the first three years of service, these amounts were never included in the amounts set forth in the contracts.

Similarly, the Office of School Nutrition and the Department of Adult Education have been charged fees for cleaning and equipment (the "Additional Departmental Costs") that were not budgeted in the annual contract amounts. The District is currently reviewing whether any of the Additional Departmental Costs are duplicative of the base costs for cleaning services under the contracts with the Complete Facilities Service Providers. Should any duplication be discovered, these amounts will be deducted from the final month's disbursement under the contracts.

In early 2017, the District invited the Complete Facilities Service Providers to provide renewal pricing. Based on the pricing, the prior administration recommended renewal of the contracts with substantially similar terms, including the failure to include in the cost structure the Additional Maintenance Costs, Additional Departmental Costs, and the community use fees.

On March 14, 2017, the School Board approved a one-year extension to the LGC Facility Management and The Facility Group contracts and on June 13, 2017, the School Board approved a one-year extension to the US Metro Group contract in order to include costs related to transitioning Education Achievement Authority schools. At that time, the Board expressed a strong desire to see the contracts rebid with strengthened performance indicators for fiscal year 2018-2019. On April 17, 2018, the District issued a request for proposals (RFP) for facilities service providers. Among other items, the RFP included the following control provisions to allow for better contract management: (i) prior to completion of preventative or corrective maintenance, the supplier will submit a proposal for prior approval (thereby controlling Additional Maintenance Costs); (ii) explicit key performance indicators tied to the profit of the supplier; and (iii) clarity around summer maintenance and the daily activities of engineers. The district will also assign a qualified project manager to monitor contract compliance. The district will also pilot full-time custodians in select schools to determine the effectiveness of full-time employment versus contracted services.

At this time, the District now seeks additional funds in the amounts set forth above to cover the Additional Maintenance Costs, Additional Departmental Costs, and the community use fees for the current fiscal year. Notably, these amounts were budgeted and planned for these purposes by individual departments and by the Department of Operations and Auxiliary Services. Accordingly, approval of this action item will not trigger a need for review or amendment of the District's budget.

The District is currently conducting a review of costs billed by The Facility Group and accordingly is not seeking to increase the amount of The Facility Group contract. The work The Facility Group manages is completed by two sub-contractors: Diversified Custodial Services Inc. (DCS) and KAJK, LLC. The District has received written assurance that DCS will continue to perform while the billing review is completed; nevertheless, out of an abundance of caution, the District is seeking to increase the LGC Facility Management contract by an additional \$1,386,100 to provide Engineers, Boiler Operators, Maintenance Operators, Porters, Custodians, Supervisors, and skilled tradeworkers to 37 schools should DCS discontinue services in May or June.

As demonstrated in the table below, the District has incurred Additional Maintenance Costs, which include, among other things, boiler chemicals, filters, motors, pool chemicals, glass, compressors, doors, windows, and emergency fire alarm maintenance and inspections, installation of drainage systems (catch-basins) and locksmith services. In addition, the District has issued purchase orders in the amounts listed below for community use and the Additional Departmental Costs. The District expects to incur additional community use fees and Additional Maintenance Costs. The Additional Departmental Costs should not increase further for the remainder of the fiscal year.

Table of Outstanding and Planned Costs for Complete Facilities Service Providers

	US Metro Group		LGC Facility Management	
	Outstanding Non-Contract Cost-to-Date	Projected Additional Expenditures through June 30	Outstanding Non-Contract Cost-to-Date	Projected Additional Expenditures through June 30
Additional Maintenance Costs	\$2,652,442	\$350,000	\$1,000,468	\$200,000
Community Use	\$400,000	\$100,000	\$415,000	\$100,000
Additional Departmental Costs	\$408,000	N/A	\$533,000	N/A
Labor Costs in Case of Work Stoppage	N/A	N/A	N/A	\$1,386,100
SUBTOTALS	\$2,709,597	\$450,000	\$1,217,426	\$1,686,100
Contract Totals	\$3,910,442		\$2,903,526	

The Finance Committee reviewed this action item prior to amendment on April 20, 2018.

Gap Analysis:

If the dollar value of these contracts were not increased, the District would not be able to effectively continue the provision of operational maintenance services through the end of the fiscal year. Although the additional costs requested in this action item relate to items not specifically assigned a dollar amount in the contracts, in certain instances, where costs have been incurred, the vendor may have applied payments remitted for labor costs to these open invoices. Thus, a failure to increase the contractual amount could result in a work stoppage related to outstanding labor costs.

Previous Outcomes:

For the past three years, the Complete Facilities Service Providers have provided personnel labor to support the District's schools and administrative offices. Beyond these services, the facility service providers have purchased parts and supplies needed to make necessary repairs and have performed corrective maintenance such as repair of sunken catch basins, replacement of fencing, repairs to playground equipment, replacement of boilers, repairs to swimming pools and arranged for compliance inspection and repairs of the fire alert systems in schools.

Expected Outcomes:

The maintenance program will continue without interruption for the remainder of the fiscal year.

Financial Impact:

Fund Source: General Fund and Grant Funds

Alignment to Strategic Plan:

Responsible Stewardship

Contact for Item:

Name: Felicia Venable, Senior Executive Director of Operations
 Phone: 313-873-6532
 Email: felicia.venable@detroitk12.org

Supporting Documents/Attachments:

Contract Amendment Documents

Lakeshore Contract #01-10-14-2-2014 Zone 3.pdf (838 KB)

US Metro Group Contract #01-10-14-0-2014 Zone 2.pdf (893 KB)

LGC-Lakeshore Contract Amendment.pdf (139 KB)

US Metro Contract Amendment.pdf (139 KB)

Administrative Content

DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT

Finance Committee Meeting ! Adoption of a Palmer Park Roof Replacement ! May 21, 2018 !

Recommendation:

That the School Board approves a contract with Bloom Roofing System, Inc. to replace the roof at Palmer Park Preparatory Academy in an amount not-to-exceed \$1,491,600 which includes the base bid amount plus a 10% contingency.

Description and Background:

This contract is for total roof replacement at Palmer Park Preparatory Academy. In 2010, District closed the second floor on the middle school side of the campus due to persistent water intrusion from the failing condition of the roof and a lack of funding to repair or replace it. In March 2018, Palmer Park Preparatory Academy was closed and students and staff relocated to Detroit International Academy for Young Women due to expressed concerns of mold inside the school building as well as continued persistent water intrusion from the failing condition of the roof.

Significant community concerns were raised on connection with the March 2018 closure of Palmer Park Preparatory Academy. The District assured families that the closure was temporary and a new roof would be installed in time for a Fall 2018 reopening of the facility. After issuing a request for proposals, Bloom Roofing System, Inc. was selected as the successful bidder and will provide all labor, materials, equipment, transportation and supervision for the delivery of the products to repair and replace the roof at Palmer Park Preparatory Academy. This contract recommendation includes a 10% contingency for any unforeseen conditions.

Gap Analysis:

The roof on Palmer Preparatory Academy was likely installed in the early 1990s. Typically, roofing systems have a 20-25 year manufacturer warranty when there is evidence of a maintenance plan. The roof at Palmer Park Preparatory shows little evidence of consistent maintenance and has several trees close to its structure that need to be cut back and/or removed to protect the roof from further deterioration. If the roof replacement is not approved at this time the District would be unable to reopen the school facility.

Previous Outcomes:

The former Barbara Jordan Elementary Middle School, Hampton Elementary Middle School and now Palmer Park Preparatory Academy built in 1928. The campus encompasses a distinctive floor plan for elementary and middle school student population. The combined building square footage is 160,251 and has maximum capacity of 1,019. The current enrollment is 550 students.

Expected Outcomes:

Subsequent to the roof replacement by Bloom Roofing System, Inc. the district will restore interior of the building by replacing water impacted ceiling and floor materials, paint, clean air ducts and change filters.

Alignment to Strategic Plan:

Responsible Stewardship

Financial Impact:

Bid Process: RFP #18-0060-C was issued on [DemandStar.com and received (6) six response(s). Based on evaluation of the proposal, Bloom Roofing System, Inc. was selected as the supplier providing best roofing solution and engineered value. They have the capability, experience, and competitive pricing to provide the services requested.

Contact for Item:

Name: Felicia Venable, Sr. Executive Director of Operations

Phone: 313-218-2876

Email: felicia.venable@detroitk12.org

Supporting Documents/Attachments:

Contract #18-0060-C Roof Replacement and Repairs for Palmer Park Preparatory Academy

Out-of-State Travel *



Out-of-State Travel Reimbursement Requests *

The following reimbursements (estimated cost) are being provided to the Board of Education for review and approval. These must also be provided to the FRC for review and approval pursuant to section 7(q) of the Michigan Financial Review Commission Act.

#	Conference Name	Location of Trip	Dates of Conference	School / Department	Central Office	Students	Faculty	Participants	Funding Source	Total Est. Cost	Approved by:
1	International Baccalaureate	Lake Tahoe, CA	6/25/18 - 6/28/2018	Renaissance High School	0	0	2	2	General Funds	\$4,888.00	The Academic and Finance Committees approved on April 23 and April 20, 2018, respectively; Board approved 5/8/18
2	International Baccalaureate	Albuquerque, NM	7/5/18 - 7/8/2018	Renaissance High School	0	0	1	1	General Funds	\$2,006.00	The Academic and Finance Committees approved on April 23 and April 20, 2018, respectively; Board approved 5/8/18
3	International Baccalaureate	Albuquerque, NM	7/8/2018 - 7/11/2018	Renaissance High School	0	0	3	3	General Funds	\$6,267.00	The Academic and Finance Committees approved on April 23 and April 20, 2018, respectively; Board approved 5/8/18
4	International Baccalaureate	Atlanta, GA	7/10/2018 - 7/12/2018	Renaissance High School	0	0	5	5	General Funds	\$10,648.22	The Academic and Finance Committees approved on April 23 and April 20, 2018, respectively; Board approved 5/8/18
5	International Baccalaureate	Albuquerque, NM	7/17/2018 - 7/20/2018	Renaissance High School	0	0	1	1	General Funds	\$2,087.00	The Academic and Finance Committees approved on April 23 and April 20, 2018, respectively; Board approved 5/8/18

Total: \$25,896.22 *



Agenda Item Details

Meeting	May 08, 2018 - Regular Board Meeting
Category	14. Administrative Action Items
Subject	14.02 Out of State Travel- International Baccalaureate
Access	Public
Type	Action
Recommended Action	Motion to approve the request for out of state travel for Renaissance High School as described below in the amount not to exceed \$26,500 which will be paid using general funds.

Public Content

Recommendation:

That the School Board approve the request for out of state travel for Renaissance High School staff as described below in an amount not to exceed \$26,500.

Description and Background:

The following represents the travel request for approval:

Trip Details	Estimated Cost	Comments
Event: International Baccalaureate Diploma Programme Location: Lake Tahoe, CA Dates: 06/25/18 – 06/28/18 Department: Renaissance High School Participants: 2 Subject: Language A-Language and Literature Funding Source: General Funds	Registration: \$1,810 Transportation: \$1,292 Lodging: \$1,274 Per Diem: \$512 Total: \$4,888	General Funds
Event: International Baccalaureate Diploma Programme Location: Albuquerque, NM Dates: 07/5/18 – 07/8/18 Department: Renaissance High School Participants: 1 Subject: Math Funding Source: General Funds	Registration: \$1,369 Transportation: \$433 Lodging: Included Per Diem: \$204 Total: \$2,006	General Funds

Trip Details	Estimated Cost	Comments
Event: International Baccalaureate Diploma Programme Location: Albuquerque, NM Dates: 07/8/18 – 07/11/18 Department: Renaissance High School Participants: 3 Subject: History Funding Source: General Funds	Registration: \$4,107 Transportation: \$1,584 Lodging: Included Per Diem: \$612 Total: \$6,267	General Funds
Trip Details	Estimated Cost	Comments
Event: International Baccalaureate Diploma Programme Location: Atlanta, GA Dates: 07/10/18 – 07/12/18 Department: Renaissance High School Participants: 5 Subject: Art Funding Source: General Funds	Registration: \$5,250 Transportation: \$1,483.82 Lodging: \$2,879.40 Per Diem: \$1,035 Total: \$10,648.22	General Funds
Trip Details	Estimated Cost	Comments
Event: International Baccalaureate Diploma Programme Location: Albuquerque, NM Dates: 07/17/18 – 07/20/18 Department: Renaissance High School Participants: 1 Subject: Creativity, Activity, Service (CAS) Funding Source: General Funds	Registration: \$1369 Transportation: \$514 Lodging: Included Per Diem: \$204 Total: \$2,087	General Funds

The Academic and Finance Committees recommended this action item for approval by the Board of Education on April 23 and April 20, 2018, respectively.

Gap Analysis:

Renaissance is one of two high schools in the district that offers the International Baccalaureate (IB) Diploma Programme for student acceleration. The program encourages both personal and academic achievement, challenging students to excel in their studies and in their personal development. Students enter the Pre-IB program as ninth graders, learning necessary skills and strategies to be successful with the level of rigor required for completion of the IB coursework and ultimately attaining an IB diploma, which is equivalent to two full years of college and recognized internationally. Professional

development is required to prepare teachers with strategies to address the level of complexity of each course ultimately preparing students to pass the necessary assessments to earn the IB diploma. Professional development is also specific to content levels and required to acquire and maintain schoolwide IB certification. As the District prepares for a fall program launch, the necessary professional development courses do not occur in a single location over the next several months but instead require the IB team to attend trainings in multiple locations to complete each professional development opportunity.

Previous Outcomes:

This is the inaugural program year.

Expected Outcomes:

Participants will be provided professional development in content specific strategies to implement the IB curriculum for their content area. Teacher professional development will lead to an increased number of students who earn an IB diploma.

Alignment to Strategic Plan:

Whole Child Commitment

Financial Impact:

\$26,500 from General Fund

Contact for Item:

Name: Iranetta Wright, Deputy Superintendent of Schools

Phone: 313-873-6893

Email: iranetta.wright@detroitk12.org

Supporting Documents/Attachments:

Administrative Content

Appendix



High level assumptions underlying DPS (Old Co.)

- DPS (Old Co.) is primarily a wind-down entity whose purpose is the satisfaction of legacy debt obligations
- DPS's General Fund receives revenue from two main sources:
 - (i) Local Sources – Property Taxes (18 non-homestead mills) collected and remitted by the City and County /
 - (ii) State Sources – Property tax abatements (Renaissance Zone) reimbursed by the State
- DPS's General Fund is budgeted to have the following categories of expenditures:
 - (i) Operating expenditures – Primarily related to legal and audit fees
 - (ii) Debt Service – Payments related to operating bonds, emergency loan, and pension obligations
 - (iii) Transfers out – Reimbursements to DPSCD in connection with legislation
- In addition, DPS collects property taxes related to the 13 mills, which are dedicated to service legacy capital debt. Any shortfall in these collections is backstopped by additional borrowings from the State of Michigan School Loan Revolving Fund (SLRF). Therefore, any activity related to the capital debt does not impact the General Fund, and is reported separately.

Financial Update – March 2018 +

- DPSCD recorded revenues of \$5.4M under budget and expenditures \$0.5M over budget in the month of March 2018, totaling to a budget deficit of \$5.9M for the month.
 - Relative to budget, revenues were behind by \$5.4M for the month of March, or an 8% decrease.
 - State Sources – State sources were behind budget by \$4.1M, reducing the year to date surplus over budget to \$12.0M for state sources.
 - Federal Sources – Federal sources were behind actuals by \$1.9M, increasing the year to date deficit compared to budget to \$18.0M. /
 - On the expenditure side, actuals were above budget by \$0.5M for the month of March, or a 1% increase. /
 - Salaries and benefits (object level) – The variance between actuals and budget for salaries and benefits is largely due to budgeted unfilled vacancies. The District has addressed this with FY 2018 Budget Amendment no. 2 by moving unspent funds to contingency.
 - Contingency (object level) – Additionally, the District has \$15.5M in budgeted contingency, of which none was budgeted in March; the remaining amount will be used for unplanned future expenditures from previous year.
 - Instruction (function level) – In the month of March, instructional spend trailed budget by \$3.2M, or 10%, mainly due to unfilled vacancies that are mentioned in salaries and benefits.
 - Support Services (function level) – Support services for the month of March was \$3.6M above budget primarily due to increases in Maintenance & Operation expenditures for March.
- The net cash flow for March 2018 was \$26.0M, putting the ending cash balance at \$128.3M (\$176.8M including the internal service fund and fiduciary account).

Debt Certifications %





Office of Retirement Services
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STATE OF MICHIGAN
DEPARTMENT OF TECHNOLOGY,
MANAGEMENT & BUDGET

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March 29, 2018

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DETROIT PUBLIC SCHOOLS
3011 WEST GRAND BOULEVARD
OFFICE OF ACCOUNTING-11TH FL
FISHER BUILDING
DETROIT, MI 48202-3013

PAY CYCLE STATEMENT

Statement Period: 3/7/2018 - 3/20/2018
Payment Due Date: 3/29/2018

	<u>Defined Benefit</u>	<u>Defined Contribution</u>
Beginning Balance	\$120,409,794.22	\$0.00
Plus: Changes in unposted records from previous statements	\$0.00	\$0.00
Plus: Contributions	\$0.00	\$0.00
Posted	\$0.00	\$0.00
Unposted	\$0.00	\$0.00
Plus: UAAL rate stabilization	\$0.00	\$0.00
Plus: Fee assessed for current statement	\$11.51	\$0.00
Retirement contributions due	\$120,409,805.73	\$0.00
Less: ACH payments received	\$2,000,000.00	\$0.00
Balance due	\$118,409,805.73	\$0.00
Pending ACH payments	\$0.00	\$0.00
Balance due after pending payments	\$118,409,805.73	\$0.00



BALANCE DUE WITH ACCRUED INTEREST THROUGH STATEMENT DATE

	<u>Defined Benefit</u>
Statement balance due	\$118,409,805.73
Plus: Accrued interest through remediation date*	\$5,501,126.39
Plus: Simple interest accrued through 6/30/2017**	\$13,162,450.51
Total due as of payment due date	<u>\$137,073,382.63</u>

*Accrued interest through remediation date is the total accumulated interest charged on delinquent contributions through the date of your remediation agreement. This amount is calculated using the standard (compounded interest) method of calculating interest and will not grow.

**Simple interest accrued through each June 30 (end of the fiscal year) is the total accumulated 8-percent simple interest charged on the remaining principal balance minus any payments made throughout the fiscal year. This interest is not compounded.

The following pages show schedules for each type of interest.

ACCRUED INTEREST ON DELINQUENT DB CONTRIBUTION PAYMENTS

Pay Period End Date	Payment Due Date	Most Recent Payment Due Date	Days Outstanding	Shortfall Balance Outstanding	Accrued Interest
10/20/2015	10/29/2015	9/30/2016	337	\$ 2,534,555.43	\$ 206,867.13
11/3/2015	11/13/2015	9/30/2016	322	\$ 4,381,772.87	\$ 341,716.17
11/17/2015	11/30/2015	9/30/2016	305	\$ 10,105,387.17	\$ 746,470.40
12/1/2015	12/10/2015	9/30/2016	295	\$ 5,801,067.71	\$ 414,466.80
12/15/2015	12/28/2015	9/30/2016	277	\$ 4,166,146.82	\$ 279,495.06
12/29/2015	1/11/2016	9/30/2016	263	\$ 6,983,674.95	\$ 444,835.62
1/12/2016	1/22/2016	9/30/2016	252	\$ 3,647,100.78	\$ 222,591.26
1/26/2016	2/4/2016	9/30/2016	239	\$ 7,106,305.45	\$ 411,340.59
2/9/2016	2/19/2016	9/30/2016	224	\$ 4,073,533.20	\$ 220,993.28
2/23/2016	3/3/2016	9/30/2016	211	\$ 7,073,881.60	\$ 361,493.12
3/8/2016	3/17/2016	9/30/2016	197	\$ 3,862,270.58	\$ 184,275.97
3/22/2016	3/31/2016	9/30/2016	183	\$ 7,128,880.35	\$ 315,960.08
4/5/2016	4/14/2016	9/30/2016	169	\$ 4,109,372.48	\$ 168,198.46
4/19/2016	4/28/2016	9/30/2016	155	\$ 6,896,200.82	\$ 258,881.72
5/3/2016	5/12/2016	9/30/2016	141	\$ 4,119,567.22	\$ 140,679.40
5/17/2016	5/26/2016	9/30/2016	127	\$ 7,039,632.41	\$ 216,527.72
5/31/2016	6/9/2016	9/30/2016	113	\$ 4,130,410.90	\$ 113,039.83
6/14/2016	6/23/2016	9/30/2016	99	\$ 3,988,240.47	\$ 95,626.07
6/28/2016	7/8/2016	9/30/2016	84	\$ 7,137,792.87	\$ 145,212.17
7/12/2016	7/21/2016	9/30/2016	71	\$ 3,939,673.47	\$ 67,745.18
7/26/2016	8/4/2016	9/30/2016	57	\$ 5,272,007.70	\$ 72,779.77
8/9/2016	8/18/2016	9/30/2016	43	\$ 2,413,553.17	\$ 25,135.36
8/23/2016	9/1/2016	9/30/2016	29	\$ 5,479,604.69	\$ 38,486.38
9/6/2016	9/15/2016	9/30/2016	15	\$ 2,253,442.50	\$ 8,186.49
9/20/2016	9/29/2016	9/30/2016	1	\$ 505,313.09	\$ 122.38
Total				\$124,149,388.70	\$5,501,126.39

SIMPLE INTEREST ON DELINQUENT DB CONTRIBUTION PAYMENTS

Interest Accrual Start Date	Payment Received Date	# of Days Accrued	Remaining Principal Balance	Simple Interest Accrual	Payments Towards Principal During Time Period
10/1/2016	1/25/2017	116	\$124,149,388.70	\$2,938,769.09	\$4,711,140.00
1/26/2017	4/20/2017	84	\$119,438,248.70	\$2,068,081.46	\$2,000,000.00
4/21/2017	3/19/2018	332	\$117,438,248.70	\$7,927,886.16	\$2,000,000.00
3/20/2018	3/29/2018	9	\$115,438,248.70	\$227,713.81	\$0.00
Total				\$13,162,450.51	\$8,711,140.00

Simple 8-percent interest is calculated as follows:

$(0.08 \times \text{Number of Days Accrued}) / 365 \times \text{Remaining Principal Balance}$



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STATE OF MICHIGAN
DEPARTMENT OF TECHNOLOGY,
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April 12, 2018

RU: 05880

DETROIT PUBLIC SCHOOLS
3011 WEST GRAND BOULEVARD
OFFICE OF ACCOUNTING-11TH FL
FISHER BUILDING
DETROIT, MI 48202-3013

PAY CYCLE STATEMENT

Statement Period: 3/21/2018 - 4/3/2018
Payment Due Date: 4/12/2018

	<u>Defined Benefit</u>	<u>Defined Contribution</u>
Beginning Balance	\$118,409,805.73	\$0.00
Plus: Changes in unposted records from previous statements	\$0.00	\$0.00
Plus: Contributions	\$0.00	\$0.00
Posted	\$0.00	\$0.00
Unposted	\$0.00	\$0.00
Plus: UAAL rate stabilization	\$0.00	\$0.00
Plus: Fee assessed for current statement	\$11.51	\$0.00
Retirement contributions due	\$118,409,817.24	\$0.00
Less: ACH payments received	\$0.00	\$0.00
Balance due	\$118,409,817.24	\$0.00
Pending ACH payments	\$0.00	\$0.00
Balance due after pending payments	\$118,409,817.24	\$0.00



BALANCE DUE WITH ACCRUED INTEREST THROUGH STATEMENT DATE

	<u>Defined Benefit</u>
Statement balance due	\$118,409,817.24
Plus: Accrued interest through remediation date*	\$5,501,126.39
Plus: Simple interest accrued through 6/30/2017**	\$14,613,615.92
Total due as of payment due date	<u>\$138,524,559.55</u>

*Accrued interest through remediation date is the total accumulated interest charged on delinquent contributions through the date of your remediation agreement. This amount is calculated using the standard (compounded interest) method of calculating interest and will not grow.

**Simple interest accrued through each June 30 (end of the fiscal year) is the total accumulated 8-percent simple interest charged on the remaining principal balance minus any payments made throughout the fiscal year. This interest is not compounded.

The following pages show schedules for each type of interest.

ACCRUED INTEREST ON DELINQUENT DB CONTRIBUTION PAYMENTS

Pay Period End Date	Payment Due Date	Most Recent Payment Due Date	Days Outstanding	Shortfall Balance Outstanding	Accrued Interest
10/20/2015	10/29/2015	9/30/2016	337	\$ 2,534,555.43	\$ 206,867.13
11/3/2015	11/13/2015	9/30/2016	322	\$ 4,381,772.87	\$ 341,716.17
11/17/2015	11/30/2015	9/30/2016	305	\$ 10,105,387.17	\$ 746,470.40
12/1/2015	12/10/2015	9/30/2016	295	\$ 5,801,067.71	\$ 414,466.80
12/15/2015	12/28/2015	9/30/2016	277	\$ 4,166,146.82	\$ 279,495.06
12/29/2015	1/11/2016	9/30/2016	263	\$ 6,983,674.95	\$ 444,835.62
1/12/2016	1/22/2016	9/30/2016	252	\$ 3,647,100.78	\$ 222,591.26
1/26/2016	2/4/2016	9/30/2016	239	\$ 7,106,305.45	\$ 411,340.59
2/9/2016	2/19/2016	9/30/2016	224	\$ 4,073,533.20	\$ 220,993.28
2/23/2016	3/3/2016	9/30/2016	211	\$ 7,073,881.60	\$ 361,493.12
3/8/2016	3/17/2016	9/30/2016	197	\$ 3,862,270.58	\$ 184,275.97
3/22/2016	3/31/2016	9/30/2016	183	\$ 7,128,880.35	\$ 315,960.08
4/5/2016	4/14/2016	9/30/2016	169	\$ 4,109,372.48	\$ 168,198.46
4/19/2016	4/28/2016	9/30/2016	155	\$ 6,896,200.82	\$ 258,881.72
5/3/2016	5/12/2016	9/30/2016	141	\$ 4,119,567.22	\$ 140,679.10
5/17/2016	5/26/2016	9/30/2016	127	\$ 7,039,632.41	\$ 216,527.72
5/31/2016	6/9/2016	9/30/2016	113	\$ 4,130,410.90	\$ 113,039.83
6/14/2016	6/23/2016	9/30/2016	99	\$ 3,988,240.47	\$ 95,626.07
6/28/2016	7/8/2016	9/30/2016	84	\$ 7,137,792.87	\$ 145,212.17
7/12/2016	7/21/2016	9/30/2016	71	\$ 3,939,673.47	\$ 67,745.18
7/26/2016	8/4/2016	9/30/2016	57	\$ 5,272,007.70	\$ 72,779.77
8/9/2016	8/18/2016	9/30/2016	43	\$ 2,413,553.17	\$ 25,135.36
8/23/2016	9/1/2016	9/30/2016	29	\$ 5,479,604.69	\$ 38,486.38
9/6/2016	9/15/2016	9/30/2016	15	\$ 2,253,442.50	\$ 8,186.49
9/20/2016	9/29/2016	9/30/2016	1	\$ 505,313.09	\$ 122.38
Total				\$124,149,388.70	\$5,501,126.39

SIMPLE INTEREST ON DELINQUENT DB CONTRIBUTION PAYMENTS

Interest Accrual Start Date	Payment Received Date	# of Days Accrued	Remaining Principal Balance	Simple Interest Accrual	Payments Towards Principal During Time Period
10/1/2016	1/25/2017	117	\$124,149,388.70	\$3,183,666.52	\$4,711,140.00
1/26/2017	4/20/2017	86	\$119,438,248.70	\$2,251,329.18	\$2,000,000.00
4/21/2017	3/19/2018	333	\$117,438,248.70	\$8,571,383.41	\$2,000,000.00
3/20/2018	4/12/2018	24	\$115,438,248.70	\$607,236.82	\$0.00
Total				\$14,613,615.92	\$8,711,140.00

Simple 8-percent interest is calculated as follows:


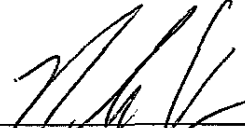
$(0.08 \times \text{Number of Days Accrued}) / 365 \times \text{Remaining Principal Balance}$



Contracts

LGC Facility Management Contract
LGC Facility Management Amendment
US Metro Contract
US Metro Amendment
Bloom Contract

Four diagonal lines in dark blue, medium blue, light blue, and orange extend from the bottom right towards the top right of the slide.

<p align="center">DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT</p> <p align="center">Office of Procurement and Logistics Fisher Building, 11th Floor 3011 W. Grand Blvd. Detroit, MI 48202</p>	<p align="center">Section I Contract Cover Page & Signatures</p>	<p>1. Contract No.: 01-10-14-0-2014-ZONE 3 Modification No.: 001</p>
		<p>2. ITB/RFQ No.: 01-10-14-0-2014/EK</p>
		<p>3. Contract Title: Complete Facilities Operations Management for Detroit Public Schools (Zone 3)</p>
		<p>4. Contract Amount, as modified: Contract Amount for First Three Years: NTE \$26,247,323</p> <p>Contract Amount for One Year Renewal: NTE \$6,319.033.00</p>
		<p>5. Contract Term: One Year Renewal Term, commencing July 1, 2017 and ending June 30, 2018</p>
<p>6. Supplier Name: LGC Global FM, LLC (f/k/a Lakeshore Rickman JV, LLC) Address: 7310 Woodward Avenue, Suite 500 City/State/Zip: Detroit, Michigan 48202 Contact: Avinash Rachmale Telephone: (313) 989-4141 Fax: (313) 875-2924 Email: Avinash.rachmale@lgccorp.com</p>		
<p>7. Contract Modification Description: ORIGINAL NOT-TO-EXCEED BUDGET AMOUNT: Twenty-Six Million, Two Hundred Forty-Seven Thousand, Three Hundred Twenty-Three Dollars (\$26,247,323.00)</p> <p>A. <u>Assignment</u>: Acknowledge assignment of contract from Detroit Public Schools to Detroit Public Schools Community District.</p> <p>B. <u>Contract Modification No.: 002</u> – Increase the total contract budget amount by Six Million Eight Hundred Thirty-One Thousand and Six-hundred and Forty-Three Dollars (\$6,319,033) and the not-to-exceed contract of Thirty-three Million Seventy-Eight Thousand and Nine-hundred and Sixty-Six Dollars (\$32,566,356).</p> <p>C. All references in the Contract to Chief Procurement Officer shall mean Senior Executive Director - Procurement.</p> <p>D. Sections B and G, and Schedule A of the Contract are amended as set forth below.</p> <p>All other terms and conditions remain unchanged.</p>		
<p>8. Signature of Authorized Supplier Representative:</p> <p> 10-04-2017 Avinash Rachmale, P.E. Date Chairman & CEO</p>	<p>9. Signature of DPS Representatives:</p> <p> 10/16/2017 Nikolai P. Vitti, Ed.D. Date Superintendent</p>	

SECTION B: PRICING

Section B, Contract Pricing Terms and Conditions, is amended to add the following:

4th Contract Year: July 01, 2017 through June 30, 2018..... During the 4th Contract Year, payments of the Contract Amount shall not exceed Six Million Three Hundred Nineteen Thousand and Thirty-Three Dollars (\$6,319,033.00) and includes [one-third (1/3rd)] of the amount of any recovery of Supplier's cost for capital equipment.

School Closures: In the event DPSCD closes Turning Point Elementary, the total contract price shall be reduced by \$158,304. In the event that DPSCD closes any other buildings covered by this Contract, the total contact amount for each year shall be the reduced by \$3.00 per sq. ft. for each building closed.

Equipment and Parts: DPSCD shall reimburse the Supplier for any equipment and parts agreed by the parties to be purchased by Supplier in compliance with the competitive bidding requirements applicable to DPSCD. The Supplier's request for reimbursement shall be accompanied by evidence of the competitive bidding and pricing. Reimbursement will first be paid for by any labor savings generated under the Contract; thereafter the District shall be billed.

The Supplier At-Risk Fee for the fourth year is hereby decreased from \$180,862.42 to \$ 136,632.86

SECTION G CONTRACT ADMINISTRATION DATA

Section G, Contract Administration Data is amended and replaced in its entirety as follows:

1. The District's Deputy Executive Director - Procurement shall be responsible for all contractual matters and is the only individual authorized to make changes of any kind to the contract. Supplier shall not rely upon any oral change from anyone, or a written request for change from someone other than the Deputy Executive Director - Procurement. All changes must be in writing, signed by the Senior Executive Director - Procurement. Supplier shall not bear the risk of loss or additional damages associated with delays in obtaining authorization.

2. Invoicing and Payment

- a. Original Invoices shall be submitted to:

Senior Executive Director of Operations
Detroit Public Schools Community District
Fisher Building, 14th Fl.
3011 W. Grand Blvd.,
Detroit, Michigan 48202

And shall conform to policies or regulations adopted from time to time by the District. Invoices shall be legible and shall contain, as a minimum, the following information:

(1) the contract number and DPSCD purchase order number; (2) a complete itemization of all costs including quantities ordered; and (3) any discounts offered to the District under the terms of the contract.

A copy of the invoice shall also be forwarded to the Accounts Payable Department located at:

Detroit Public Schools Community District
11th Floor Fisher Building

3011 W. Grand Boulevard
Detroit, Michigan 48202

- b. The parties agree to monthly invoicing as set forth herein. Reconciliation of expenditures shall be performed on a quarterly basis and estimated budgets will be adjusted accordingly to capture shared-cost savings to be spread amongst future months or converted to available dollars to allow for reinvestment back into the schools, including but not limited to: additional supplies purchase, additional repairs, or, upon the District's discretion, refunded at the end of the Contract year.

(1) Base Bid Custodial Maintenance Services Invoicing and Payment

Supplier shall submit invoices by the first day of each month for the month of service; e.g. by July 1 for services in the month of July. Base Bid Custodial Maintenance Services invoicing will be paid no later than 30 days after the submit invoice date.

Contractually agreed upon terms and conditions regarding actual cost versus estimated budget cost reconciliation are set forth in SECTION B: Contract Pricing Terms and Conditions.

- c. Subject to any withholding provisions of the contract, payment shall be made after the District's receipt of a properly prepared invoice. **Payment terms: See above.**

- d. The Supplier shall provide to the Deputy Executive Director - Procurement a fully executed IRS Department of Treasury W-9 Tax Form. It is the Supplier's responsibility to notify the Senior Executive Director - Procurement of any changes in the remittal address. Failure to provide this information may impact payment of invoices by DPS. In order that this Form is the current version at time of submittal, the Supplier shall download this Form from the Internal Revenue Service website shown below, complete the Form and submit as specified herein. The website from which to obtain this Form is: http://www.irs.gov/prod/forms_pub/whatshot.htm

..... End of Section G

Schedule A: Staffing Levels and Pay Rates - Update

The table set forth in Schedule A, Staffing Levels and Pay Rates, is amended and replaced in full to read as follows:

ZONE 3: LGC Global	Contractual Year 4	Contract Total
Facilities Management	\$ 608,909	\$ 608,909
Maintenance	\$ 2,048,279	\$ 2,048,279
Custodial	\$ 3,016,603	\$ 3,016,603
Grounds	\$ -	\$ -
Mobilization	\$ -	\$ -
Daily Operating	\$ 758,857	\$ 758,857
Capital Equipment	\$ -	\$ -
Supplier Fees	\$ 398,995	\$ 398,995
Cost Reduction for Removal of Durfee ES/MS	\$ (512,610)	\$ (512,610)
Grand Total	\$ 6,319,033	\$ 6,319,033

The Supplier shall not be required to perform Ground Maintenance/Snow Removal under this Contract.

COMMUNITY USE: Billable hourly rate per classification:

Labor Category	Straight Time	Overtime
Custodian	\$ 21.10	\$ 29.50
Maintenance Technician	\$ 31.48	\$ 44.07
Stationary Engineer	\$ 53.04	\$ 74.20

DETROIT PUBLIC SCHOOLS

The Board of Education of the City of Detroit
Office of Procurement and Logistics
Fisher Building, 11th Floor
3011 W. Grand Blvd.
Detroit, MI 48202

Section A Contract Cover Page & Signatures



1. Contract No.: 01-10-14-0-2014-ZONE3

2. ITB/RFP No.: 01-10-14-0-2014/EK

3. Contract Title:
COMPLETE FACILITIES OPERATIONS MANAGEMENT
FOR DETROIT PUBLIC SCHOOLS (ZONE 3)

4. Contract Amount: NTE = \$26,247,323.00

1st Year NTE: \$ 8,424,473.00

2nd Year NTE: \$ 8,779,729.00

3rd Year NTE: \$ 9,043,121.00

5. Contract Term: One (3) Year Term Commencing
JULY 15, 2014 through JUNE 30, 2017 with (2) Two
(1) One Year Options For Renewal

6. Supplier Name: Lakeshore Rickman JV LLC
Address: 7310 Woodward Avenue, Suite 500
City/State/Zip: Detroit, Michigan 48202
Contact: Shashidhar Shastri Phone: 248-207-8026 Email: shashidhar.shastri@lgccorp.com

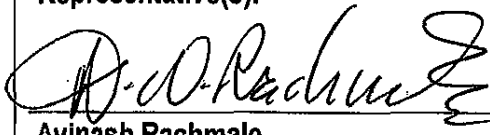
7. Contract Table of Contents:

Section A: Contract Cover Page & Signatures
Section B: Pricing
Section C: Scope of Work/Service
Section D: Specifications
Section E: Inspection and Acceptance
Section F: Deliveries or Performance
Section G: Contract Administrative Data
Section H: Special Contract Requirements
Section I: General Contract Clauses

Section J: List of Eight (8) Attachments:

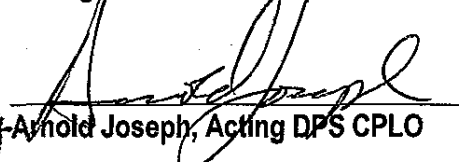
- 1) Schedule A: Staffing Levels and Pay Rates
- 2) Exhibit A: Updated Building Roster by Zone
- 3) Exhibit B: Performance Metrics (KPIs)
- 4) Exhibit C: Cost Responsibility Summary
- 5) Specification A: Custodial Cleaning
- 6) Specification B: FM, Minor Corrective Maint.
- 7) Specification C: Grounds Maintenance
- 8) Specification D: Asbestos and Lead Paint

8. Signature of Authorized Supplier Representative(s):

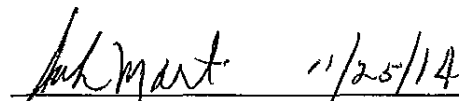

Avinash Rachmale
11/20/14
Date


Roderick Rickman
11/20/14
Date

9. Signature of DPS Representatives:


Arnold Joseph, Acting DPS CPLO
11/24/14
Date


William Aldridge, CFO / CAO
11/20/14
Date


Jack Martin, Emergency Manager
11/25/14
Date

SECTION B CONTRACT PRICING TERMS and CONDITIONS

The total amount of this Contract shall not exceed the sum of Twenty-Six Million Two Hundred Forty-Seven Thousand Three Hundred Twenty-Three Dollars and No Cents (\$26,247,323.00) ("the Contract Amount) and shall be paid as follows:

1st Contract Year: July 15, 2014 through June 30, 2015..... During the 1st Contract year, payments of the Contract Amount shall not exceed Eight Million Four Hundred Twenty-Four Thousand Four Hundred Seventy-Three Dollars and No Cents (\$8,424,473.00) inclusive of any and all start-up mobilization costs and (1/3) one-third of the amount of any recovery of Supplier's cost for capital equipment.

2nd Contract Year: July 01, 2015 through June 30, 2016..... During the 2nd Contract Year, payments of the Contract Amount shall not exceed Eight Million Seven Hundred Seventy-Nine Thousand Seven Hundred Twenty-Nine Dollars and No Cents (\$8,779,729.00) and includes: one-third (1/3rd) of the amount of any recovery of Supplier's cost for capital equipment

3rd Contract Year: July 01, 2016 through June 30, 2017..... During the 3rd Contract Year, payments of the Contract Amount shall not exceed Nine Million Forty-Three Thousand One Hundred Twenty-One Dollars and No Cents (\$9,043,121.00) and includes: one-third (1/3rd) of the amount of any recovery of Supplier's cost for capital equipment.

Capital Equipment: Not-to-Exceed: Three Hundred Fifty-Three Thousand Two Hundred Eighty-Four Dollars and No Cents (\$353,284.00) amortized over (3) three years.

Notwithstanding anything to the contrary contained herein, in the event this Agreement is terminated prior to expiration of the third (3rd) contract year, Supplier shall have the right in its sole discretion to require the District to purchase such capital equipment for an amount equal to the unamortized amount of the actual cost of such capital equipment.

Supplier shall provide support documentation substantiating the cost of labor and materials with the submission of its monthly invoices (with Supplier fees separately identifiable in the billings.)

The actual costs for parts required for maintenance and repairs shall be invoiced (net of rebate and sales tax) separately to the District, and the District shall pay such verified amounts in addition to the Contract Amount

Supplier Fee at Risk: Performance Incentive

Notwithstanding the foregoing, and in order to encourage Supplier to meet District's desired level of performance, the District will withhold two percent (2%) of Supplier's total annual contract amount (the "Performance Incentive") from the final invoice of each contract year to create a fund from which an "incentive" may be paid to Supplier. Supplier's performance will be reviewed collaboratively with the District on a quarterly basis during each contract year. The District will issue a scorecard/report card at the end of each quarter of the contract year based upon performance metrics to be developed under Section H hereof. The form of the scorecard shall be provided by the District within 30 days from the date of execution of this contract. If, after the final quarterly review of each contract year, Supplier receives a cumulative scorecard of 90 points or better, Supplier shall be paid the entire Performance Incentive (i.e. the entire 2% withheld). If Supplier receives a cumulative scorecard rating of less than 90 points, Supplier shall be paid 10% of the Performance Incentive for each scorecard point above 80. If Supplier does not receive a scorecard of 80 points or better, the District shall retain the Performance Incentive.

ESTIMATED SUPPLIER FEE at RISK by FISCAL YEAR		
Lakeshore Rickman Joint Venture	Annual Contract Amount	2%
Contract Year 1	\$ 8,424,473.00	\$ 168,490.00
Contract Year 2	\$ 8,779,729.00	\$ 175,595.00
Contract Year 3	\$ 9,043,121.00	\$ 180,862.42

Cost and Shared Savings

Supplier shall meet at least monthly with the District's designated representatives to review budgeted costs for materials, parts and labor for the purpose of reducing cost. Supplier will work diligently to assist the District in reducing said costs in the first (1st) contractual fiscal year, thus creating a baseline for use in establishing targeted cost savings amounts for the second (2nd) and third (3rd) contractual fiscal years. Supplier is encouraged to develop, prepare, and submit to the District plans and programs ("Supplier Cost Savings Plans") that may result in any cost savings to the District without adversely impacting contract performance, including but not limited to labor costs savings hereto. Supplier shall share in any costs savings, except labor cost savings, realized from accepted Supplier Cost Savings Plans as follows: (20%) twenty percent of the net cost savings shall be credited to the Supplier. Any labor cost savings attributable to the Supplier Cost Savings Plans shall be realized as an actual reduction in costs to the District and Supplier shall not share in such cost savings.

Labor Cost Savings:

Supplier's estimated charges for custodial labor, maintenance labor, and grounds labor costs along with estimated full-time equivalent staff (based on 2,080 hours per FTE) are set forth in **SCHEDULE A: STAFFING LEVELS and PAY RATES**. Within thirty (30) days of the date of this contract, Supplier shall finalize its labor rates and total labor costs (the "Annual Budgeted Labor Costs") and provide notice thereof to the District. Supplier shall work cooperatively with the District to allocate staffing by job title, building, and staffing levels throughout the year (adjusting for seasonal needs and peak demands for labor) to ensure that performance requirements of the contract are met. The parties shall work collaboratively to reduce the total number of labor hours and costs as much as possible, provided the performance requirements are maintained. Supplier agrees that the Contract Amount is a not-to-exceed amount based upon the Annual Budgeted Labor Costs and that the Annual Budgeted Labor Costs represent Supplier's estimate of the maximum amount of Supplier's actual labor costs absent extenuating, unforeseen and emergency circumstances involving the facilities structures ("Extraordinary Events"). In the event the Supplier's actual labor costs exceed the Annual Budgeted Labor Costs, Supplier shall not receive payment in excess of this amount without written approval by the District; provided, however, if Extraordinary Events occur and Supplier's labor costs increase due to such occurrences, the District agrees to review Supplier's claims for additional amounts and upon approval, the Contract Amount shall be adjusted to included such increased labor costs. For purposes of illustration, Extraordinary Events shall include unforeseeable weather conditions (e.g., tornadoes, floods, extreme cold for extended periods of times), vandalism, theft of structural materials from scrapping activities and changes in legislation resulting in an increase in the cost of mandatory wages and benefits to Supplier.

Don't exceed

The parties shall meet quarterly and Supplier shall provide documentation of actual hours performed by each labor category and associated costs. The parties shall make adjustments in staffing levels in order to ensure that performance requirements are met and labor costs are reduced as much as possible. At the District's option, anticipated savings in labor costs may be converted to the purchase of parts, supplies or repairs and improvements to facilities.

Quarterly Business Review (Supplier Performance) meetings are set forth as follows:

JULY through SEPTEMBER
OCTOBER through DECEMBER
JANUARY through MARCH
APRIL through JUNE

Anticipated Meeting Date: Last week of OCTOBER
Anticipated Meeting Date: Last week of JANUARY
Anticipated Meeting Date: Last week of APRIL
Anticipated Meeting Date: Last week of JULY

----- End of Section B -----

SECTION C SCOPE OF SERVICE

Supplier agrees to provide the goods and services described below in accordance with the standards and the schedules set forth herein, specifically including EXHIBIT "C", Cost Responsibility Summary. Supplier shall insure that the facilities and grounds are maintained in accordance with the standards set forth in the Performance Metrics developed in accordance with SECTION H hereof. Notwithstanding the foregoing, the Supplier agrees that until such time as the Performance Metrics are finalized by the parties, Supplier will perform in accordance with the Initial Performance Metrics attached hereto as Exhibit B-1, hereto. Omissions by the District in such providing specifications shall not reduce the Supplier's requirement of maintaining buildings and grounds in accordance with industry standards.

Supplier shall provide comprehensive facilities management which shall include:

I. CUSTODIAL SERVICES

Supplier must provide for complete custodial services of the District's facilities (educational and support buildings) located in the designated **Zone 3 Portfolio of Schools** and as listed on **EXHIBIT A: UPDATED BUILDING ROSTER by ZONE** in keeping with standards set forth in **EXHIBIT B: PERFORMANCE METRICS** and in accordance with applicable health and sanitation standards and to support the District's goals with regard to sanitation, public relations, and maintenance of the physical facility. Supplier must provide all necessary labor, tools, materials, supervision, cleaning agents, disinfectants, sanitizers, germicides, floor finishes/sealers, and cleaning equipment for performing to the custodial specifications outlined in the attached standards set forth in **SPECIFICATION A: CUSTODIAL CLEANING** and **EXHIBIT C: COST RESPONSIBILITY SUMMARY**. All chemicals used in the facilities must be environmentally friendly when possible, and properly labeled and comply with all "Right to Know" requirements.

Supplier shall provide to the District for its approval quality assessment procedures and a custodial reporting system that includes:

a. Weekly or Monthly Reporting:

- i. Weekly electronic cleanliness quality assessment report by school and area.
- ii. Minimal monthly cleanliness quality assessment report done in conjunction with District representative or District school administrator for each DPS location for which an electronic or handwritten sign-off is obtained.
- iii. Monthly vandalism report tracking number of incidents by school.
- iv. Weekly paper product usage / inventory-on-hand reports (paper towel & toilet paper) by school.
- v. Weekly soap usage / inventory-on-hand reports by school upon request of clients.

b. Quality Assurance Program:

- i. Continuous quality monitoring for early detection and resolution of issues
- ii. A (24) twenty-four to (48) forty-eight hour customer complaint turnaround quality assurance guarantee (where applicable)

c. Custodial Ratification Plan for schools not meeting the standards required hereunder that includes the following:

- i. **Define and Describe the Problem:** Specify the problem by identifying in quantifiable terms: (i.e., who, what, where, when, why, how, and how many) to help determine the root cause of the issue.
 - ii. **Develop and Implement Immediate Containment Plan to address the issue:** Define and implement containment actions to isolate the problem from the customer.
 - iii. **Determine the Root Causes:** Identify all applicable causes that caused the problem to occur.
 - iv. **Implement and Validate Corrective Actions:** Define and implement corrective actions to remediate the problem, after obtaining approvals from both the customers and the District.
 - v. **Take Preventive Measures:** Modify the management systems, operation systems, practices, and procedures to prevent recurrence of quality issue and all similar problems, and advise the District of such measures.
- d. Provide a comprehensive resilient floor and carpet care program and all required floor cleaning and floor maintenance equipment.
- e. Supplier must know and ensure that all their purchased cleaning chemicals, supplies, equipment and tools are in accordance with all local, state, and federal regulations and guidelines.

II. GROUNDS

Supplier will provide complete landscaping services to each school facility to properly and fully maintain the grounds year round. These services can be done by dedicated site management (FTEs), custodial staff, subcontracted services or any combination thereof (in accordance with **SPECIFICATION C: GROUNDS MAINTENANCE**). Landscaping services shall include, but is not limited to:

- A. Turf management of all open facilities, including but not limited to: grass cutting, edging, trimming, fertilizing, application of herbicides, maintenance of planting beds, shrub trimming, etc., (in accordance with the schedule and in the manner contained in **SPECIFICATION C: GROUNDS MAINTENANCE**).

- B.** Between 6:00 a.m. and 6:00 p.m., Monday through Friday, Supplier shall provide at no additional cost the labor and be responsible for snow removal duties at each facility as follows: snow and ice clearing of walkways (including where applicable city sidewalks for snow falls of less than 3"), entranceways, and other areas adjacent to the school buildings during any and all snow events unless otherwise directed the District; applications of ice melt materials wherever needed on site. Supplier shall also provide the labor required to monitor the removal of all snow in excess of three inches (3") ("Major Snow Removal") per snow fall on the sidewalks, parking lots/areas and any other areas not immediately adjacent to the school building. In the event the District engages Supplier to provide Major Snow Removal services, Supplier shall invoice the District separately for the cost of such Major Snow Removal.
- C.** Supplier shall provide to the District (as requested) reports on the condition of snow removal equipment and reports on status and non-compliance of contracted snow removal work for Major Snow Removal events.
- D.** Annual inspection of playground equipment by a Certified Playground Inspector and issuance of certified playground inspection reports.
- E. Additional site management services include:**
1. Dangerous condition mitigation (i.e. play structures, fencing, etc.) – by dedicated site management personnel as directed by District.
 2. Minor fencing repair and automatic gate opener maintenance
 3. Drainage structure repair and clean out
 4. Play equipment maintenance and minor repairs including engineered wood fiber maintenance, removal and placement
 5. Minor concrete and asphalt repair
 6. Flagpole equipment maintenance
 7. Minor athletic field bleacher and bench repair.
 8. Delivery of bulk materials, including but not limited to: bagged salt, gravel, sand, topsoil, peat, stone
 9. Assistance with reporting, budgeting, and scheduling etc. of site maintenance activities
 10. Tree pruning, shrub trimming and shearing, removal of debris
 11. Signage maintenance, and repair
 12. Application, pick-up and delivery of environmentally friendly ice melt products, ice melt product spreaders, shovels, ice choppers, snow blowers, and maintenance thereof
 13. Other site services as mutually agreed by the parties on as needed basis.

III. MAINTENANCE SERVICES

1. Facilities Maintenance: The Supplier will provide for safe well-maintained facilities which include:

- Maintenance of all facility doors, roofs, windows and means of fire egress. (For purposes of illustration, maintenance of roofs does not require the Supplier to make roofing repairs but does require regular inspections, clearance of gutters, drain pipes and the like of debris on a regular basis, identification and reporting of leaks to the District.)
- Routine review of normal and emergency power supplies.
- Recommendations to administration concerning life safety procedures.
- Maintenance of facility equipment and structures to ensure a safe environment.
- Maintenance of grounds, pavement, parking lots, athletic fields and facilities and playscapes to ensure a safe environment.
- Maintenance of building systems (i.e. boilers, chillers, cooling towers, water back-flow preventers, swimming pools ...etc.) in full compliance with the code and to ensure a safe environment.
- Corrective and preventative maintenance of mechanical systems.
- Assistance with long-range capital and maintenance planning and budgeting.

2. Parts and Supplies:

Supplier will provide for the purchase of needed parts and supplies required to repair and/or maintain District facilities and will invoice/bill them against the separate Purchase Order for parts and supplies issued by the District. Supplier will provide parts and supplies through a competitive, efficient parts supply contract or system in accordance state and federal laws and the District's Procurement Policies and Procedures, as the same may be amended from time to time. Supplier is encouraged to consult with and work with other Facilities Operations Management Suppliers to coordinate such purchases in order to leverage its or their buying power and decrease the cost of parts and supplies to the District. The District shall reimburse Supplier the actual cost of all purchased parts not later than 30 days after the date of receipt of an invoice evidencing such purchases to the District. In the event the District fails to reimburse Supplier for parts within such 30 day period, the District shall pay a late fee in the amount of the 1% of the invoiced amount for each month payment is outstanding.

A. Supplier's purchasing and invoicing of parts shall meet the following requirements:

- i. Supplier will invoice actual cost of all parts purchased for repair work.
- ii. Supplier shall ensure that repair parts are purchased through a competitive process and at fair market value.
- iii. Supplier will not add mark-ups to the cost of parts purchased subject, however, to the 1% per month late fee noted above
- iv. Supplier will ensure invoices are net of rebate.
- v. Supplier will provide supporting documents, including supply contracts and evidence of competitive pricing and any other requested information upon reasonable request and not less than annually to the District for its annual audit to verify compliance with items (i) and (ii) above.

- B. Supplier will be required to maintain an accurate, secure, efficient and auditable real time inventory system that tracks all parts and materials from acquisition to installation. Supplier shall provide periodic reports of parts and materials inventory to the District upon reasonable notice.
- C. The Supplier will also provide for the management and control of all parts, supplies and equipment used in the performance of duties under this Contract.

IV. BUILDING ASSESSMENTS The Supplier shall perform an initial building systems assessment for each facility and provide a preliminary report (as defined by the District), to the DPS Chief Operations Officer within (60) sixty days of issuance of the Notice to Proceed. A final building assessment report (as defined by the District), is due to the DPS Chief Operations Officer on or before November 30, 2014, for use in long-range planning for budgetary spending in the District's current and concurrent fiscal years. Such reports shall include:

- A. The status of all mechanical systems
- B. A list of all required repairs to each facility
- C. A detailed description of all corrective maintenance required
- D. Preventative maintenance schedules for each facility
- E. Safety assessment of each facility including fire code compliance

V. UTILITY MANAGEMENT AND ENERGY REDUCTION Supplier shall be responsible for ensuring the building temperatures, humidity levels, light levels, and other environmental conditions are maintained in accordance with industry standards and as otherwise defined in this Contract. Supplier shall also actively participate in assisting the District in reducing energy costs and the implementation of the District's energy reduction program by periodically providing data relevant to the energy usage at each facility at such reasonable intervals as requested by the District's Director of Energy and Sustainability. Supplier shall produce monthly reports on the utilities usage in such format as the as the parties mutually agree.

VI. SUSTAINABILITY INITIATIVES As part of the District's sustainability efforts, the District offers a "Go Green Challenge" to all schools. In support of the Go Green Challenge, Supplier shall appoint one (1) school-based staff per participating school to be a member of the school's "Green Team". The assigned person shall participate any school based Green Team meeting and shall assist the school administrators with the implementation of "Green Team" projects Supplier shall also assign one (1) management-level staff member to the District's "Sustainability Advisory Council who shall attend the quarterly meetings of the Council and assist in the coordinating the implementation of sustainability initiatives.

VII. FACILITIES MANAGEMENT SOFTWARE The Supplier shall use the District provided Computer Maintenance Management System (CMMS) currently known as "SchoolDude" for all maintenance, custodial, grounds, inventory management, and energy management services under this contract, including: work order creation and management, generating reports, tracking labor and materials costs, measuring efficiency, communicating with Principals and District administration, and for scheduling equipment inspections.

The Supplier shall participate in formal "SchoolDude" training and periodic training thereafter, to ensure all staff is up-to-date with best practices and upgraded technology.

Upon request, and the extent readily available, Supplier shall print and deliver, from "School Dude" reports related to:

1. Scheduled, open and completed work orders;
2. Equipment preventive maintenance;
3. Labor and material costs
4. Employee activity summaries
5. Such other reports as mutually agreed to by the District and Supplier that are available through "SchoolDude".

The District and Supplier shall work collaboratively to determine the frequency and the contents of such reports with the understanding that Supplier shall not be required to incur additional costs for the production of such reports but shall make reasonable efforts to accommodate the District's requirements.

VIII. SAFETY

- A. Supplier will report any and all safety violations to District, and to the extent repairs are required for compliance with all applicable safety regulations, Supplier shall make such repairs in an expeditious manner; provided, however, in the event the District fails or refuses to make funding available for such repairs, Supplier shall not be obligated to make such repairs.
- B. Supplier shall perform routine reviews of emergency power supplies.
- C. Supplier shall provide assistance to the District facilitate compliance with applicable building codes, fire prevention codes, occupational safety and health codes and standards (OSHA), and applicable Life Safety Codes, playground safety inspections and Asbestos Hazardous Emergency Response Act (AHERA).
- D. Supplier shall conduct monthly Automated External Defibrillator (AED) equipment checks in coordination with the District's Risk Management Department.
- E. Supplier will collect and file in an organized manner, any documents provided to the District for certification of the facilities' compliance with all applicable laws and regulations
- F. Supplier will prepare and submit a school safety assessment findings status report on an annual basis.
- G. Supplier shall administer a safety incident reporting system to include investigation and evaluation of incidents.
- H. Supplier will conduct training and provide safety-related information, including Right to Know, (AHERA), and presentations for Supplier's employees, and continuing education of all of Supplier's employees.

IX. COMMUNITY USE of SCHOOLS:

Supplier will be required to provide operational, cleaning and maintenance services during non-instructional hours in support of community use of school facilities (e.g., Scout meetings, Boys and Girls Club activities, Athletic Games, Academic Games, School Board Meetings, Parent Advisory Council Meetings, Religious Services, and similar functions held with a community use permit) including HVAC services during events, cleaning before and after an event, set-ups and tear-downs of tables and chairs, etc.) and securing the facility after the event.

There shall be no extra charge by Supplier for labor cost when a Community Use event is held during such times as staff is normally scheduled to provide services in accordance with Supplier's Custodial Staffing Plan; provided however, if such events are concluded at times requiring Supplier to provide services beyond the normally scheduled hours of staff, or if additional staff is required to provide such services with the prior approval of the District, Supplier shall invoice the District separately at the rate for services provided related to Community Use listed in Schedule A hereto. "Community Use" costs incurred are to be invoiced separately by location/facility and must be accompanied by forms indicating the "Community Use" school administrator's approval for and confirmation that such services were rendered.

----- End of Section C -----

SECTION D SPECIFICATIONS

1. STAFFING

Supplier shall provide staff required to satisfactorily perform the custodial, maintenance, operations and grounds functions at such minimum levels as set forth in Supplier's Staffing Plan. Notwithstanding the foregoing or anything to the contrary contained herein. All custodial applicants who previously worked in a Detroit Public School shall be given preference by suppliers in hiring decisions, provided qualifications are equal and the preferred worker meets all application requirements.

Suppliers are required to follow the contractual requirements with respect to staffing as outlined in Section I General Contract clauses, specifically sections I.07 – I.11.

All Supplier employees are to present themselves in an appropriate manner and attire consistent with the District's policies and administrative guidelines. Supplier employees assigned to the District must meet the following requirements:

- i. At least (18) eighteen years of age
- ii. Possess a high school graduate or equivalent GED
- iii. United States citizen or authorized to work in the United States
- iv. Completion of criminal background and history reports and results in compliance with State laws
- v. Able to read, write, and speak English conversationally
- vi. Able to inspect, see, and report maintenance needs to the Project Manager /Supervisor and/or to the building principal
- vii. Able to interact positively and appropriately with students, school employees, and the public
- viii. Able to productively work with minimal supervision
- ix. Be alcohol and drug free when arriving for and while on duty
- x. Be punctual
- xi. Maintain a well groomed appearance

2. TRAINING:

The Supplier's employees must be thoroughly trained, be qualified and capable of performing the work assigned to them. (Training provided must be continuous to ensure that supplier's employees are equipped with the most up-to-date quality standards and innovative ways of improving quality – maximizing cost savings.) Supplier's employees must be able to effectively communicate with DPS staff.

Supplier's employees must be trained on all applicable federal, state and local health and safety regulations.

Supplier shall provide the District with copies of training records and certifications of the Supplier's workforce annually or upon reasonable request by the District.

Supplier must provide documentation annually to certify that their employees have attended the necessary training for each fiscal year in accordance with the Supplier's training procedures.

3. **UNIFORMS:** Supplier's employees must wear a clearly identifiable logo uniform (pre-approved by the District) during working hours and on any of the District's other properties as well as proper identification badge. Every employee must be easily recognizable and identifiable by DPS Staff. Supplier shall provide all appropriate Personal Protective Equipment (PPE) for all its employees as required by OSHA.

4. **EQUIPMENT:** Other than provided herein, Supplier will provide all the tools, equipment, vehicles, communication devices, any office equipment, and computers to be used in providing the delivery of the services.

5. **PROHIBITED CONDUCT:** Supplier shall adopt and enforce policies to ensure that at no time Supplier's employees do any of the following:

- i. Allow unlocked custodial closets, products or equipment to be unattended
- ii. Congregate or have food/drink in unauthorized areas
- iii. Disturb papers on desks, open drawers or cabinets, use telephones or computers or tamper with personal property owned by the District, staff or students
- iv. Talk or text on personal cell phones while on duty or use a personal music device
- v. Leave lights on or doors open in unattended sections
- vi. Play radios, or other similar devices, at a volume that is audible in other areas of the building
- vii. Use any District equipment that is not required to perform duties
- viii. Smoke or use any tobacco or alcohol products on District property
- ix. No visitors, spouses or children of the Supplier's employees will be allowed at the work site during working hours unless they are bon fide employees of the Supplier or they receive prior approval from the District's designee.
- x. Supplier employees shall not engage in fraternizing with students directly or through social media.

----- End of Section D -----

SECTION E RECIPIENT OF SERVICE, INSPECTION, AND ACCEPTANCE

The Detroit Public Schools Chief Operations Officer or designee is the DPS Representative and shall perform or designate other persons or entities to perform inspection, acceptance and quality assurance. Reports and other submissions shall be submitted to:

DPS Chief Operations Officer
Detroit Public Schools
3011 West Grand Boulevard
14th Floor Fisher Building
Detroit, Michigan 48202

----- End of Section E -----

SECTION F DELIVERIES OR PERFORMANCE

The primary place of performance of the services is the School District of the City of Detroit. The typical school building hours of operation are from approximately 6:00am to 6:00pm continuous Monday through Friday except on District observed holidays. Hours of operation may vary by DPS location; and be adjusted seasonally, with flexible staffing to ensure building coverage and avoid any mechanical damage due to climate. In addition, Supplier will assist with flexible scheduling and utilization of building systems to minimize the need for additional labor charges. Supplier must also have an emergency response team ("ERT") with 24/7/365 availability, and may use flexible scheduling to provide such coverage; provided, however, if Extraordinary Events occur and Supplier's labor costs increase due to such occurrences, the District agrees to review Supplier's claims for additional amounts and upon approval, the Contract Amount shall be adjusted to include such increased labor costs

The District reserves the right to change any and all of the work schedules with advance notice to the Supplier.

Scheduled breaks and summer cleaning shall be coordinated with the District's designee. The schedule is to be developed with the goal of minimizing interference with any scheduled instructional activities or with contracted work being performed by others.

----- End of Section F -----

SECTION G CONTRACT ADMINISTRATION DATA

1. The District's Chief Procurement and Logistics Officer shall be responsible for all contractual matters and is the only individual authorized to make changes of any kind to the contract. Supplier shall not rely upon any oral change from anyone, or a written request for change from someone other than the Chief Procurement and Logistics Officer. All changes must be in writing, signed by the Chief Procurement and Logistics Officer. Supplier shall not bear the risk of loss or additional damages associated with delays in obtaining authorization.

2. Invoicing and Payment

- a. **Original Invoices shall be submitted to:**
Executive Director of Physical Plant Operations
Detroit Public Schools
Support Services Complex, Building C
1601 Farnsworth
Detroit, Michigan 48211

And shall conform to policies or regulations adopted from time to time by the District. Invoices shall be legible and shall contain, as a minimum, the following information:

(1) the contract number and purchase order number; (2) a complete itemization of all costs including quantities ordered; and (3) any discounts offered to the District under the terms of the contract.

A copy of the invoice shall also be forwarded to the **Accounts Payable Department** and the **Chief Procurement and Logistics Officer**, both of which reside at:

Detroit Public Schools
11th Floor Fisher Building
3011 W. Grand Boulevard
Detroit, Michigan 48202

- b. Monthly invoicing shall be set forth herein. Reconciliation of expenditures shall be performed on a quarterly basis and estimated budgets will be adjusted accordingly to capture shared-cost savings to be spread amongst future months or converted to available dollars to allow for reinvestment back into the schools, including but not limited to: additional supplies purchase, additional repairs, or, upon the District's discretion, refunded at the end of the contract year.

1st Contract Year: July 15, 2014 through June 30, 2015:

1st Invoice: Submitted August 01, 2014, for (July 15, 2014 through August 31, 2014) services – plus (50%) fifty percent of total start-up mobilization costs. **Pay Date: August 25, 2014**

2nd Invoice: Submitted September 01, 2014, for (September 01 through September 30, 2014) services plus remaining (50%) fifty percent of total start-up mobilization costs.
Pay Date: September 30, 2014

3rd through 11th Invoice: Submitted monthly for services beginning the (1st) first of the month through the (30th) thirtieth day of the month. **Payable on the 30th day of the month.**

2nd Contract Year: July 01, 2015 through June 30, 2016:

1st Invoice: Submitted August 01, 2015, for (July 01, 2015 through August 31, 2015) services
Pay Date: August 25, 2015

2nd through 11th Invoice: Submitted monthly for services beginning the (1st) first of the month through the (30th) thirtieth day of the month. **Payable on the 30th day of the month.**

3rd Contract Year: July 01, 2016 through June 30, 2017:

1st Invoice: Submitted August 01, 2016, for (July 01, 2016 through August 31, 2016) services
Pay Date: August 25, 2016

2nd through 11th Invoice: Submitted monthly for services beginning the (1st) first of the month through the (30th) thirtieth day of the month. **Payable on the 30th day of the month.**

Contractually agreed upon terms and conditions regarding actual cost versus estimated budget cost reconciliation are set forth in SECTION B: Contract Pricing Terms and Conditions.

- c. Subject to any withholding provisions of the contract, payment shall be made after the District's receipt of a properly prepared invoice. Payment terms: **Payable on the 30th day of the month.**

- d. The Supplier shall provide to the Chief Procurement and Logistics Officer a fully executed IRS Department of Treasury W-9 Tax Form. It is the Supplier's responsibility to notify the Chief Procurement and Logistics Officer of any changes in the remittal address. Failure to provide this information may impact payment of invoices by DPS. In order that this Form is the current version at time of submittal, the Supplier shall download this Form from the Internal Revenue Service website shown below, complete the Form and submit as specified herein The website from which to obtain this Form is: http://www.irs.gov/prod/forms_pub/whatshot.htm

----- End of Section G -----

SECTION H SPECIAL CONTRACT REQUIREMENTS

LEASE of SPACE:

If Supplier agrees to lease space in the Facility Services, Building C, located at: 1601 Farnsworth, Detroit, Michigan 48211, Supplier shall execute a separate agreement in accordance with Detroit Public Schools Office of Real Estate rental lease agreement.

PERFORMANCE METRICS (KPIs):

Not later than 60 days from the date of execution of the Contract, Supplier and DPS shall meet and develop relevant and effective performance metrics to measure Supplier's performance of services required hereunder based upon industry standards and in accordance with District requirements and strategic interests. These performance metrics shall form the basis for evaluation of the Supplier's performance hereunder. Upon completion of the performance metrics, District will include and attach the same as Exhibit B-2 hereto. Notwithstanding the foregoing, Supplier agrees that the Initial Performance Metrics (in Exhibit B-1) shall be used to measure its performance during the period from the commencement of work until the date the performance metrics are completed. In the event Supplier and District are unable to develop and agree upon the performance metrics with the 60 day period noted above, the District shall have the right to determine the performance metrics in its sole discretion and Supplier shall be required to meet such performance metrics in providing services hereunder. Notwithstanding the foregoing, Supplier shall have the right to object to the District determined performance metrics within 30 days after the same is provided to Supplier, and Supplier shall have the right upon providing the district 120 days' notice to terminate the Contract at June 30, 2015.

QUARTERLY BUSINESS REVIEWS:

Supplier will be required to submit potential cost savings ideas during the Quarterly Business Reviews (QBRs) and the Annual Innovation Sessions. (QBRs) will be conducted to track the progress of contractually agreed upon Key Performance Indicators (KPIs) during the annual contract period. DPS will consider contract renewals based on supplier's performance, innovation and continuous improvement.

Meeting Dates: The thirtieth (30th) day of the month following the end of the previous quarter.

----- End of Section H -----

Schedule A: Staffing Levels and Pay Rates

I. STAFFING LEVELS

Except as agreed to as part of cost savings initiatives, Supplier shall provide the minimum number of full-time equivalent staff to meet the service requirements under this contract, wherein one (1) FTE = 2,080 actual annual work hours performed.*

- **Custodial (85)** eighty-five FTE's
- **Stationary Engineers (14)** fourteen FTE's (23 @1280 equivalents, Sept thru April)
- **Skilled Trades (15)** fifteen FTE's

* Note: Under the first (1st) year of the contract, commencing July 15, 2014, the annual hour commitment shall be reduced by fifteen (15) fifteen days for each FTE.

II. NOT-TO-EXCEED AMOUNTS FOR VARIABLE LABOR COSTS

Supplier agrees that it shall efficiently manage costs for custodial, maintenance and grounds in the best interest of the District to reduce overall costs.

Supplier shall work collaboratively with the District to reduce labor costs below the established and contractually agreed upon not-to-exceed amount by paying no more than competitive rates for labor and benefits, ensuring efficient staffing allocations, implementing innovative worker management practices and utilizing technology and equipment to increase worker productivity. Supplier agrees that the District shall only be held responsible for paying the actual cost of labor, inclusive of benefits, within the established and contractually agreed upon not-to-exceed amount mentioned above. Supplier agrees that it shall efficiently manage costs for custodial, maintenance and grounds in the best interest of the District to reduce overall costs.

Salary (exempt) Committed FTE's wherein (1) one FTE = 2,080 actual work hours performed; the all-inclusive mutually agreed upon not-to-exceed established estimated hourly rates are as follows:

Account Executive (\$55.72) fifty-five dollars and seventy-two cents per hour - 1 Person
Sr. Accountant (\$17.87) seventeen dollars and eighty-seven cents per hour - 1 Person
Facility Coordinator (\$17.87) seventeen dollars and eighty-seven cents per hour - 1 Person
Safety Manager (\$31.25) thirty-one dollars and twenty five cents per hour - 1 Person
HR Manager (\$22.60) twenty-two dollars and sixty cents per hour - 1 Person
Facility Supervisor (\$34.47) thirty-four dollars and forty-seven cents per hour - 4 Persons
Custodian Supervisor (\$22.98) twenty-two dollars ninety-eight cents per hour - 1 Person

Non-Salary Committed FTE's wherein (1) one FTE = 2,080 actual work hours performed; the all-inclusive mutually agreed upon not-to-exceed established estimated hourly rates are as follows:

Day Porter – First Shift (\$18.81) eighteen dollars and eighty-one cents per hour – 28 Persons
Custodian – Second Shift (\$18.81) eighteen dollars and eighty-one cents per hour - 53 Persons
Mobile Custodian – Second Shift (\$18.81) eighteen dollars and eighty-one cents per hour - 4 Persons
Maintenance Tech 1 First Shift (\$24.47) twenty-four dollars and forty seven cents per hour - 3 Persons
Maintenance Tech 2 First Shift (\$28.88) twenty-eight dollars and eighty-eight cents per hour- 1 Persons
Maintenance Tech 3 First Shift (\$35.22) thirty-five dollars and twenty-two cents per hour - 11 Persons

Non-Salary Committed FTE's wherein (1) one FTE = 1,280 actual work hours performed; September through April per proposal the all-inclusive mutually agreed upon not-to-exceed established estimated hourly rates are as follows:

Operating Engineer/1st steam (\$46.75) forty six dollars and seventy five cents per hour 8 Persons
Operating Engineer/2nd steam (\$46.06) forty six dollars and six cents per hour - 0 Person
Operating Engineer/3rd steam (\$43.30) forty three dollars and thirty cents per hour - 13 Persons
Operating Engineer/High Pressure (\$39.85) thirty-nine dollars and eighty-five cents per hour 2 Person

ZONE 3 Lakeshore Rickman	Contractual Year 1	Contractual Year 2	Contractual Year 3	Contract Total
Facilities Management	\$637,728	\$656,860	\$676,566	\$1,971,153
Maintenance	\$2,319,845	\$2,389,440	\$2,461,124	\$7,170,409
Custodial	\$3,325,608	\$3,425,376	\$3,528,138	\$10,279,122
Grounds	\$225,600	\$232,368	\$239,339	\$697,307
Mobilization	\$204,380	\$210,511	\$216,827	\$631,718
Daily Operating	\$913,265	\$940,663	\$968,883	\$2,822,811
Capital Equipment	\$154,961	\$159,610	\$164,398	\$478,969
Supplier Fees	\$742,622	\$764,901	\$787,846	\$2,295,370
Grand Totals	\$8,524,009	\$8,779,729	\$9,043,121	\$26,346,859
Deduct for 1st Half of July 2014	(\$99,536)	\$ -	\$ -	(\$99,536)
	\$8,424,473	\$8,779,729	\$9,043,121	\$26,247,323

COMMUNITY USE: Billable hourly labor rate per classification:

	<u>Straight Time</u>	<u>Over Time</u>
Custodian	\$22.50	\$31.50
Maintenance Tech	\$32.48	\$45.48
Operating Engineer	\$48.39	\$67.75

Contractually agreed upon payment terms and invoicing set forth in SECTION G.2.b.

Office of Procurement and Logistics
Fisher Building, 11th Floor
3011 W. Grand Blvd.
Detroit, MI 48202

1. Contract No.: 01-10-14-0-2014-ZONE 3
Modification No.: 003

3. Contract Title: Complete Facilities Operations Management for Detroit Public Schools (Zone 3)

**4. Contract Amount for One Year Renewal,
as modified:**
\$9,222,559.00 NTE

5. Contract Term: One Year Renewal Term, commencing July 1, 2017 and ending June 30, 2018

Date _____

Office of Procurement and Logistics
Fisher Building, 11th Floor
3011 W. Grand Blvd.
Detroit, MI 48202

<p>1. Contract No.: 01-10-14-0-2014-ZONE 2 Modification No.: 003</p>
<p>2. ITB/RFQ No.: 01-10-14-0-2014/EK</p>
<p>3. Contract Title: Complete Facilities Operations Management for Detroit Public Schools (Zone 2)</p>
<p>4. Contract Amount for One Year Renewal, as modified: \$20,836,092.00 NTE</p>
<p>5. Contract Term: One Year Renewal Term, commencing July 1, 2017 and ending June 30, 2018</p>

6. **Supplier Name:** US Metro Group, Inc.
Address: 605 South Wilton Place
City/State/Zip: Los Angeles CA 90005
Contact: Evelyn Kim **Telephone:** (971) 32-6734 **Fax:** (313)-254-4877
Email: evelyn.k@usmetrogroup.com

- Assignment: Acknowledge assignment of contract from Detroit Public Schools to Detroit Public Schools Community District.

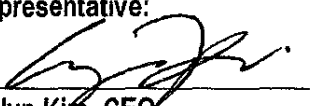
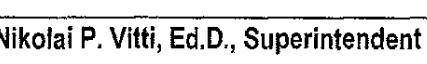
- Increase the total contract budget amount by Sixteen Million, Nine Hundred Twenty-Five Thousand, Six Hundred and Fifty Dollars (\$16,925,650.00) for a revised not-to-exceed contract of Fifty-Six Million, Five Hundred Fifty-Eight Thousand, Six Hundred and Twenty-Four Dollars (\$56,558,624.00)
- All references in the Contract to Chief Procurement Officer shall mean Senior Executive Director – Procurement
- Sections B and G, and Schedule A of the Contract are amended as set forth below
- Amended to add the following 11 EAA Schools: Bethune, Burns, Central, Denby, Henry Ford, Law, Mumford, Nolan, Pershing, Brenda Scott and Southeastern

- Increase the total contract amount by \$3,910,442 for a revised 17-19 FY NTE of \$20,836,092
- With this increase, contract not-to-exceed is \$60,469,066
- All references in the Contract to Chief Procurement Officer shall mean Deputy Executive Director – Procurement and Logistics

All other terms and conditions remain unchanged.

9. Signature of DPSCD Representatives:

Date _____

<p align="center">DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT</p> <p align="center">Office of Procurement and Logistics Fisher Building, 11th Floor 3011 W. Grand Blvd. Detroit, MI 48202</p>	<p align="center">Section I Contract Cover Page & Signatures</p>	<p>1. Contract No.: 01-10-14-0-2014-ZONE 2 Modification No.: 001</p>
		<p>2. ITB/RFQ No.: 01-10-14-0-2014/EK</p>
		<p>3. Contract Title: Complete Facilities Operations Management for Detroit Public Schools (Zone 2)</p>
		<p>4. Contract Amount, as modified: Contract Amount for First Three Years: NTE \$39,632,974 Contract Amount for One Year Renewal: NTE \$16,925,650.00</p>
		<p>5. Contract Term: One Year Renewal Term, commencing July 1, 2017 and ending June 30, 2018</p>
<p>6. Supplier Name: US Metro Group, Inc. Address: 3171 West Olympic Blvd. #553 City/State/Zip: Los Angeles CA 90006 Contact: Evelyn Kim Telephone: (213) 327-9565 Fax: (213) 260-8515 Email: evelyn.k@usmetrogroup.com</p>		
<p>7. Contract Modification Description: ORIGINAL NOT-TO-EXCEED BUDGET AMOUNT: Thirty-Nine Million Six Hundred Thirty-Two Thousand, Nine Hundred Seventy-Four Dollars (\$39,632,974.00) <u>Assignment:</u> Acknowledge assignment of contract from Detroit Public Schools to Detroit Public Schools Community District. A. Contract Modification No.: 001 – Increase the total contract budget amount by Sixteen Million, Nine Hundred Twenty-Five Hundred Fifty Dollars (\$16,925,650) for a revised not-to-exceed estimated budget of Fifty Six Million, Five Hundred and Fifty Eight Thousand and Six Hundred and Twenty Four Dollars (\$56,558,624) B. The NTE Contract amounts for year four are increased as shown in this Modification No. 002. C. All references in the Contract to Chief Procurement Officer shall mean Senior Executive Director - Procurement. E. Sections B and G, and Schedule A of the Contract are amended as set forth below. F. Amended to add the following 11 EEA Schools: Bethune, Burns, Central, Denby, Henry Ford, Law, Mumford, Nolan, Pershing, Brenda Scott and Southeastern. All other terms and conditions remain unchanged.</p>		
<p>8. Signature of Authorized Supplier Representative:</p> <p> Evelyn Kim, CEO</p> <p align="right">Sept. 6, 2017 Date</p>	<p>9. Signature of DPSCD Representatives:</p> <p align="center"> Nikolai P. Vitti, Ed.D., Superintendent</p> <p align="right">Date</p>	

SECTION B: PRICING

Section B, Contract Pricing Terms and Conditions, is amended to add the following:

4th Contract Year: July 01, 2017 through June 30, 2018..... During the 4th Contract Year, payments of the Contract Amount shall not exceed Sixteen Million Nine Hundred Twenty-Five Thousand Six Hundred Fifty Dollars and No Cents (\$16,925,650.00) and includes [one-third (1/3rd)] of the amount of any recovery of Supplier's cost for capital equipment.

School Closures: In the event that DPSCD closes any portion of the buildings covered by this Contract, the total contact amount for each year shall be the reduced by \$2.84 per sq. ft. for each building closed.

The Supplier At-Risk Fee for the fourth year is \$268,063.00.

SECTION G CONTRACT ADMINISTRATION DATA

Section G, Contract Administration Data is amended and replaced in its entirety as follows:

1. The District's Senior Executive Director - Procurement shall be responsible for all contractual matters and is the only individual authorized to make changes of any kind to the contract. Supplier shall not rely upon any oral change from anyone, or a written request for change from someone other than the Senior Executive Director - Procurement. All changes must be in writing, signed by the Senior Executive Director - Procurement. Supplier shall not bear the risk of loss or additional damages associated with delays in obtaining authorization.

2. Invoicing and Payment

- a. Original Invoices shall be submitted to:

Deputy Superintendent of Operations
Detroit Public Schools Community District
Fisher Building, 14th Fl.
3011 W. Grand Blvd.,
Detroit, Michigan 48202

And shall conform to policies or regulations adopted from time to time by the District. Invoices shall be legible and shall contain, as a minimum, the following information:

(1) the contract number and DPSCD purchase order number; (2) a complete itemization of all costs including quantities ordered; and (3) any discounts offered to the District under the terms of the contract.

A copy of the invoice shall also be forwarded to the Accounts Payable Department located at:

Detroit Public Schools Community District
11th Floor Fisher Building
3011 W. Grand Boulevard
Detroit, Michigan 48202

- b. The parties agree to monthly invoicing as set forth herein. Reconciliation of expenditures shall be performed on a quarterly basis and estimated budgets will be adjusted accordingly to capture shared-cost savings to be spread amongst future months or converted to available dollars to allow for reinvestment back into the schools, including but not limited to: additional supplies purchase, additional repairs, or, upon the District's discretion, refunded at the end of the contract year.

(1) Base Bid Custodial Maintenance Services Invoicing and Payment

Supplier shall submit invoices by the first day of each month for the month of service; e.g. by July 1 for services in the month of July. Base Bid Custodial Maintenance Services invoicing will be paid no later than 30 days after the submit invoice date.

(2) Parts Invoicing

Supplier shall submit monthly invoices for parts on the following schedule by the fifth (5th) day of the month for the purchases preceding month (e.g. September 5th for purchases in August).
Parts invoicing will be paid no later than 45 days after the submit invoice date.

Contractually agreed upon terms and conditions regarding actual cost versus estimated budget cost reconciliation are set forth in SECTION B: Contract Pricing Terms and Conditions.

c. Subject to any withholding provisions of the contract, payment shall be made after the District's receipt of a properly prepared invoice.
Payment terms: See above.

d. The Supplier shall provide to the Senior Executive Director - Procurement a fully executed IRS Department of Treasury W-9 Tax Form. It is the Supplier's responsibility to notify the Senior Executive Director - Procurement of any changes in the remittal address. Failure to provide this information may impact payment of invoices by DPS. In order that this Form is the current version at time of submittal, the Supplier shall download this Form from the Internal Revenue Service website shown below, complete the Form and submit as specified herein The website from which to obtain this Form is:
http://www.irs.gov/prod/forms_pub/whatshot.htm

..... End of Section G

Schedule A: Staffing Levels and Pay Rates - Update

ZONE 2 US Metro Group		Year 4- FY2017-2018	
	Fee Total	# of Personnel	Unit Rate
Facilities Management	\$ 815,199.00		
Custodial General Manager	\$ 110,000.00	1	
Custodial Manager	\$ 295,199.00	7	
Custodian Admin	\$ 100,000.00	2	
Chief Facility Engineer	\$ 160,000.00	1	
Assistant Facility Engineer	\$ 100,000.00	1	
Engineer Admin	\$ 50,000.00	1	
Maintenance	\$ 7,623,324.80		
Skilled Trades- Journeyperson	\$ 1,996,800.00	24	\$40.00
Stationary Engineer	\$ 5,626,202.00	62	\$43.63
Custodial	\$ 6,500,000.00		
Custodians	\$ 6,500,000.00	182	\$17.17
Mobilization	\$ -		

Daily Operating	\$ 983,663.00		
Capital Equipment	\$ 383,511.00		
Supplier Fee	\$ 620,275.00		
Grand Total	\$ 16,925,650.00	281	

The Supplier shall not be required to perform Ground Maintenance/Snow Removal under this Contract Amendment.

Community Use: Custodial Rate \$26.00/hr.

Community Use: Engineer Rate \$75.00/hr.

DETROIT PUBLIC SCHOOLS

The Board of Education of the City of Detroit
Office of Procurement and Logistics
Fisher Building, 11th Floor
3011 W. Grand Blvd.
Detroit, MI 48202

Section A Contract Cover Page & Signatures



1. Contract No.: 01-10-14-0-2014-ZONE2

2. ITB/RFP No.: 01-10-14-0-2014/EK

3. Contract Title:
COMPLETE FACILITIES OPERATIONS MANAGEMENT
FOR DETROIT PUBLIC SCHOOLS (ZONE 2)

4. Contract Amount: NTE = \$39,632,974.00

1st Year NTE: \$ 12,826,682.00

2nd Year NTE: \$ 13,403,146.00

3rd Year NTE: \$ 13,403,146.00

5. Contract Term: One (3) Year Term Commencing
JULY 15, 2014 through JUNE 30, 2017 with (2) Two
(1) One Year Options For Renewal

6. Supplier Name: US Metro Group, Inc.
Address: 605 South Wilton Place
City/State/Zip: Los Angeles, California 90005
Contact: Charles Kim Phone: 213-305-6478 Email: charles@usmetrogroup.com

7. Contract Table of Contents:

Section A: Contract Cover Page & Signatures
Section B: Pricing
Section C: Scope of Work/Service
Section D: Specifications
Section E: Inspection and Acceptance
Section F: Deliveries or Performance
Section G: Contract Administrative Data
Section H: Special Contract Requirements
Section I: General Contract Clauses
Section J: List of Attachments

8. Signature of Authorized Supplier Representative:

Signature

Print Name

Title

Date Signed

CHARLES KIM

C.E.O / president

11-20-14

9. Signature of DPS Representatives:

Arnold Joseph, Acting DPS CPLO

William Aldridge, CFO / CAO

Jack Martin, Emergency Manager

11/24/14

11/25/14

11/25/14

Date

Date

Date

SECTION B
CONTRACT PRICING TERMS and CONDITIONS

The total amount of this Contract shall not exceed the sum of Thirty-Nine Million Six Hundred Thirty-Two Thousand Nine Hundred Seventy-Four Dollars and No Cents (\$39,632,974.00) ("the Contract Amount) and shall be paid as follows:

1st Contract Year: July 15, 2014 through June 30, 2015..... During the 1st Contract year, payments of the Contract Amount shall not exceed Twelve Million Eight Hundred Twenty-Six Thousand Six Hundred Eighty-Two Dollars and No Cents (\$12,826,682.00) inclusive of any and all start-up mobilization costs and (1/3) one-third of the amount of any recovery of Supplier's cost for capital equipment.

2nd Contract Year: July 01, 2015 through June 30, 2016..... During the 2nd Contract Year, payments of the Contract Amount shall not exceed Thirteen Million Four Hundred Three Thousand One Hundred Forty-Six Dollars and No Cents (\$13,403,146.00) and includes: one-third (1/3rd) of the amount of any recovery of Supplier's cost for capital equipment

3rd Contract Year: July 01, 2016 through June 30, 2017..... During the 3rd Contract Year, payments of the Contract Amount shall not exceed Thirteen Million Four Hundred Three Thousand One Hundred Forty-Six Dollars and No Cents (\$13,403,146.00) and includes: one-third (1/3rd) of the amount of any recovery of Supplier's cost for capital equipment.

Capital Equipment:

Not-to-Exceed: Five Hundred Twenty Thousand Dollars and No Cents (\$520,000) amortized over (3) three years. Notwithstanding anything to the contrary contained herein, in the event this Agreement is terminated prior to expiration of the third (3rd) contract year, Supplier shall have the right in its sole discretion to require the District to purchase such capital equipment for an amount equal to the unamortized amount of the actual cost of such capital equipment.

Supplier shall provide support documentation substantiating the cost of labor and materials with the submission of its monthly invoices (with Supplier fees separately identifiable in the billings.)

The actual costs for parts required for maintenance and repairs shall be invoiced (net of rebate and sales tax) separately to the District, and the District shall pay such verified amounts in addition to the Contract Amount

Supplier Fee at Risk: Performance Incentive

Notwithstanding the foregoing, and in order to encourage Supplier to meet District's desired level of performance, the District will withhold two percent (2%) of Supplier's total annual contract amount (the "Performance Incentive") from the final invoice of each contract year to create a fund from which an "incentive" may be paid to Supplier. Supplier's performance will be reviewed collaboratively with the District on a quarterly basis during each contract year. The District will issue a scorecard/report card at the end of each quarter of the contract year based upon performance metrics to be developed under Section H hereof. The form of the scorecard shall be provided by the District within 30 days from the date of execution of this contract. If, after the final quarterly review of each contract year, Supplier receives a cumulative scorecard of 90 points or better, Supplier shall be paid the entire Performance Incentive (i.e. the entire 2% withheld). If Supplier receives a cumulative scorecard rating of less than 90 points, Supplier shall be paid 10% of the Performance Incentive for each scorecard point above 80. If Supplier does not receive a scorecard of 80 points or better, the District shall retain the Performance Incentive.

SUPPLIER FEE at RISK by FISCAL YEAR		
US METRO GROUP	Annual Contract Amount	2%
Contract Year 1	\$ 12,826,682.00	\$ 256,534.00
Contract Year 2	\$ 13,403,146.00	\$ 268,063.00
Contract Year 3	\$ 13,403,146.00	\$ 268,063.00

Cost and Shared Savings

Supplier shall meet at least monthly with the District's designated representatives to review budgeted costs for materials, parts and labor for the purpose of reducing cost. Supplier will work diligently to assist the District in reducing said costs in the first (1st) contractual fiscal year, thus creating a baseline for use in establishing targeted cost savings amounts for the second (2nd) and third (3rd) contractual fiscal years. Supplier is encouraged to develop, prepare, and submit to the District plans and programs ("Supplier Cost Savings Plans") that may result in any cost savings to the District without adversely impacting contract performance, including but not limited to labor costs savings hereto. Supplier shall share in any costs savings, except labor cost savings, realized from accepted Supplier Cost Savings Plans as follows: (20%) twenty percent of the net cost savings shall be credited to the Supplier. Any labor cost savings attributable to the Supplier Cost Savings Plans shall be realized as an actual reduction in costs to the District and Supplier shall not share in such cost savings.

Labor Cost Savings:

Supplier's estimated charges for custodial labor, maintenance labor, and grounds labor costs along with estimated full-time equivalent staff (based on 2,080 hours per FTE) are set forth in **SCHEDULE A: STAFFING LEVELS and PAY RATES**. Within thirty (30) days of the date of this contract, Supplier shall finalize its labor rates and total labor costs (the "Annual Budgeted Labor Costs") and provide notice thereof to the District. Supplier shall work cooperatively with the District to allocate staffing by job title, building, and staffing levels throughout the year (adjusting for seasonal needs and peak demands for labor) to ensure that performance requirements of the contract are met. The parties shall work collaboratively to reduce the total number of labor hours and costs as much as possible, provided the performance requirements are maintained. Supplier agrees that the Contract Amount is a not-to-exceed amount based upon the Annual Budgeted Labor Costs and that the Annual Budgeted Labor Costs represent Supplier's estimate of the maximum amount of Supplier's actual labor costs absent extenuating, unforeseen and emergency circumstances involving the facilities structures ("Extraordinary Events"). In the event the Supplier's actual labor costs exceed the Annual Budgeted Labor Costs, Supplier shall not receive payment in excess of this amount without written approval by the District; provided, however, if Extraordinary Events occur and Supplier's labor costs increase due to such occurrences, the District agrees to review Supplier's claims for additional amounts and upon approval, the Contract Amount shall be adjusted to include such increased labor costs. For purposes of illustration, Extraordinary Events shall include unforeseeable weather conditions (e.g., tornadoes, floods, extreme cold for extended periods of times), vandalism, theft of structural materials from scrapping activities and changes in legislation resulting in an increase in the cost of mandatory wages and benefits to Supplier.

The parties shall meet quarterly and Supplier shall provide documentation of actual hours performed by each labor category and associated costs. The parties shall make adjustments in staffing levels in order to ensure that performance requirements are met and labor costs are reduced as much as possible. At the District's option, anticipated savings in labor costs may be converted to the purchase of parts, supplies or repairs and improvements to facilities.

Quarterly Business Review (Supplier Performance) meetings are set forth as follows:

JULY through SEPTEMBER
OCTOBER through DECEMBER
JANUARY through MARCH
APRIL through JUNE

Anticipated Meeting Date: Last week of OCTOBER
Anticipated Meeting Date: Last week of JANUARY
Anticipated Meeting Date: Last week of APRIL
Anticipated Meeting Date: Last week of JULY

----- End of Section B -----

SECTION C SCOPE OF SERVICE

Supplier agrees to provide the goods and services described below in accordance with the standards and the schedules set forth herein, specifically including EXHIBIT "C", Cost Responsibility Summary. Supplier shall insure that the facilities and grounds are maintained in accordance with the standards set forth in the Performance Metrics developed in accordance with SECTION H hereof. Notwithstanding the foregoing, the Supplier agrees that until such time as the Performance Metrics are finalized by the parties, Supplier will perform in accordance with the Initial Performance Metrics attached hereto as Exhibit B-1. Hereto. Omissions by the District in such providing specifications shall not reduce the Supplier's requirement of maintaining buildings and grounds in accordance with industry standards.

Supplier shall provide comprehensive facilities management which shall include:

I. CUSTODIAL SERVICES

Supplier must provide for complete custodial services of the District's facilities (educational and support buildings) located in the designated **Zone 2 Portfolio of Schools** and as listed on **EXHIBIT A: UPDATED BUILDING ROSTER by ZONE** in keeping with standards set forth in **EXHIBIT B: PERFORMANCE METRICS** and in accordance with applicable health and sanitation standards and to support the District's goals with regard to sanitation, public relations, and maintenance of the physical facility. Supplier must provide all necessary labor, tools, materials, supervision, cleaning agents, disinfectants, sanitizers, germicides, floor finishes/sealers, and cleaning equipment for performing to the custodial specifications outlined in the attached standards set forth in **SPECIFICATION A: CUSTODIAL CLEANING** and **EXHIBIT C: COST RESPONSIBILITY SUMMARY**. All chemicals used in the facilities must be environmentally friendly when possible, and properly labeled and comply with all "Right to Know" requirements.

Supplier shall provide to the District for its approval quality assessment procedures and a custodial reporting system that includes:

a. Weekly or Monthly Reporting:

- i. Weekly electronic cleanliness quality assessment report by school and area.
- ii. Minimal monthly cleanliness quality assessment report done in conjunction with District representative or District school administrator for each DPS location for which an electronic or handwritten sign-off is obtained.
- iii. Monthly vandalism report tracking number of incidents by school.
- iv. Weekly paper product usage / inventory-on-hand reports (paper towel & toilet paper) by school.
- v. Weekly soap usage / inventory-on-hand reports by school upon request of clients.

b. **Quality Assurance Program:**

- i. Continuous quality monitoring for early detection and resolution of issues
- ii. A (24) twenty-four to (48) forty-eight hour customer complaint turnaround quality assurance guarantee (where applicable)

c. **Custodial Ratification Plan for schools not meeting the standards required hereunder that includes the following:**

- i. **Define and Describe the Problem:** Specify the problem by identifying in quantifiable terms: (i.e., who, what, where, when, why, how, and how many) to help determine the root cause of the issue.
 - ii. **Develop and Implement Immediate Containment Plan to address the issue:** Define and implement containment actions to isolate the problem from the customer.
 - iii. **Determine the Root Causes:** Identify all applicable causes that caused the problem to occur.
 - iv. **Implement and Validate Corrective Actions:** Define and implement corrective actions to remediate the problem, after obtaining approvals from both the customers and the District.
 - v. **Take Preventive Measures:** Modify the management systems, operation systems, practices, and procedures to prevent recurrence of quality issue and all similar problems, and advise the District of such measures.
- d. Provide a comprehensive resilient floor and carpet care program and all required floor cleaning and floor maintenance equipment.
- e. Supplier must know and ensure that all their purchased cleaning chemicals, supplies, equipment and tools are in accordance with all local, state, and federal regulations and guidelines.

II. **GROUNDS**

Supplier will provide complete landscaping services to each school facility to properly and fully maintain the grounds year round. These services can be done by dedicated site management (FTEs), custodial staff, subcontracted services or any combination thereof (in accordance with ***SPECIFICATION C: GROUNDS MAINTENANCE***). Landscaping services shall include, but is not limited to:

- A. Turf management of all open facilities, including but not limited to: grass cutting, edging, trimming, fertilizing, application of herbicides, maintenance of planting beds, shrub trimming, etc., (in accordance with the schedule and in the manner contained in ***SPECIFICATION C: GROUNDS MAINTENANCE***).
- B. Between 6:00 a.m. and 6:00 p.m., Monday through Friday, Supplier shall provide at no additional cost the labor and be responsible for snow removal duties at each facility as follows: snow and ice clearing of walkways (including where applicable city sidewalks for snow falls of less than 3"), entranceways, and other areas adjacent to the school buildings during any and all snow events unless otherwise directed the District; applications of ice melt materials wherever needed on site. Supplier shall also provide the labor required to monitor the removal of all snow in excess of three inches (3") ("Major Snow Removal") per snow fall on the sidewalks, parking lots/areas and any other areas not immediately adjacent to the school building. In the event the District engages Supplier to provide Major Snow Removal services, Supplier shall invoice the District separately for the cost of such Major Snow Removal.

- C. Supplier shall provide to the District (as requested) reports on the condition of snow removal equipment and reports on status and non-compliance of contracted snow removal work for Major Snow Removal events.
- D. Annual inspection of playground equipment by a Certified Playground Inspector and issuance of certified playground inspection reports.

E. Additional site management services include:

- 1. Dangerous condition mitigation (i.e. play structures, fencing, etc.) – by dedicated site management personnel as directed by District.
- 2. Minor fencing repair and automatic gate opener maintenance
- 3. Drainage structure repair and clean out
- 4. Play equipment maintenance and minor repairs including engineered wood fiber maintenance, removal and placement
- 5. Minor concrete and asphalt repair
- 6. Flagpole equipment maintenance
- 7. Minor athletic field bleacher and bench repair.
- 8. Delivery of bulk materials, including but not limited to: bagged salt, gravel, sand, topsoil, peat, stone
- 9. Assistance with reporting, budgeting, and scheduling etc. of site maintenance activities
- 10. Tree pruning, shrub trimming and shearing, removal of debris
- 11. Signage maintenance, and repair
- 12. Application, pick-up and delivery of environmentally friendly ice melt products, ice melt product spreaders, shovels, ice choppers, snow blowers, and maintenance thereof
- 13. Other site services as mutually agreed by the parties on as needed basis.

III. MAINTENANCE SERVICES

1. Facilities Maintenance: The Supplier will provide for safe well-maintained facilities which include:

- Maintenance of all facility doors, roofs, windows and means of fire egress.(for purposes of illustration, maintenance of roofs does not require the Supplier to make roofing repairs but does require regular inspections, clearance of gutters, drain pipes and the like of debris on a regular basis, identification and reporting of leaks to the District.)
- Routine review of normal and emergency power supplies.
- Recommendations to administration concerning life safety procedures.
- Maintenance of facility equipment and structures to ensure a safe environment.
- Maintenance of grounds, pavement, parking lots, athletic fields and facilities and playscapes to ensure a safe environment.
- Maintenance of building systems (i.e. boilers, chillers, cooling towers, water back-flow preventers, swimming pools ...etc.) in full compliance with the code and to ensure a safe environment.
- Corrective and preventative maintenance of mechanical systems.
- Assistance with long-range capital and maintenance planning and budgeting.

2. Parts and Supplies:

Supplier will provide for the purchase of needed parts and supplies required to repair and/or maintain District facilities and will invoice/bill them against the separate Purchase Order for parts and supplies issued by the District. Supplier will provide parts and supplies through a competitive, efficient parts supply contract or system in accordance state and federal laws and the District's Procurement Policies and Procedures, as the same may be amended from time to time. Supplier is encouraged to consult with and work with other Facilities Operations Management Suppliers to coordinate such purchases in order to leverage its or their buying power and decrease the cost of parts and supplies to the District. The District shall reimburse Supplier the actual cost of all purchased parts not later than 30 days after the date of receipt of an invoice evidencing such purchases to the District. In the event the District fails to reimburse Supplier for parts within such 30 day period, the District shall pay a late fee in the amount of the 1% of the invoiced amount for each month payment is outstanding.

- A. Supplier's purchasing and invoicing of parts shall meet the following requirements:
 - i. Supplier will invoice actual cost of all parts purchased for repair work.
 - ii. Supplier shall ensure that repair parts are purchased through a competitive process and at fair market value.
 - iii. Supplier will not add mark-ups to the cost of parts purchased subject, however, to the 1% per month late fee noted above
 - iv. Supplier will ensure invoices are net of rebate.
 - v. Supplier will provide supporting documents, including supply contracts and evidence of competitive pricing and any other requested information upon reasonable request and not less than annually to the District for its annual audit to verify compliance with items (i) and (ii) above.
- B. Supplier will be required to maintain an accurate, secure, efficient and auditable real time inventory system that tracks all parts and materials from acquisition to installation. Supplier shall provide periodic reports of parts and materials inventory to the District upon reasonable notice.
- C. The Supplier will also provide for the management and control of all parts, supplies and equipment used in the performance of duties under this Contract.

IV. BUILDING ASSESSMENTS The Supplier shall perform an initial building systems assessment for each facility and provide a preliminary report (as defined by the District), to the DPS Chief Operations Officer within (60) sixty days of issuance of the Notice to Proceed. A final building assessment report (as defined by the District), is due to the DPS Chief Operations Officer on or before November 30, 2014, for use in long-range planning for budgetary spending in the District's current and concurrent fiscal years. Such reports shall include:

- A. The status of all mechanical systems
- B. A list of all required repairs to each facility
- C. A detailed description of all corrective maintenance required
- D. Preventative maintenance schedules for each facility
- E. Safety assessment of each facility including fire code compliance

V. UTILITY MANAGEMENT AND ENERGY REDUCTION Supplier shall be responsible for ensuring the building temperatures, humidity levels, light levels, and other environmental conditions are maintained in accordance with industry standards and as otherwise defined in this Contract. Supplier shall also actively participate in assisting the District in reducing energy costs and the implementation of the District's energy reduction program by periodically providing data relevant to the energy usage at each facility at such reasonable intervals as requested by the District's Director of Energy and Sustainability. Supplier shall produce monthly reports on the utilities usage in such format as the parties mutually agree.

VI. SUSTAINABILITY INITIATIVES As part of the District's sustainability efforts, the District offers a "Go Green Challenge" to all schools. In support of the Go Green Challenge, Supplier shall appoint one (1) school-based staff per participating school to be a member of the school's "Green Team". The assigned person shall participate any school based Green Team meeting and shall assist the school administrators with the implementation of "Green Team" projects. Supplier shall also assign one (1) management-level staff member to the District's "Sustainability Advisory Council" who shall attend the quarterly meetings of the Council and assist in the coordinating the implementation of sustainability initiatives.

VII. FACILITIES MANAGEMENT SOFTWARE The Supplier shall use the District provided Computer Maintenance Management System (CMMS) currently known as "SchoolDude" for all maintenance, custodial, grounds, inventory management, and energy management services under this contract, including: work order creation and management, generating reports, tracking labor and materials costs, measuring efficiency, communicating with Principals and District administration, and for scheduling equipment inspections.

The Supplier shall participate in formal "SchoolDude" training and periodic training thereafter, to ensure all staff is up-to-date with best practices and upgraded technology.

Upon request, and to the extent readily available, Supplier shall print and deliver, from "School Dude" reports related to:

1. Scheduled, open and completed work orders;
2. Equipment preventive maintenance;
3. Labor and material costs
4. Employee activity summaries
5. Such other reports as mutually agreed to by the District and Supplier that are available through "SchoolDude".

The District and Supplier shall work collaboratively to determine the frequency and the contents of such reports with the understanding that Supplier shall not be required to incur additional costs for the production of such reports but shall make reasonable efforts to accommodate the District's requirements.

VIII. SAFETY

- A. Supplier will report any and all safety violations to District, and to the extent repairs are required for compliance with all applicable safety regulations, Supplier shall make such repairs in an expeditious manner; provided, however, in the event the District fails or refuses to make funding available for such repairs, Supplier shall not be obligated to make such repairs.
- B. Supplier shall perform routine reviews of emergency power supplies.
- C. Supplier shall provide assistance to the District facilitate compliance with applicable building codes, fire prevention codes, occupational safety and health codes and standards (OSHA), and applicable Life Safety Codes, playground safety inspections and Asbestos Hazardous Emergency Response Act (AHERA).

- D. Supplier shall conduct monthly Automated External Defibrillator (AED) equipment checks in coordination with the District's Risk Management Department.
- E. Supplier will collect and file in an organized manner, any documents provided to the District for certification of the facilities' compliance with all applicable laws and regulations
- F. Supplier will prepare and submit a school safety assessment findings status report on an annual basis.
- G. Supplier shall administer a safety incident reporting system to include investigation and evaluation of incidents.
- H. Supplier will conduct training and provide safety-related information, including Right to Know, (AHERA), and presentations for Supplier's employees, and continuing education of all of Supplier's employees.

IX. COMMUNITY USE of SCHOOLS:

Supplier will be required to provide operational, cleaning and maintenance services during non-instructional hours in support of community use of school facilities (e.g., Scout meetings, Boys and Girls Club activities, Athletic Games, Academic Games, School Board Meetings, Parent Advisory Council Meetings, Religious Services, and similar functions held with a community use permit) including HVAC services during events, cleaning before and after an event, set-ups and tear-downs of tables and chairs, etc.) and securing the facility after the event.

There shall be no extra charge by Supplier for labor cost when a Community Use event is held during such times as staff is normally scheduled to provide services in accordance with Supplier's Custodial Staffing Plan; provided however, if such events are concluded at times requiring Supplier to provide services beyond the normally scheduled hours of staff, or if additional staff is required to provide such services with the prior approval of the District, Supplier shall invoice the District separately at the rate for services provided related to Community Use listed in Appendix ____ hereto. "Community Use" costs incurred are to be invoiced separately by location/facility and must be accompanied by forms indicating the "Community Use" school administrator's approval for and confirmation that such services were rendered.

----- End of Section C -----

**SECTION D
SPECIFICATIONS**

1. STAFFING

Supplier shall provide staff required to satisfactorily perform the custodial, maintenance, operations and grounds functions at such minimum levels as set forth in Supplier's Staffing Plan. Notwithstanding the foregoing or anything to the contrary contained herein. All custodial applicants who previously worked in a Detroit Public School shall be given preference by suppliers in hiring decisions, provided qualifications are equal and the preferred worker meets all application requirements.

Suppliers are required to follow the contractual requirements with respect to staffing as outlined in Section I General Contract clauses, specifically sections I.07 – I.11.

All Supplier employees are to present themselves in an appropriate manner and attire consistent with the District's policies and administrative guidelines. Supplier employees assigned to the District must meet the following requirements:

- i. At least (18) eighteen years of age
- ii. Possess a high school graduate or equivalent GED
- iii. United States citizen or authorized to work in the United States
- iv. Completion of criminal background and history reports and results in compliance with State laws
- v. Able to read, write, and speak English conversationally
- vi. Able to inspect, see, and report maintenance needs to the Project Manager /Supervisor and/or to the building principal
- vii. Able to interact positively and appropriately with students, school employees, and the public
- viii. Able to productively work with minimal supervision
- ix. Be alcohol and drug free when arriving for and while on duty
- x. Be punctual
- xi. Maintain a well groomed appearance

2. TRAINING:

The Supplier's employees must be thoroughly trained, be qualified and capable of performing the work assigned to them. (Training provided must be continuous to ensure that supplier's employees are equipped with the most up-to-date quality standards and innovative ways of improving quality – maximizing cost savings.) Supplier's employees must be able to effectively communicate with DPS staff.

Supplier's employees must be trained on all applicable federal, state and local health and safety regulations.

Supplier shall provide the District with copies of training records and certifications of the Supplier's workforce annually or upon reasonable request by the District.

Supplier must provide documentation annually to certify that their employees have attended the necessary training for each fiscal year in accordance with the Supplier's training procedures.

3. UNIFORMS: Supplier's employees must wear a clearly identifiable logo uniform (pre-approved by the District) during working hours and on any of the District's other properties as well as proper identification badge. Every employee must be easily recognizable and identifiable by DPS Staff. Supplier shall provide all appropriate Personal Protective Equipment (PPE) for all its employees as required by OSHA.

4. EQUIPMENT: Other than provided herein, Supplier will provide all the tools, equipment, vehicles, communication devices, any office equipment, and computers to be used in providing the delivery of the services.

5. **PROHIBITED CONDUCT:** Supplier shall adopt and enforce policies to ensure that at no time Supplier's employees do any of the following:

- i. Allow unlocked custodial closets, products or equipment to be unattended
- ii. Congregate or have food/drink in unauthorized areas
- iii. Disturb papers on desks, open drawers or cabinets, use telephones or computers or tamper with personal property owned by the District, staff or students
- iv. Talk or text on personal cell phones while on duty or use a personal music device
- v. Leave lights on or doors open in unattended sections
- vi. Play radios, or other similar devices, at a volume that is audible in other areas of the building
- vii. Use any District equipment that is not required to perform duties
- viii. Smoke or use any tobacco or alcohol products on District property
- ix. No visitors, spouses or children of the Supplier's employees will be allowed at the work site during working hours unless they are bon fide employees of the Supplier or they receive prior approval from the District's designee.
- x. Supplier employees shall not engage in fraternizing with students directly or through social media.

----- End of Section D -----

SECTION E RECIPIENT OF SERVICE, INSPECTION, AND ACCEPTANCE

The Detroit Public Schools Chief Operations Officer or designee is the DPS Representative and shall perform or designate other persons or entities to perform inspection, acceptance and quality assurance. Reports and other submissions shall be submitted to:

DPS Chief Operations Officer
Detroit Public Schools
3011 West Grand Boulevard
14th Floor Fisher Building
Detroit, Michigan 48202

----- End of Section E -----

SECTION F DELIVERIES OR PERFORMANCE

The primary place of performance of the services is the School District of the City of Detroit. The typical school building hours of operation are from approximately 6:00am to 6:00pm continuous Monday through Friday except on District observed holidays. Hours of operation may vary by DPS location; and be adjusted seasonally, with flexible staffing to ensure building coverage and avoid any mechanical damage due to climate. In addition, Supplier will assist with flexible scheduling and utilization of building systems to minimize the need for additional labor charges. Supplier must also have an emergency response team ("ERT") with 24/7/365 availability, and may use flexible scheduling to provide such coverage; provided, however, if Extraordinary Events occur and Supplier's labor costs increase due to such occurrences, the District agrees to review Supplier's claims for additional amounts and upon approval, the Contract Amount shall be adjusted to include such increased labor costs

The District reserves the right to change any and all of the work schedules with advance notice to the Supplier.

Scheduled breaks and summer cleaning shall be coordinated with the District's designee. The schedule is to be developed with the goal of minimizing interference with any scheduled instructional activities or with contracted work being performed by others.

----- End of Section F -----

SECTION G CONTRACT ADMINISTRATION DATA

1. The District's Chief Procurement and Logistics Officer shall be responsible for all contractual matters and is the only individual authorized to make changes of any kind to the contract. Supplier shall not rely upon any oral change from anyone, or a written request for change from someone other than the Chief Procurement and Logistics Officer. All changes must be in writing, signed by the Chief Procurement and Logistics Officer. Supplier shall not bear the risk of loss or additional damages associated with delays in obtaining authorization.
2. **Invoicing and Payment**
 - a. **Original Invoices shall be submitted to:**
Executive Director of Physical Plant Operations
Detroit Public Schools
Support Services Complex, Building C
1601 Farnsworth
Detroit, Michigan 48211

And shall conform to policies or regulations adopted from time to time by the District. Invoices shall be legible and shall contain, as a minimum, the following information:

(1) the contract number and purchase order number; (2) a complete itemization of all costs including quantities ordered; and (3) any discounts offered to the District under the terms of the contract.

A copy of the invoice shall also be forwarded to the **Accounts Payable Department** and the **Chief Procurement and Logistics Officer**, both of which reside at:

Detroit Public Schools
11th Floor Fisher Building
3011 W. Grand Boulevard
Detroit, Michigan 48202

- b. Monthly invoicing shall be set forth herein. Reconciliation of expenditures shall be performed on a quarterly basis and estimated budgets will be adjusted accordingly to capture shared-cost savings to be spread amongst future months or converted to available dollars to allow for reinvestment back into the schools, including but not limited to: additional supplies purchase, additional repairs, or, upon the District's discretion, refunded at the end of the contract year.

1st Contract Year: July 15, 2014 through June 30, 2015:

1st Invoice: Submitted August 01, 2014, for (July 15, 2014 through August 31, 2014) services – plus (50%) fifty percent of total start-up mobilization costs. **Pay Date: August 25, 2014**

2nd Invoice: Submitted September 01, 2014, for (September 01 through September 30, 2014) Services plus remaining (50%) fifty percent of total start-up mobilization costs. **Pay Date: September 30, 2014**

3rd through 11th Invoice: Submitted monthly for services beginning the (1st) first of the month through the (30th) thirtieth day of the month. **Payable on the 30th day of the month.**

2nd Contract Year: July 01, 2015 through June 30, 2016:

1st Invoice: Submitted August 01, 2015, for (July 01, 2015 through August 31, 2015) services **Pay Date: August 25, 2015**

2nd through 11th Invoice: Submitted monthly for services beginning the (1st) first of the month through the (30th) thirtieth day of the month. **Payable on the 30th day of the month.**

3rd Contract Year: July 01, 2016 through June 30, 2017:

1st Invoice: Submitted August 01, 2016, for (July 01, 2016 through August 31, 2016) services **Pay Date: August 25, 2016**

2nd through 11th Invoice: Submitted monthly for services beginning the (1st) first of the month through the (30th) thirtieth day of the month. **Payable on the 30th day of the month.**

Contractually agreed upon terms and conditions regarding actual cost versus estimated budget cost reconciliation are set forth in SECTION B: Contract Pricing Terms and Conditions.

- c. Subject to any withholding provisions of the contract, payment shall be made after the District's receipt of a properly prepared invoice. Payment terms: **Payable on the 30th day of the month.**
- d. The Supplier shall provide to the Chief Procurement and Logistics Officer a fully executed IRS Department of Treasury W-9 Tax Form. It is the Supplier's responsibility to notify the Chief Procurement and Logistics Officer of any changes in the remittal address. Failure to provide this information may impact payment of invoices by DPS. In order that this Form is the current version at time of submittal, the Supplier shall download this Form from the Internal Revenue Service website shown below, complete the Form and submit as specified herein The website from which to obtain this Form is: http://www.irs.gov/prod/forms_pub/whatshot.htm

----- **End of Section G** -----

SECTION H
SPECIAL CONTRACT REQUIREMENTS

LEASE of SPACE:

If Supplier agrees to lease space in the Facility Services, Building C, located at: 1601 Farnsworth, Detroit, Michigan 48211, Supplier shall execute a separate agreement in accordance with Detroit Public Schools Office of Real Estate rental lease agreement.

PERFORMANCE METRICS (KPIs):

Not later than 60 days from the date of execution of the Contract, Supplier and DPS shall meet and develop relevant and effective performance metrics to measure Supplier's performance of services required hereunder based upon industry standards and in accordance with District requirements and strategic interests. These performance metrics shall form the basis for evaluation of the Supplier's performance hereunder. Upon completion of the performance metrics, District will include and attach the same as Exhibit B-2 hereto. Notwithstanding the foregoing, Supplier agrees that the Initial Performance Metrics (in Exhibit B-1) shall be used to measure its performance during the period from the commencement of work until the date the performance metrics are completed. In the event Supplier and District are unable to develop and agree upon the performance metrics with the 60 day period noted above, the District shall have the right to determine the performance metrics in its sole discretion and Supplier shall be required to meet such performance metrics in providing services hereunder. Notwithstanding the foregoing, Supplier shall have the right to object to the District determined performance metrics within 30 days after the same is provided to Supplier, and Supplier shall have the right upon providing the district 120 days' notice to terminate the Contract at June 30, 2015.

QUARTERLY BUSINESS REVIEWS:

Supplier will be required to submit potential cost savings ideas during the Quarterly Business Reviews (QBRs) and the Annual Innovation Sessions. (QBRs) will be conducted to track the progress of contractually agreed upon Key Performance Indicators (KPIs) during the annual contract period. DPS will consider contract renewals based on supplier's performance, innovation and continuous improvement.

Meeting Dates: The thirtieth (30th) day of the month following the end of the previous quarter.

----- End of Section H -----

This Contract, including the exhibits, contains the entire agreement between the parties pertaining to the subject matter hereof and fully supersedes all prior written or oral agreements and understandings between the parties pertaining to such subject matter.

----- End of Section I -----

SECTION J LIST OF ATTACHMENTS

SCHEDULES:

Schedule A: Staffing Levels and Pay Rates

EXHIBITS:

Exhibit A: Updated Building Roster by Zone
Exhibit B: Performance Metrics (KPIs)
Exhibit C: Cost Responsibility Summary

SPECIFICATIONS:

Specification A: Custodial Cleaning
Specification B: Facilities Management, Minor Corrective Maintenance
Specification C: Grounds Maintenance
Specification D: Asbestos and Lead Paint

----- End of Section J -----

Schedule A

Staffing Levels and Pay Rates

I. STAFFING LEVELS

Except as agreed to as part of cost savings initiatives, Supplier shall provide the minimum number of full-time equivalent staff to meet the service requirements under this contract, wherein one (1) **FTE = 2,080** actual annual work hours performed.*

- **Custodial GM (1)** one FTE
- **Custodial Managers (5)** five FTEs
- **Custodial Admin (3)** three FTE's
- **Custodians (125)** one hundred twenty-five FTEs
- **Stationary Engineers (45)** forty-five FTE's
- **Skilled Trades (20)** twenty FTE's
- **Chief Facility Engineer (1)** one FTE
- **Assistant Facility Manager (1)** one FTE
- **Engineer Admin (1)** one FTE

* Note: Under the first (1st) year of the contract, commencing July 15, 2014, the annual hour commitment shall be reduced by fifteen (15) fifteen days for each FTE.

II. NOT-TO-EXCEED AMOUNTS FOR VARIABLE LABOR COSTS

Supplier agrees that it shall efficiently manage costs for custodial, maintenance and grounds in the best interest of the District to reduce overall costs.

Supplier shall work collaboratively with the District to reduce labor costs below the established and contractually agreed upon not-to-exceed amount by paying no more than competitive rates for labor and benefits, ensuring efficient staffing allocations, implementing innovative worker management practices and utilizing technology and equipment to increase worker productivity. Supplier agrees that the District shall only be held responsible for paying the actual cost of labor, inclusive of benefits, within the established and contractually agreed upon not-to-exceed amount mentioned above.

Non-Salary Committed FTE's wherein (1) one **FTE = 2,080** actual work hours performed; the all-inclusive mutually agreed upon not-to-exceed established estimated hourly rates are as follows:

- **Custodial-Non Union (\$13.80 to \$17.40)** per hour – rate assigned depends upon position
- **Custodial Floor Person-Non Union (\$17.40)** seventeen dollars and forty cents per hour
- **Custodial Supervisor-Non Union (\$17.80)** seventeen dollars and eighty cents per hour

(Should Custodial Staff become unionized – Supplier will submit new hourly rate information)

- **Engineer I-Union (\$44.00)** forty-four dollars and no cents
- **Engineer II-Union (\$42.60)** forty-two dollars and sixty cents per hour
- **Engineer III-Union (\$39.00)** thirty-nine dollars and no cents per hour
- **Engineer IV-Union (\$36.60)** thirty-six dollars and sixty cents per hour
- **Engineer V-Union (\$35.40)** thirty-five dollars and forty cents per hour
- **Apprentice Engineer-Union (\$21.88)** twenty-one dollars and eighty-eight cents per hour
- **Skilled Trades-Union (\$40.00)** forty dollars and no cents per hour

ZONE 2 US Metro Group	Contractual Year 1	Contractual Year 2	Contractual Year 3	Contract Total
Facilities Management	\$ 730,857	\$ 730,857	\$ 730,857	\$ 2,192,572
Maintenance	\$ 5,747,534	\$ 5,747,534	\$ 5,747,534	\$ 17,242,603
Custodial	\$ 4,803,749	\$ 4,803,749	\$ 4,803,749	\$ 14,411,246
Grounds	\$ 147,266	\$ 147,266	\$ 147,266	\$ 441,798
Mobilization	\$ 100,000	\$ -	\$ -	\$ 100,000
Daily Operating	\$ 1,024,392	\$ 1,184,954	\$ 1,184,954	\$ 3,394,300
Capital Equipment	\$ 168,511	\$ 168,511	\$ 168,511	\$ 505,533
Supplier Fees	\$ 620,275	\$ 620,275	\$ 620,275	\$ 1,860,824
Grand Totals	\$ 13,342,584	\$ 13,403,146	\$ 13,403,146	\$ 40,148,876
Deduct for 1st Half of July 2014	\$ (515,902)	\$ -	\$ -	\$ (515,902)
	\$ 12,826,682	\$ 13,403,146	\$ 13,403,146	\$ 39,632,974

Community Use: Custodial Rate	\$23.09 per Hour
Community Use: Engineer Rate	\$57.60 per Hour

Contractually agreed upon payment terms and invoicing set forth in SECTION G.2.b.

Facilities chief

Maint Trades + Engineers
5/16/13

1,664,000
4,083,534

Chie Kim
Aug 10

13
17
19
20

EXHIBIT A
Updated Building Roster (Zone 2)

School	Address	Region	Type	Gross Sq. Ft.	Company
Adult Education Center - West	13840 Lappin	3	Support		US METRO GROUP
Ann Arbor Trail Magnet School	7635 Chatham	2	PK-8	43,343	US METRO GROUP
Bagley Elementary School	8100 Curtis Street	3	PK-6	54,317	US METRO GROUP
Bates Academy	19701 Wyoming Avenue	3	PK-8	128,190	US METRO GROUP
Bow Elementary/Middle School	19801 Prevost Street	3	PK-8	59,100	US METRO GROUP
Breithaupt Career and Technical Center	9300 Hubbell Street	2	9-12	150,361	US METRO GROUP
Carver Elementary/Middle School	18701 Paul Street	2	PK-8	67,102	US METRO GROUP
Cody (three small High Schools)	18445 Cathedral Street	2	9-12	286,752	US METRO GROUP
Communication & Media Arts High School	14771 Mansfield Street	3	9-12	79,450	US METRO GROUP
Cooke Elementary School	18800 Puritan Street	3	PK-6	45,184	US METRO GROUP
DGP @ Northwestern (SPED included)	2200 W. Grand Boulevard	2	9-12	388,059	US METRO GROUP
Detroit International Academy for Young Women	9026 Woodward Avenue	3	PK-12	318,416	US METRO GROUP
Dixon Educational Learning Academy	8401 Trinity Street	2	PK-8	93,258	US METRO GROUP
Dossin Elementary/Middle School	16650 Glendale Street	3	PK-8	50,508	US METRO GROUP
Drew, Charles R. Transition Center	9600 Wyoming Street	2	SPED 20-26	139,000	US METRO GROUP
Edison Elementary School	17045 Grand River Avenue	3	PK-5	44,263	US METRO GROUP
Emerson Elementary/Middle School	18240 Huntington Road	3	PK-8	126,805	US METRO GROUP
Foreign Language Immersion (FLICS)	6501 W. Outer Drive	3	K-8	92,010	US METRO GROUP
Gardner Elementary School	6528 Mansfield Street	2	PK-5	32,634	US METRO GROUP
Gompers, Samuel L. Elementary/Middle School	14450 Burt Road	3	PK-8	111,882	US METRO GROUP
Henderson, Erma Academy	16101 W. Chicago Street	2	PK-8	109,000	US METRO GROUP
King, John R. Academic and Performing Arts Academy	15850 Strathmoor Street	3	PK-8	133,580	US METRO GROUP
Ludington Magnet Middle School	19501 Berg Road	3	5-8	95,591	US METRO GROUP
Mackenzie Elementary/Middle School	10147 W. Chicago	2	PK-8	111,090	US METRO GROUP
Mann Elementary School	19625 Elmira Street	2	PK-5	44,909	US METRO GROUP
Munger Elementary/Middle School	5525 Martin	2	PK-8	111,090	US METRO GROUP
Noble Elementary/Middle School	8646 Fullerton Street	2	PK-8	143,605	US METRO GROUP
Pasteur Elementary School	19811 Stoepel Street	3	PK-6	56,541	US METRO GROUP
Priest Elementary/Middle School	7840 Wagner Street	2	PK-8	117,502	US METRO GROUP
Randolph Career Academy - Construction Trades	17101 Hubbell Street	3	9-12	122,883	US METRO GROUP
Robeson, Paul / Malcolm X Academy (at Hally)	2585 Grove Street	3	PK-8	48,500	US METRO GROUP
Sampson Webber Academy	4700 Tireman Street	2	PK-8	145,118	US METRO GROUP
Thirkell Elementary School	7724 14th Street	2	PK-5	68,701	US METRO GROUP
Vernor Elementary School	13726 Pembroke Avenue	3	PK-6	44,608	US METRO GROUP
Westside Bus Terminal	8145 Greenfield	2	Support	41,735	US METRO GROUP
Wright, Charles Lower Academy	19299 Berg	3	PK-4	94,991	US METRO GROUP
Young, Coleman A. Elementary	15771 Hubbell Street	3	PK-5	67,800	US METRO GROUP

**DETROIT
PUBLIC
SCHOOLS
COMMUNITY
DISTRICT**

Office of Procurement and Logistics
Fisher Building 11th Floor
3011 West Grand Blvd.
Detroit, MI 48202

Section A
Contract Cover Page
& Signatures

1.Contract No.: 18-0060-C

2. ITB/RFP No.: RFP 18-0060-C

3. Contract Title: Roof Replacement & Repairs for Palmer Park Preparatory Academy

4. Contract Amount:
\$1,491,600.00 (\$1,356,000 + \$135,600.00
10% contingency)

5. Contract Term: May 22, 2018-December 31, 2018

6. Supplier Name: Bloom Roofing System, Inc.

Address: 12238 Emerson Drive

City/State/Zip: Brighton, MI 48116

Contact: Dan Bloom

Telephone: 248-264-7200

Fax: 248-587-5068

7. Contract Table of Contents:

Section A: Contract Cover Page & Signatures

Section B: Schedule

Section C: Scope of Work/Service

Section D: Packaging and Marking (Reserved)

Section E: Inspection and Acceptance

Section F: Deliveries or Performance

Section G: Contract Administrative Data

Section H: Special Contract Requirements (Reserved)

Section I: General Contract Clauses

Section J: List of Attachments

8. Signature of Authorized Supplier Representative:

Signature

Date Signed _____

Print Name: _____

Title:

9. Signature of DPSCD:

Signature

Date Signed _____

Print Name: Nikolai P. Vitti, Ed.D.

Title: Superintendent

SECTION B SCHEDULE

The Detroit Public Schools Community District Community District, hereinafter DPSCDC, is issuing this fixed ceiling price plus cost contract for Palmer Park Preparatory Academy, 3091 Margareta Street, Detroit, MI 48221. The Contractor shall provide labor, parts, material, equipment, transportation, and supervision for contracted products to complete the roof replacement and repairs. Total price shall be agreed upon by the parties based on project requirements upon removal of existing roof and in accordance with the Scope of Services.

PRICING

Unit pricing is listed under Section J.

End of Section B

SECTION C SCOPE OF SERVICE

Coordination: Coordinate preparation and processing of submittals with performance of construction activities. Submit complete submittal package.

1. No extension of the Contract Time will be authorized because of failure to transmit submittals enough in advance of the Work to permit processing, including resubmittals.

Initial Review: Allow 5 days for initial review

SUBMITTAL PROCEDURES PART 1 -

GENERAL

1.2 RELATED DOCUMENTS

- A. Drawings and general provisions of the Contract, including General and Supplementary Conditions and other Division 1 Specification Sections, apply to this Section.

1.3 SUMMARY

- A. This Section includes administrative and procedural requirements for submitting Shop Drawings, Product Data, Samples, and other submittals.

1.4 DEFINITIONS

- A. Action Submittals: Written and graphic information that requires Owner's responsive action.
- B. Informational Submittals: Written information that does not require Owner's responsive action. Submittals may be rejected for not complying with requirements.

1.5 SUBMITTAL PROCEDURES

- A. General: Electronic copies of CAD Drawings of the Contract Drawings will not be provided by Owner for Contractor's use in preparing submittals.
 - 1. of each submittal. Allow additional time if coordination with subsequent submittals is required. Owner will advise Contractor when a submittal being processed must be delayed for coordination.
 - 2. Resubmittal Review: Allow 5 days for review of each resubmittals.
 - 3. Concurrent Consultant Review: Where the Contract Documents indicate that submittals may be transmitted simultaneously to Owner and to Owner's consultants, allow 5 days for review of each submittal. Submittal will be returned to Owner before being returned to Contractor.
- B. Identification: Place a permanent label or title block on each submittal for identification.
 - 1. Indicate name of firm or entity that prepared each submittal on label or title block.
 - 2. Provide a space approximately 6 by 8 inches on label or beside title block to record Contractor's review and approval markings and action taken by Owner.
 - 3. Include the following information on label for processing and recording action taken:
 - a. Project name.
 - b. Date.
 - c. Name and address of Owner.
 - d. Name and address of Contractor.
 - e. Name and address of subcontractor.
 - f. Name and address of supplier.
 - g. Name of manufacturer.
 - h. Submittal number or other unique identifier, including revision identifier.
 - 1) Submittal number shall use Specification Section number followed by a decimal point and then a sequential number (e.g., 06100.01). Resubmittals shall include an alphabetic suffix after another decimal point (e.g., 06100.01.A).

- i. Number and title of appropriate Specification Section.
 - j. Drawing number and detail references, as appropriate.
 - k. Location(s) where product is to be installed, as appropriate.
 - l. Other necessary identification.
- C. Deviations: Highlight, encircle, or otherwise specifically identify deviations from the Contract Documents on submittals.
- D. Additional Copies: Unless additional copies are required for final submittal, and unless Owner observes noncompliance with provisions in the Contract Documents, initial submittal may serve as final submittal.
 - 1. Submit one copy of submittal to concurrent reviewer in addition to specified number of copies to Owner.
 - 2. Additional copies submitted for maintenance manuals will not be marked with action taken and will be returned.
- E. Transmittal: Package each submittal individually and appropriately for transmittal and handling. Transmit each submittal using a transmittal form. Owner will discard submittals received from sources other than Contractor.
 - 1. Transmittal Form: Use AIA Document G810 or CSI Form 12.1A.
 - 2. On an attached separate sheet, prepared on Contractor's letterhead, record relevant information, requests for data, revisions other than those requested by Owner on previous submittals, and deviations from requirements in the Contract Documents, including minor variations and limitations. Include same label information as related submittal.
- F. Resubmittals: Make resubmittals in same form and number of copies as initial submittal.
 - 1. Note date and content of previous submittal.
 - 2. Note date and content of revision in label or title block and clearly indicate extent of revision.
 - 3. Resubmit submittals until they are marked "Approved" or "Approved as Noted."
- G. Distribution: Furnish copies of final submittals to manufacturers, subcontractors, suppliers, fabricators, installers, authorities having jurisdiction, and others as necessary for performance of construction activities. Show distribution on transmittal forms.
- H. Use for Construction: Use only final submittals with mark indicating "'Approved" or "Approved as Noted."

PART 2 - PRODUCTS

2.1 ACTION SUBMITTALS

- A. General: Prepare and submit Action Submittals required by individual Specification

Sections.

- B. Product Data: Collect information into a single submittal for each element of construction and type of product or equipment.
1. If information must be specially prepared for submittal because standard printed data are not suitable for use, submit as Shop Drawings, not as Product Data.
 2. Mark each copy of each submittal to show which products and options are applicable.
 3. Include the following information, as applicable:
 - a. Manufacturer's written recommendations.
 - b. Manufacturer's product specifications.
 - c. Manufacturer's installation instructions.
 - d. Standard color charts.]
 - e. Manufacturer's catalog cuts.
 - f. Standard product operation and maintenance manuals.
 - g. Compliance with specified referenced standards.
 - h. Testing by recognized testing agency.
 - i. Application of testing agency labels and seals.]
 - j. Notation of coordination requirements.
 4. Submit Product Data before or concurrent with Samples.
 5. Number of Copies: Submit three copies of Product Data, unless otherwise indicated. Owner will return two copies. Mark up and retain one returned copy as a Project Record Document.
 6. The use of asbestos or asbestos products will not be permitted in any form on these projects.
- C. Shop Drawings: Prepare Project-specific information, drawn accurately to scale. Do not base Shop Drawings on reproductions of the Contract Documents or standard printed data.
1. Preparation: Fully illustrate requirements in the Contract Documents. Include the following information, as applicable:
 - a. Dimensions.
 - b. Identification of products.
 - c. Fabrication and installation drawings.
 - d. Schedules.
 - e. Notation of dimensions established by field measurement.
 2. Sheet Size: Except for templates, patterns, and similar full-size drawings, submit Shop Drawings on sheets at least 8-1/2 by 11 inches but no larger than 30 by 40 inches.
- D. Samples: Submit Samples for review of kind, color, pattern, and texture for a check of these characteristics with other elements and for a comparison of these characteristics between submittal and actual component as delivered and installed.

1. Transmit Samples that contain multiple, related components such as accessories together in one submittal package.
 2. Identification: Attach label on unexposed side of Samples that includes the following:
 - a. Generic description of Sample.
 - b. Product name and name of manufacturer.
 - c. Sample source.
 - d. Number and title of appropriate Specification Section.
 3. Disposition: Maintain sets of approved Samples at Project site, available for quality- control comparisons throughout the course of construction activity. Sample sets may be used to determine final acceptance of construction associated with each set.
 - a. Samples not incorporated into the Work, or otherwise designated as Owner's property, are the property of Contractor.
 4. Samples for Initial Selection: Submit manufacturer's color charts consisting of units or sections of units showing the full range of colors, textures, and patterns available.
 - a. Number of Samples: Submit one full set(s) of available choices where color, pattern, texture, or similar characteristics are required to be selected from manufacturer's product line. Owner will return submittal with options selected.
 5. Samples for Verification: Submit full-size units or Samples of size indicated, prepared from same material to be used for the Work, cured and finished in manner specified, and physically identical with material or product proposed for use, and that show full range of color and texture variations expected. Samples include, but are not limited to, the following: partial sections of manufactured or fabricated components; small cuts or containers of materials; complete units of repetitively used materials; swatches showing color, texture, and pattern; color range sets; and components used for independent testing and inspection.
 - a. Number of Samples: Submit three sets of Samples. Owner will retain two Sample sets; remainder will be returned. Mark up and retain one returned Sample set as a Project Record Sample.
 - 1) Submit a single Sample where assembly details, workmanship, fabrication techniques, connections, operation, and other similar characteristics are to be demonstrated.
 - 2) If variation in color, pattern, texture, or other characteristic is inherent in material or product represented by a Sample, submit at least three sets of paired units that show approximate limits of variations.
- E. Product Schedule or List: As required in individual Specification Sections, prepare a

written summary indicating types of products required for the Work and their intended location. Include the following information in tabular form:

1. Type of product. Include unique identifier for each product.
2. Location.
3. Number of Copies: Submit three copies of product schedule or list, unless otherwise indicated. Owner will return two copies.

a. Mark up and retain one returned copy as a Project Record Document.

F. Application for Payment: Comply with requirements specified in Division 1 Section "Payment Procedures."

G. Schedule of Values: Comply with requirements specified in Division 1 Section "Payment Procedures."

2.2 INFORMATIONAL SUBMITTALS

A. General: Prepare and submit Informational Submittals required by other Specification Sections.

1. Number of Copies: Submit two copies of each submittal, unless otherwise indicated. Owner will not return copies.
2. Certificates and Certifications: Provide a notarized statement that includes signature of entity responsible for preparing certification. Certificates and certifications shall be signed by an officer or other individual authorized to sign documents on behalf of that entity.
3. Test and Inspection Reports: Comply with requirements specified in Division 1 Section "Quality Requirements."

B. Coordination Drawings: Comply with requirements specified in Division 1 Section "Project Management and Coordination."

C. Qualification Data: Prepare written information that demonstrates capabilities and experience of firm or person. Include lists of completed projects with project names and addresses, names and addresses of Owners and owners, and other information specified.

D. Welding Certificates: Prepare written certification that welding procedures and personnel comply with requirements in the Contract Documents. Submit record of Welding Procedure.

Specification (WPS) and Procedure Qualification Record (PQR) on AWS forms. Include names of firms and personnel certified.

E. Installer Certificates: Prepare written statements on manufacturer's letterhead certifying that Installer complies with requirements in the Contract Documents and, where required, is authorized by manufacturer for this specific Project.

- F. Manufacturer Certificates: Prepare written statements on manufacturer's letterhead certifying that manufacturer complies with requirements in the Contract Documents. Include evidence of manufacturing experience where required.
- G. Product Certificates: Prepare written statements on manufacturer's letterhead certifying that product complies with requirements in the Contract Documents.
- H. Material Certificates: Prepare written statements on manufacturer's letterhead certifying that material complies with requirements in the Contract Documents.
- I. Material Test Reports: Prepare reports written by a qualified testing agency, on testing agency's standard form, indicating and interpreting test results of material for compliance with requirements in the Contract Documents.
- J. Product Test Reports: Prepare written reports indicating current product produced by manufacturer complies with requirements in the Contract Documents. Base reports on evaluation of tests performed by manufacturer and witnessed by a qualified testing agency, or on comprehensive tests performed by a qualified testing agency.
- K. Research/Evaluation Reports: Prepare written evidence, from a model code organization acceptable to authorities having jurisdiction, that product complies with building code in effect for Project. Include the following information:
 - 1. Name of evaluation organization.
 - 2. Date of evaluation.
 - 3. Time when report is in effect.
 - 4. Product and manufacturers' names.
 - 5. Description of product.
 - 6. Test procedures and results.
 - 7. Limitations of use.
- L. Schedule of Tests and Inspections: Comply with requirements specified in Division 1 Section "Quality Requirements."
- M. Preconstruction Test Reports: Prepare reports written by a qualified testing agency, on testing agency's standard form, indicating and interpreting results of tests performed before installation of product, for compliance with performance requirements in the Contract Documents.
- N. Compatibility Test Reports: Prepare reports written by a qualified testing agency, on testing agency's standard form, indicating and interpreting results of compatibility tests performed before installation of product. Include written recommendations for primers and substrate preparation needed for adhesion.
- O. Field Test Reports: Prepare reports written by a qualified testing agency, on testing agency's standard form, indicating and interpreting results of field tests performed either during installation of product or after product is installed in its final location, for compliance with requirements in the Contract Documents.

- P. Maintenance Data: Prepare written and graphic instructions and procedures for operation and normal maintenance of products and equipment. Comply with requirements specified in Division 1 Section "Operation and Maintenance Data."
- Q. Design Data: Prepare written and graphic information, including, but not limited to, performance and design criteria, list of applicable codes and regulations, and calculations. Include list of assumptions and other performance and design criteria and a summary of loads. Include load diagrams if applicable. Provide name and version of software, if any, used for calculations. Include page numbers.
- R. Manufacturer's Instructions: Prepare written or published information that documents manufacturer's recommendations, guidelines, and procedures for installing or operating a product or equipment. Include name of product and name, address, and telephone number of manufacturer. Include the following, as applicable:
1. Preparation of substrates.
 2. Required substrate tolerances.
 3. Sequence of installation or erection.
 4. Required installation tolerances.
 5. Required adjustments.
 6. Recommendations for cleaning and protection.
- S. Manufacturer's Field Reports: Prepare written information documenting factory-authorized service representative's tests and inspections. Include the following, as applicable:
1. Name, address, and telephone number of factory-authorized service representative making report.
 2. Statement on condition of substrates and their acceptability for installation of product.
 3. Statement that products at Project site comply with requirements.
 4. Summary of installation procedures being followed, whether they comply with requirements and, if not, what corrective action was taken.
 5. Results of operational and other tests and a statement of whether observed performance complies with requirements.
 6. Statement whether conditions, products, and installation will affect warranty.
 7. Other required items indicated in individual Specification Sections.
- T. Insurance Certificates and Bonds: Prepare written information indicating status of insurance or bonding coverage. Include name of entity covered by insurance or bond, limits of coverage, amounts of deductibles, if any, and term of the coverage.
- U. Construction Photographs: Comply with requirements specified in Division 1 Section " Photographic Documentation."
- V. Material Safety Data Sheets (MSDSs): Submit information directly to Owner; do not submit to Owner.
- W. Project Conditions

Weather Conditions: Proceed with roofing work when existing and forecasted weather conditions permit work to be performed in accordance with manufacturer recommendations and warranty requirements.

Substrate Conditions: Do not begin roofing installation until the substrate has been inspected and determined to be in satisfactory condition.

Owner will not review submittals that include MSDSs and will return them for resubmittal.

PART 3 - EXECUTION

3.1 CONTRACTOR'S REVIEW

- A. Review each submittal and check for coordination with other Work of the Contract and for compliance with the Contract Documents. Note corrections and field dimensions. Mark with approval stamp before submitting to Owner.
- B. Approval Stamp: Stamp each submittal with a uniform, approval stamp. Include Project name and location, submittal number, Specification Section title and number, name of reviewer, date of Contractor's approval, and statement certifying that submittal has been reviewed, checked, and approved for compliance with the Contract Documents.

3.2 OWNER'S ACTION

- A. General: Owner will not review submittals that do not bear Contractor's approval stamp and will return them without action.
- B. Action Submittals: Owner will review each submittal, make marks to indicate corrections or modifications required, and return it. Owner will stamp each submittal with an action stamp and will mark stamp appropriately to indicate action taken.
- C. Informational Submittals: Owner will review each submittal and will not return it or will return it if it does not comply with requirements. Owner will forward each submittal to appropriate party.
- D. Partial submittals are not acceptable, will be considered nonresponsive, and will be returned without review.
- E. Submittals not required by the Contract Documents may not be reviewed and may be discard

PART 1 – GENERAL

1.1 RELATED DOCUMENTS

- A. Drawings and general provisions of the Contract, including General and Supplementary Conditions and other Division 1 Specification Sections, apply to this Section.

1.2 SUMMARY

- A. This Section includes administrative and procedural requirements for quality assurance and quality control.
- B. Testing and inspecting services are required to verify compliance with requirements specified or indicated. These services do not relieve Contractor of responsibility for compliance with the Contract Document requirements.
 - 1. Specific quality-assurance and -control requirements for individual construction activities are specified in the Sections that specify those activities. Requirements in those Sections may also cover production of standard products.
 - 2. Specified tests, inspections, and related actions do not limit Contractor's other quality- assurance and -control procedures that facilitate compliance with the Contract Document requirements.
 - 3. Requirements for Contractor to provide quality-assurance and -control services required by DPSCD, Owner, or authorities having jurisdiction are not limited by provisions of this Section.
 - 4. If retesting is required due to failure, the successful bidder is responsible for the cost of retesting

1.3 DEFINITIONS

- A. Quality-Assurance Services: Activities, actions, and procedures performed before and during execution of the Work to guard against defects and deficiencies and substantiate that proposed construction will comply with requirements.
- B. Quality-Control Services: Tests, inspections, procedures, and related actions during and after execution of the Work to evaluate that actual products incorporated into the Work and completed construction comply with requirements. Services do not include contract enforcement activities performed by Owner.
- C. Preconstruction Testing: Tests and inspections that are performed specifically for the Project before products and materials are incorporated into the Work to verify performance or compliance with specified criteria.
- D. Product Testing: Tests and inspections that are performed by an NRTL, an NVLAP, or a testing agency qualified to conduct product testing and acceptable to authorities having jurisdiction, to establish product performance and compliance with industry standards.
- E. Source Quality-Control Testing: Tests and inspections that are performed at the source, i.e., plant, mill, factory, or shop.

- F. Field Quality-Control Testing: Tests and inspections that are performed on-site for installation of the Work and for completed Work.
- G. Testing Agency: An entity engaged to perform specific tests, inspections, or both. Testing laboratory shall mean the same as testing agency.
- H. Installer/Applicator/Erector: Contractor or another entity engaged by Contractor as an employee, Subcontractor, or Sub-subcontractor, to perform a construction operation, including installation, erection, application, and similar operations.
 - 1. Using a term such as "carpentry" does not imply that certain construction activities must be performed by accredited or unionized individuals of a corresponding generic name, such as "carpenter." It also does not imply that requirements specified apply exclusively to trades people of the corresponding generic name.
- I. Experienced: When used with an entity, "experienced" means having successfully completed a minimum of five previous projects similar in size and scope to this Project(s); being familiar with special requirements indicated; and having complied with requirements of authorities having jurisdiction.

1.4 CONFLICTING REQUIREMENTS

- A. General: If compliance with two or more standards is specified and the standards establish different or conflicting requirements for minimum quantities or quality levels, comply with the most stringent requirement. Refer uncertainties and requirements that are different, but apparently equal, to Owner for a decision before proceeding.
- B. Minimum Quantity or Quality Levels: The quantity or quality level shown or specified shall be the minimum provided or performed. The actual installation may comply exactly with the minimum quantity or quality specified, or it may exceed the minimum within reasonable limits. To comply with these requirements, indicated numeric values are minimum or maximum, as appropriate, for the context of requirements. Refer uncertainties to Owner for a decision before proceeding.

1.5 SUBMITTALS

- A. Qualification Data: For testing agencies specified in "Quality Assurance" Article to demonstrate their capabilities and experience. Include proof of qualifications in the form of a recent report on the inspection of the testing agency by a recognized authority.
- B. Reports: Prepare and submit certified written reports that include the following:
 - 1. Date of issue.
 - 2. Project title and number.
 - 3. Name, address, and telephone number of testing agency.
 - 4. Dates and locations of samples and tests or inspections.
 - 5. Names of individuals making tests and inspections.

6. Description of the Work and test and inspection method.
 7. Identification of product and Specification Section.
 8. Complete test or inspection data.
 9. Test and inspection results and an interpretation of test results.
 10. Record of temperature and weather conditions at time of sample taking and testing and inspecting.
 11. Comments or professional opinion on whether tested or inspected Work complies with the Contract Document requirements.
 12. Name and signature of laboratory inspector.
 13. Recommendations on retesting and reinspection.
- C. Permits, Licenses, and Certificates: For Owner's records, submit copies of permits, licenses, certifications, inspection reports, releases, jurisdictional settlements, notices, receipts for fee payments, judgments, correspondence, records, and similar documents, established for compliance with standards and regulations bearing on performance of the Work.

1.6 QUALITY ASSURANCE

- A. General: Qualifications paragraphs in this Article establish the minimum qualification levels required; individual Specification Sections specify additional requirements.
- B. Installer Qualifications: A firm or individual experienced in installing, erecting, or assembling work similar in material, design, and extent to that indicated for this Project, whose work has resulted in construction with a record of successful in-service performance. A qualified firm that is approved, authorized, or licensed by roofing system manufacturer to install manufacture's product and that is eligible to receive manufacturer's warranty. Firm must also carry an Experience Modification Rating (EMR) of .8 or better.
- C. Manufacturer Qualifications: A firm experienced in manufacturing products or systems like those indicated for this Project and with a record of successful in-service performance, as well as sufficient production capacity to produce required units.
- D. Fabricator Qualifications: A firm experienced in producing products like those indicated for this Project and with a record of successful in-service performance, as well as sufficient production capacity to produce required units.
- E. Testing Agency Qualifications: An NRTL, an NVLAP, or an independent agency with the experience and capability to conduct testing and inspecting indicated, as documented according to ASTM E 548; and with additional qualifications specified in individual Sections; and where required by authorities having jurisdiction, that is acceptable to authorities.

NRTL: A nationally recognized testing laboratory according to 29 CFR 1910.7.

NVLAP: A testing agency accredited according to NIST's National Voluntary Laboratory Accreditation Program.

- F. Factory-Authorized Technical Representative Qualifications: An authorized, full-time

technical specialist employee representative of manufacturer who is trained and approved by manufacturer to observe and inspect installation of roofing systems that are similar in material, design, and extent to those indicated for this Project.

1.7 QUALITY CONTROL

1. Where services are indicated as Contractor's responsibility, engage a qualified testing agency or manufacturer holding project warranty to perform these quality-control services.
 2. Notify testing agencies at least 24 hours in advance of time when Work that requires testing or inspecting will be performed.
 3. Where quality-control services are indicated as Contractor's responsibility, submit a certified written report, in duplicate, of each quality-control service.
 4. Testing and inspecting requested by Contractor and not required by the Contract Documents are Contractor's responsibility.
 5. Submit additional copies of each written report directly to Detroit Public Schools Community District representative in Physical Plant Operations, when they so direct.
- B. Manufacturer's Field Services: Contractor shall, engage a full-time manufacturer-authorized technical representative to inspect field-assembled components. Report results in writing daily as specified in Division 1 Section "Submittal Procedures."
- C. Retesting/Reinspection: Regardless of whether original tests or inspections were Contractor's responsibility, provide quality-control services, including retesting and reinspection, for construction that replaced Work that failed to comply with the Contract Documents.
- D. Testing Agency Responsibilities: Cooperate with Owner and Contractor in performance of duties. Provide qualified personnel to perform required tests and inspections.
1. Notify Owner and Contractor promptly of irregularities or deficiencies observed in the Work during performance of its services.
 2. Determine the location from which test samples will be taken and in which in-situ tests are conducted.
 3. Conduct and interpret tests and inspections and state in each report whether tested and inspected work complies with or deviates from requirements.
 4. Submit a certified written report, in duplicate, of each test, inspection, and similar quality-control service through Contractor.
 5. Do not release, revoke, alter, or increase the Contract Document requirements or approve or accept any portion of the Work.
 6. Do not perform any duties of Contractor.
 7. Contractor will have testing agency on jobsite whenever contractor is performing roofing operations.
- E. Associated Services: Cooperate with agencies performing required tests, inspections, and similar quality-control services, and provide reasonable auxiliary services as requested. Notify agency sufficiently in advance of operations to permit

assignment of personnel. Provide the following:

1. Access to the Work.
 2. Incidental labor and facilities necessary to facilitate tests and inspections, including minor cutting and patching.
 3. Adequate quantities of representative samples of materials that require testing and inspecting. Assist agency in obtaining samples.
 4. Facilities for storage of test samples.
 5. Security and protection for samples and for testing and inspecting equipment at Project site.
- F. Coordination: Coordinate sequence of activities to accommodate required quality-assurance and -control services with a minimum of delay and to avoid necessity of removing and replacing construction to accommodate testing and inspecting.
1. Schedule times for tests, inspections, obtaining samples, and similes.

PART 2 - PRODUCTS (Not Used)

PART 3 - EXECUTION

3.1 TEST AND INSPECTION LOG

- A. Prepare a record of tests and inspections. Include the following:
1. Date test or inspection was conducted.
 2. Description of the Work tested or inspected.
 3. Date test or inspection results were transmitted to Owner.
 4. Identification of testing agency or special inspector conducting test or inspection.
- B. Maintain log at Project site. Post changes and modifications as they occur. Provide access to test and inspection log for Owner's reference during normal working hours.

3.2 REPAIR AND PROTECTION

- A. General: On completion of testing, inspecting, sample taking, and similar services, repair damaged construction and restore substrates and finishes.
1. Provide materials and comply with installation requirements specified in other Specification Sections. Restore patched areas and extend restoration into adjoining areas with durable seams that are as invisible as possible.
 2. Comply with the Contract Document requirements for Division 1 Section "Cutting and Patching."
- B. Protect construction exposed by or for quality-control service activities.

- C. Repair and protection are Contractor's responsibility, regardless of the assignment of responsibility for quality-control services.

PRODUCT REQUIREMENTS

PART 1 - GENERAL

1.1 RELATED DOCUMENTS

- A. Drawings and general provisions of the Contract, including General and Supplementary Conditions and other Division 1 Specification Sections, apply to this Section.

1.2 SUMMARY

- A. This Section includes administrative and procedural requirements for selection of products for use in Project; product delivery, storage, and handling; manufacturers' standard warranties on products; special warranties; product substitutions; and comparable products.

1.3 DEFINITIONS

- A. Products: Items purchased for incorporating into the Work, whether purchased for Project or taken from previously purchased stock. The term "product" includes the terms "material," "equipment," "system," and terms of similar intent.
 - 1. Named Products: Items identified by manufacturer's product name, including make or model number or other designation shown or listed in manufacturer's published product literature, which is current as of date of the Contract Documents.
 - 2. New Products: Items that have not previously been incorporated into another project or facility. Products salvaged or recycled from other projects are not considered new products.
 - 3. Comparable Product: Product that is demonstrated and approved through submittal process, or where indicated as a product substitution, to have the indicated qualities related to type, function, dimension, in-service performance, physical properties, appearance, and other characteristics that equal or exceed those of specified product.
- B. Substitutions: Changes in products, materials, equipment, and methods of construction from those required by the Contract Documents and proposed by Contractor.
- C. Basis-of-Design Product Specification: Where a specific manufacturer's product is named and accompanied by the words "basis of design," including make or model number or other designation, to establish the significant qualities related to type,

function, dimension, in-service performance, physical properties, appearance, and other characteristics for purposes of evaluating comparable products of other named manufacturers.

1.4 SUBMITTALS

- A. Product List: Submit a list, in tabular form, showing specified products. Include generic names of products required. Include manufacturer's name and proprietary product names for each product.
 - 1. Coordinate product list with Contractor's Construction Schedule and the Submittals Schedule.
 - 2. Completed List: Within 7 days after date of Notice of Award, submit 3 copies of completed product list. Include a written explanation for omissions of data and for variations from Contract requirements.
 - 3. Owner's Action: Owner will respond in writing to Contractor within 7 days of receipt of completed product list. Owner's response will include a list of unacceptable product selections and a brief explanation of reasons for this action. Owner's response, or lack of response, does not constitute a waiver of requirement to comply with the Contract Documents.
- B. Substitution Requests: Submit 3 copies of each request for consideration. Identify product or fabrication or installation method to be replaced. Include Specification Section number and title and Drawing numbers and titles.
 - 1. Substitution Request Form: Use CSI Form 13.1A or facsimile of form provided in this Project Manual.
 - 2. Documentation: Show compliance with requirements for substitutions and the following, as applicable:
 - a. Statement indicating why specified material or product cannot be provided.
 - b. Coordination information, including a list of changes or modifications needed to other parts of the Work that will be necessary to accommodate proposed substitution.
 - c. Detailed comparison of significant qualities of proposed substitution with those of the Work specified. Significant qualities may include attributes such as performance, weight, size, durability, visual effect, and specific features and requirements indicated.
 - d. Product Data, including drawings and descriptions of products and fabrication and installation procedures.
 - e. Samples, where applicable or requested.
 - f. List of similar installations for completed projects with project names and addresses and names and addresses of DPSCDs and owners.
 - g. Material test reports from a qualified independent testing agency indicating and interpreting test results for compliance with requirements indicated.
 - h. Research/evaluation reports evidencing compliance with building code in effect for Project, from a model code organization acceptable to authorities having jurisdiction.

- i. Detailed comparison of Contractor's Construction Schedule using proposed substitution with products specified for the Work, including effect on the overall Contract Time. If specified product or method of construction cannot be provided within the Contract Time, include letter from manufacturer, on manufacturer's letterhead, stating lack of availability or delays in delivery.
 - j. Cost information, including a proposal of change, if any, in the Contract Sum.
 - k. Contractor's certification that proposed substitution complies with requirements in the Contract Documents and is appropriate for applications indicated.
 - l. Contractor's waiver of rights to additional payment or time that may subsequently become necessary because of failure of proposed substitution to produce indicated results.
 - 3. Owner's Action: If necessary, Owner will request additional information or documentation for evaluation within 2 days of receipt of a request for substitution. Owner will notify Contractor of acceptance or rejection of proposed substitution within 2 days of receipt of request, or 2 days of receipt of additional information or documentation, whichever is later.
 - a. Form of Acceptance: Change Order.
 - b. Use product specified if Owner cannot decide on use of a proposed substitution within time allocated.
- C. Comparable Product Requests: Submit three copies of each request for consideration. Identify product or fabrication or installation method to be replaced. Include Specification Section number and title and Drawing numbers and titles.
 - 1. Owner's Action: If necessary, Owner will request additional information or documentation for evaluation within one week of receipt of a comparable product request. Owner will notify Contractor of approval or rejection of proposed comparable product request within 2 days of receipt of request, or 2 days of receipt of additional information or documentation, whichever is later.
 - a. Form of Approval: As specified in Division 1 Section "Submittal Procedures."
 - b. Use product specified if Owner cannot decide on use of a comparable product request within time allocated.

1.5 QUALITY ASSURANCE

- A. Compatibility of Options: If Contractor is given option of selecting between two or more products for use on Project, product selected shall be compatible with products previously selected, even if previously selected products were also options.

1.6 PRODUCT DELIVERY, STORAGE, AND HANDLING

- A. Deliver, store, and handle products using means and methods that will prevent damage, deterioration, and loss, including theft. Comply with manufacturer's written instructions.
- B. Delivery and Handling:
 - 1. Schedule delivery to minimize long-term storage at Project site and to prevent overcrowding of construction spaces.
 - 2. Coordinate delivery with installation time to ensure minimum holding time for items that are flammable, hazardous, easily damaged, or sensitive to deterioration, theft, and other losses.
 - 3. Deliver products to Project site in an undamaged condition in manufacturer's original sealed container or other packaging system, complete with labels and instructions for handling, storing, unpacking, protecting, and installing.
 - 4. Inspect products on delivery to ensure compliance with the Contract Documents and to ensure that products are undamaged and properly protected.
- C. Storage:
 - 1. Store products to allow for inspection and measurement of quantity or counting of units.
 - 2. Store materials in a manner that will not endanger Project structure.
 - 3. Store products that are subject to damage by the elements, under cover in a weathertight enclosure above ground, with ventilation adequate to prevent condensation.
 - 4. Store cementitious products and materials on elevated platforms.
 - 5. Store foam plastic from exposure to sunlight, except to extent necessary for period of installation and concealment.
 - 6. Comply with product manufacturer's written instructions for temperature, humidity, ventilation, and weather-protection requirements for storage.
 - 7. Protect stored products from damage and liquids from freezing.

1.7 PRODUCT WARRANTIES

- A. Warranties specified in other Sections shall be in addition to, and run concurrent with, other warranties required by the Contract Documents. Manufacturer's disclaimers and limitations on product warranties do not relieve Contractor of obligations under requirements of the Contract Documents.
- B. Special Warranty: Manufacturer's Roofing System Quality Assurance Warranty, in which manufacturer agrees to repair or replace components of roofing system that fail in materials or workmanship within specified warranty period. Failure includes roof leaks.
 - 1. Special warranty includes all non-manufactured metal flashings at pipes, projections and penetrations in the field. The manufacturer will, during the second, fifth year and tenth year of this warranty, inspect and provide a written Executive Summary (additional owner's documents may apply). Material manufacturer shall make pro-active roof repairs when conducting the

2-year 5 year and 10-year warranty inspections.

2. Warranty Period: 20 years from date of Substantial Completion.
- C. Special Project Warranty: Submit roofing Installer's warranty, on warranty form at end of this Section, signed by Installer, covering Work of this Section, including all components of roofing system such as roofing membrane, base flashing, roof insulation and fasteners for the following warranty period:
1. Warranty Period: Five years from date of Substantial Completion.
- D. Special Warranties: Prepare a written document that contains appropriate terms and identification, ready for execution. Submit a draft for approval before final execution.
1. Manufacturer's Standard Form: Modified to include Project-specific information and properly executed.
 2. Specified Form: When specified forms are included with the Specifications, prepare a written document using appropriate form properly executed.
- E. Submittal Time: Comply with requirements in Division 1 Section "Closeout Procedures."

PART 2 - PRODUCTS

2.1 PRODUCT SELECTION PROCEDURES

- A. General Product Requirements: Provide products that comply with the Contract Documents, that are undamaged and, unless otherwise indicated, that are new at time of installation.
1. Provide products complete with accessories, trim, finish, fasteners, and other items needed for a complete installation and indicated use and effect.
 2. Standard Products: If available, and unless custom products or nonstandard options are specified, provide standard products of types that have been produced and used successfully in similar situations on other projects.
 3. Owner reserves the right to limit selection to products with warranties not in conflict with requirements of the Contract Documents.
 4. Where products are accompanied by the term "as selected," Owner will make selection.
 5. Where products are accompanied by the term "match sample," sample to be matched is Owner's.
 6. Descriptive, performance, and reference standard requirements in the Specifications establish "salient characteristics" of products.
- B. Product Selection Procedures:
1. Basis-of-Design Product: Where Specifications name a product and include a list of manufacturers, provide the specified product or a comparable product by one of the other named manufacturers. Drawings and Specifications indicate sizes, profiles, dimensions, and other characteristics that are based on the product

- named. Comply with provisions in Part 2 "Comparable Products" Article for consideration of an unnamed product by the other named manufacturers.
2. Visual Matching Specification: Where Specifications require matching an established Sample, select a product that complies with requirements and matches Owner's sample. Owner's decision will be final on whether a proposed product matches.
 - a. If no product available within specified category matches and complies with other specified requirements, comply with provisions in Part 2 "Product Substitutions" Article for proposal of product.
 3. Visual Selection Specification: Where Specifications include the phrase "as selected from manufacturer's colors, patterns, textures" or a similar phrase, select a product that complies with other specified requirements.
 - a. Standard Range: Where Specifications include the phrase "standard range of colors, patterns, textures" or similar phrase, Owner will select color, pattern, density, or texture from manufacturer's product line that does not include premium items.
 - b. Full Range: Where Specifications include the phrase "full range of colors, patterns, textures" or similar phrase, Owner will select color, pattern, density, or texture from manufacturer's product line that includes both standard and premium items.

2.2 PRODUCT SUBSTITUTIONS

- A. Timing: Owner will consider requests for substitution if received within 7 days after the Notice of Award. Requests received after that time may be considered or rejected at discretion of Owner.
- B. Conditions: Owner will consider Contractor's request for substitution when the following conditions are satisfied. If the following conditions are not satisfied, Owner will return requests without action, except to record noncompliance with these requirements:
 1. Requested substitution does not require extensive revisions to the Contract Documents.
 2. Requested substitution is consistent with the Contract Documents and will produce indicated results.
 3. Substitution request is fully documented and properly submitted.
 4. Requested substitution will not adversely affect Contractor's Construction Schedule.
 5. Requested substitution has received necessary approvals of authorities having jurisdiction.
 6. Requested substitution is compatible with other portions of the Work.
 7. Requested substitution has been coordinated with other portions of the Work.
 8. Requested substitution provides specified warranty and special warranty.
 9. If requested substitution involves more than one contractor, requested substitution has been coordinated with other portions of the Work, is uniform and consistent, is compatible with other products, and is acceptable to all

contractors involved.

2.3 COMPARABLE PRODUCTS

- A. Conditions: Owner will consider Contractor's request for comparable product when the following conditions are satisfied. If the following conditions are not satisfied, Owner will return requests without action, except to record noncompliance with these requirements:
 - 1. Evidence that the proposed product does not require extensive revisions to the Contract Documents. That it is consistent with the Contract Documents and will produce the indicated results, and that it is compatible with other portions of the Work.
 - 2. Detailed comparison of significant qualities of proposed product with those named in the Specifications. Significant qualities include attributes such as performance, weight, size, durability, visual effect, and specific features and requirements indicated.
 - 3. Evidence that proposed product provides specified warranty.
 - 4. List of similar installations for completed projects with project names and addresses and names and addresses of DPSCDs and owners, if requested.
 - 5. Samples if requested

MISCELLANEOUS

CARPENTRY

PART 1 - GENERAL

1.1 RELATED DOCUMENTS

- A. Drawings and general provisions of the Contract, including General and Supplementary Conditions and Division 1 Specification Sections, apply to this Section.

1.2 SUMMARY

- A. This Section includes the following:
 - 1. Framing with dimension lumber.
 - 2. Rooftop equipment bases and support curbs.
 - 3. Wood blocking, cants, and mailers.
 - 4. Sheathing.

1.3 DEFINITIONS

- A. Lumber grading agencies, and the abbreviations used to reference them, include the following:

1. NELMA - Northeastern Lumber Manufacturers Association.
2. NLGA - National Lumber Grades Authority.
3. SPIB - Southern Pine Inspection Bureau.
4. WCLIB - West Coast Lumber Inspection Bureau.
5. WWPA - Western Wood Products Association.

1.4 SUBMITTALS

- A. Product Data: For each type of process and factory-fabricated product. Indicate component materials and dimensions and include construction and application details.
1. Include data for wood-preservative treatment from chemical treatment manufacturer and certification by treating plant that treated materials comply with requirements. Indicate type of preservative used, net amount of preservative retained, and chemical treatment manufacturer's written instructions for handling, storing, installing, and finishing treated material.
 2. For products receiving a waterborne treatment, include statement that moisture content of treated materials was reduced to levels specified before shipment to Project site.
 3. Include copies of warranties from chemical treatment manufacturers for each type of treatment.

1.5 DELIVERY, STORAGE, AND HANDLING

- A. Stack lumber, plywood, and other panels; place spacers between each bundle to provide air circulation. Provide for air circulation around stacks and under coverings.

PART 2 - PRODUCTS

2.1 WOOD PRODUCTS, GENERAL

- A. Lumber: DOC PS 20 and applicable rules of lumber grading agencies certified by the American Lumber Standards Committee Board of Review.
1. Factory mark each piece of lumber with grade stamp of grading agency.
 2. For exposed lumber indicated to receive a stained or natural finish, mark grade stamp on end or back of each piece.
 3. Where nominal sizes are indicated, provide actual sizes required by DOC PS 20 for moisture content specified. Where actual sizes are indicated, they are minimum dressed sizes for dry lumber.
 4. Provide dressed lumber, S4S, unless otherwise indicated.
 5. Provide dry lumber with 19 percent maximum moisture content at time of dressing for 2- inch nominal thickness or less, unless otherwise indicated.
- B. Wood Structural Panels:
1. Plywood: Either DOC PS 1 or DOC PS 2, unless otherwise indicated.

2.2 WOOD-PRESERVATIVE-TREATED MATERIALS

- A. Preservative Treatment by Pressure Process: AWPAC2 (lumber) and AWPAC9 (plywood), except that lumber that is not in contact with the ground and is continuously protected from liquid water may be treated according to AWPAC31 with inorganic boron (SBX).
 - 1. Preservative Chemicals: Acceptable to authorities having jurisdiction and one of the following:
 - a. Chromate copper arsenate (CCA).
- B. Kiln-dry material after treatment to a maximum moisture content of 19 percent for lumber and 15 percent for plywood. Do not use material that is warped or does not comply with requirements for untreated material.
- C. Mark each treated item with the treatment quality mark of an inspection agency approved by the American Lumber Standards Committee Board of Review.
 - 1. For exposed lumber indicated to receive a stained or natural finish, mark end or back of each piece.
- D. Application: Treat items as directed, and the following:
 - 1. Wood cants, mailers, curbs, equipment support bases, blocking, stripping, and similar members in connection with roofing, flashing, vapor barriers, and waterproofing.
 - 2. Wood sills, blocking, and similar concealed members in contact with masonry or concrete.
 - 3. Use treatment that does not promote corrosion of metal fasteners.
 - 4. Use Exterior type for exterior locations and where indicated.

2.3 MISCELLANEOUS LUMBER

- A. General: Provide lumber for support or attachment of other construction, including the following:
 - 1. Rooftop equipment bases and support curbs.
 - 2. Blocking.
 - 3. Cants.
 - 4. Mailers.
 - 5. Furring.
 - 6. Grounds.
- B. For items of dimension lumber size, provide Construction, Stud, or No. 2 grade lumber with 15 percent maximum moisture content and any of the following species:
 - 1. Mixed southern pine; SPIB.

2. Eastern softwoods; NELMA.
 3. Northern species; NLGA.
 4. Western woods; WCLIB or WWP.
- C. For concealed boards, provide lumber with 15 percent maximum moisture content and any of the following species and grades:
1. Mixed southern pine, No. 2 grade; SPIB.
 2. Eastern softwoods, No. 2 Common grade; NELMA.
 3. Northern species, No. 2 Common grade; NLGA.
 4. Western woods, Construction or No. 2 Common grade; WCLIB or WWP.

2.4 PANEL PRODUCTS

- A. Miscellaneous Concealed Plywood: Exterior sheathing, span rating to suit framing in each location, and thickness as indicated but not less than 1/2 inch.

2.5 FASTENERS

- A. General: Provide fasteners of size and type indicated that comply with requirements specified in this Article for material and manufacture.
1. Where carpentry is exposed to weather, in ground contact, or in area of high relative humidity, provide fasteners with hot-dip zinc coating complying with ASTM A 153/A 153M or of Type 304 stainless steel.
- B. Nails, Wire, Brads, and Staples: FS FF-N-105.
- C. Power-Driven Fasteners: CABO NER-272.
- D. Wood Screws: ASME B18.6.1.
- E. Screws for Fastening to Cold-Formed Metal Framing: ASTM C 954, except with wafer heads and reamer wings, length as recommended by screw manufacturer for material being fastened.
- F. Lag Bolts: ASME B18.2. 1..
- G. Bolts: Steel bolts complying with ASTM A 307, Grade A; with ASTM A 563 hex nuts and, where indicated, flat washers.
- H. Expansion Anchors: Anchor bolt and sleeve assembly of material indicated below with capability to sustain, without failure, a load equal to 6 times the load imposed when installed in unit masonry assemblies and equal to 4 times the load imposed when installed in concrete as determined by testing per ASTM E 488 conducted by a qualified independent testing and inspecting agency.
1. Material: Stainless steel with bolts and nuts complying with ASTM F 593 and ASTM F 594, Alloy Group 1 or 2.

2.6 METAL FRAMING ANCHORS

- A. General: Provide galvanized steel framing anchors of structural capacity, type, and size indicated and acceptable to authorities having jurisdiction.
- B. Galvanized Steel Sheet: Hot-dip galvanized after fabrication (ASTM A 153/A 153M) or stainless steel (ASTM A 666, Type 304)

PART 3 - EXECUTION

3.1 INSTALLATION, GENERAL

- A. Discard units of material with defects that impair quality of carpentry and that are too small to use with minimum number of joints or optimum joint arrangement.
- B. Set carpentry to required levels and lines, with members plumb, true to line, cut, and fitted. Fit carpentry to other construction; scribe and cope as needed for accurate fit. Locate mailers, blocking, and similar supports to comply with requirements for attaching other construction.
- C. Apply field treatment complying with AWPAC M4 to cut surfaces of preservative-treated lumber and plywood.
- D. Securely attach carpentry work as indicated and according to applicable codes and recognized standards.
- E. Countersink fastener heads on exposed carpentry work and fill holes with wood filler.
- F. Use fasteners of appropriate type and length. Pre-drill members when necessary to avoid splitting wood.

3.2 WOOD BLOCKING, AND NAILER INSTALLATION

- A. Install where indicated and where required for attaching other work. Form to shapes indicated and cut as required for true line and level of attached work. Coordinate locations with other work involved.
- B. Attach items to substrates to support applied loading. Recess bolts and nuts flush with surfaces, unless otherwise indicated.

3.3 PANEL PRODUCT INSTALLATION

- A. Wood Structural Panels: Comply with applicable recommendations contained in APA Form No. E30K, "APA Design/Construction Guide: Residential & Commercial," for types of structural-use panels and applications indicated.

WARRANTY FOR MEMBRANE ROOFING

PART 1 - GENERAL

1.1 RELATED DOCUMENTS

- A. Drawings and general provisions of the Contract, including General and Supplementary Conditions and Division 01 Specification Sections, apply to this Section.

1.2 SUMMARY

- A. Section Includes:
 - 1. Manufacturer's special warranty requirements for membrane roofing system and related components.
 - 2. Installer's project warranty requirements.
 - 3. All warranties are to be provided to Detroit Public Schools Community District within sixty (60) days of substantial completion.

1.3 SUBMITTALS

- A. Warranty: Sample of special warranty.

1.4 WARRANTY

- A. Warranty, General: Warranties specified shall be in addition to, and run concurrent with, other warranties required by the Contract Documents. Manufacturer's disclaimers and limitations on product warranties do not relieve Contractor of obligations under requirements of the Contract Documents.
- B. Roof System Warranty, General: Warranties specified in this Section include the following components and systems specified in other sections supplied by the roofing system Manufacturer, and installed by the roofing system Installer:
 - 1. Sheet metal flashing and trim, including roof penetration flashings.
 - 2. Manufactured or Contractor Installed copings, roof edge, counterflashing's, and reglets.
 - 3. Roof curbs, hatches, and penetration flashings.
 - 4. Roof and parapet expansion joint assemblies.
 - 5. Metal roof, wall, and soffit panels and trim.
 - 6. Warranty Period: 20 years from date of Substantial Completion.
- C. Installer's Warranty: Submit roofing Installer's warranty, on warranty form at end of this Section, signed by Installer, covering the Work of this Section and related Sections indicated above, including all components of built-up roofing such as built-up roofing membrane, base flashing, roof insulation, fasteners, cover boards, substrate boards, vapor retarders, roof pavers, and walkway products, for the following warranty period:
 - 1. Warranty Period: Five years from date of Substantial Completion. – Fifth year the Installer and Building Engineer will jointly conduct a full survey to identify preventable maintenance, the form will be used to cover the remainder of the warranty.

1.5 ROOF QA+ PREMIERE WARRANTY AGREEMENT

- A. Roof Management/Warranty: Provide a proposal to the Owner for roofing management services to include the following services, for the period indicated, utilizing employees approved by or under the direct supervision of the Manufacturer.
- B. Annual Roofing Management Services: Include the following services:
 - 1. Roof Inspection Report: Provide report of roof conditions based upon roof inspections by qualified roofing Inspector. Indicate recommended repairs that are outside the scope of this Services Agreement. Inspect all items of work covered under warranty specified in this Section, including roof membrane, flashings, penetrations, drains, gutters, scuppers, parapets, copings roof edge, counterflashing's, regrets, expansion joints.
 - 2. Roofing Housekeeping: Perform the following housekeeping activities at time of bi- annual inspection:
 - a. Remove, bag, and properly dispose of debris from roof membrane, drains, gutters, and scuppers.
 - 3. Roofing Preventive Maintenance: Perform the following preventive maintenance activities at time of -annual inspection:
 - a. Roof Membrane Repair: Repair tears, splits, and breaks in the roof membrane with recommended repair mastic and membranes. Comply with Manufacturer's written repair and maintenance guidelines. Dress up reflective coatings on flashings. Coat exposed reinforcing membranes with approved mastics.
 - b. Metal Edge Flashing Components: Repair open flashing strip-ins with recommended mastics and membranes. Secure metal edge cleats and clips. Re- seal exposed fasteners.
 - c. Parapet Wall and Counterflashing Systems: Repair breaks, tears and splits in flashing strip-ins with recommended repair mastics and membranes. Coat exposed reinforcing membranes with approved mastics. Re-seal exposed fasteners. Clean and re-seal voids in termination bars, counterflashing's, and parapet caps. Re- secure termination bars and counterflashing's. Check and re-secure loose metal coping caps to cleats.
 - d. Equipment/Projection Flashing Components: Repair open or split flashing strip- ins will be repaired with appropriate mastic and membrane. Secure unsecured roof top equipment. Tighten and re-seal exposed fasteners. Seal termination bars and counterflashing's. Refill and top off pitch pans. Check and re-seal metal projections (hoods and clamps).
 - e. Drains, Gutters and Scuppers: Check and re-secure drain bolts and clamping rings. Advise owner of missing drain dome strainers. Check strip-ins around drain leads, coat with approved mastic. Check gutter straps, joints and strip-ins. Check inside and exterior of scuppers for open solder or caulking seals.
- C. Storm Reports, Monitoring and Follow-up: Provide roof inspection upon Owner request following major storm activity.
 - 1. Provide a system that meets all test requirements for Factory Mutual I-60 Wind classification.

2. Wind Uplift Resistance: Roof and insulation component must meet or exceed I-90 (90 MPH) requirement of FMI-28 Wind Loss Data Sheet
- D. Leak Response: Provide the following leak response services to Owner:
1. Toll free number for leak reporting by Owner. Monitor calls twenty-four hours per day, 365 days a year.
 2. Call-back response to Owner's leak report from manufacturer's technical representative within twenty-four hours of report.
 3. Manufacturer-approved roofing repair crew, at the building site, within two business days of report.
 4. Follow-up inspection by manufacturer's technical representative to ensure that repairs were carried out in accordance with manufacturer's recommendations.
 5. Monitor leak reports and response and provide written quarterly summary if leaks have occurred.
- E. Roof Management and Maintenance Services Agreement Period: 20 years from date of Substantial Completion.

PART 2 – PRODUCTS

PART 3 - EXECUTION

3.1 ROOFING INSTALLER'S WARRANTY

- A. WHEREAS _____ of _____, herein called the "Roofing Installer," has performed roofing and associated work ("work") on the following project:
1. Owner: _____
 2. Address: _____
 3. Building Name/Type: _____
 4. Address: _____
 5. Area of Work: _____
 6. Acceptance Date: _____
 7. Warranty Period: _____
 8. Expiration Date: _____
- B. AND WHEREAS Roofing Installer has contracted (either directly with Owner or indirectly as a subcontractor) to warrant said work against leaks and faulty or defective materials and workmanship for designated Warranty Period,
- C. NOW THEREFORE Roofing Installer hereby warrants, subject to terms and conditions herein set forth, that during Warranty Period he will, at his own cost and expense, make or cause to be made such repairs to or replacements of said work as are necessary to correct faulty and defective work and as are necessary to maintain said work in a watertight condition.
- D. This Warranty is made subject to the following terms and conditions:

1. Specifically excluded from this Warranty are damages to work and other parts of the building, and to building contents, caused by:
 - a. lightning;
 - b. peak gust wind speed exceeding 74 mph (33 m/s);
 - c. fire;
 - d. failure of roofing system substrate, including cracking, settlement, excessive deflection, deterioration, and decomposition;
 - e. faulty construction of parapet walls, copings, chimneys, skylights, vents, equipment supports, and other edge conditions and penetrations of the work;
 - f. vapor condensation on bottom of roofing; and
 - g. activity on roofing by others, including construction contractors, maintenance personnel, other persons, and animals, whether authorized or unauthorized by Owner.
2. When work has been damaged by any of foregoing causes, Warranty shall be null and void until such damage has been repaired by Roofing Installer and until cost and expense thereof have been paid by Owner or by another responsible party so designated.
3. Roofing Installer is responsible for damage to work covered by this Warranty but is not liable for consequential damages to building or building contents resulting from leaks or faults or defects of work.
4. During Warranty Period, if Owner allows alteration of work by anyone other than Roofing Installer, including cutting, patching, and maintenance in connection with penetrations, attachment of other work, and positioning of anything on roof, this Warranty shall become null and void on date of said alterations, but only to the extent said alterations affect work covered by this Warranty. If Owner engages Roofing Installer to perform said alterations, Warranty shall not become null and void unless Roofing Installer, before starting said work, shall have notified Owner in writing, showing reasonable cause for claim, that said alterations would likely damage or deteriorate work, thereby reasonably justifying a limitation or termination of this Warranty.
5. During Warranty Period, if original use of roof is changed and it becomes used for, but was not originally specified for, a promenade, work deck, spray-cooled surface, flooded basin, or other use or service more severe than originally specified, this Warranty shall become null and void on date of said change, but only to the extent said change affects work covered by this Warranty.
6. Owner shall promptly notify Roofing Installer of observed, known, or suspected leaks, defects, or deterioration and shall afford reasonable opportunity for Roofing Installer to inspect work and to examine evidence of such leaks, defects, or deterioration.
7. This Warranty is recognized to be the only warranty of Roofing Installer on said work and shall not operate to restrict or cut off Owner from other remedies and resources lawfully available to Owner in cases of roofing failure. Specifically, this Warranty shall not operate to relieve Roofing Installer of responsibility for performance of original work according to requirements of the Contract Documents, regardless of whether Contract was a contract directly with Owner or a subcontract with Owner's General Contractor.

E. IN WITNESS THEREOF, this instrument has been duly executed by:

1. Authorized Signature: _____
2. Name: _____
3. Date: _____

3.2 POLYVINYL CHLORIDE (PVC) MEMBRANE ROOFING

PART 1- GENERAL

SECTION INCLUDES

Adhered PVC membrane roofing system.
Cover board.

Roof insulation.

RELATED SECTIONS:

Division 06 Section "Miscellaneous Rough Carpentry" for wood mailers, cants and curbs.

Division 07 Section "Sheet Metal Flashing and Trim" for metal roof penetration flashings, flashings, and counterflashing's.

Division 22 Section "Storm Drainage Piping Specialties" for roof drains.

REFERENCES

Roofing Terminology: Refer to the following publications for definitions of roofing work related terms used in this Section:

ASTM D 1079 "Terminology Relating to Roofing and Waterproofing."

2. Glossary of NRCA's "The NRCA Roofing Manual."

3. Roof Consultants Institute "Glossary of Roofing Terms."

Sheet Metal Terminology and Techniques: SMACNA "Pectoral Sheet Metal Manual."

DESIGN CRITERIA

General: Installed roofing membrane systems shall remain watertight; and resist specified wind uplift pressures, thermally induced movement, and exposure to weather without failure.

Material Compatibility: Roofing materials shall be compatible with one another under conditions of service and application required, as demonstrated by roofing system manufacturer based on testing and field experience.

C. Wind Uplift Performance: Roofing system shall be identical to systems that have been successfully tested by a qualified testing and inspecting agency to resist wind uplift pressure calculated in accordance with ASCE 7.

SUBMITTALS

Product Data: Manufacturer's product data sheets for each product to be provided.

Acceptable Manufacturers:

John Manville

Carlisle

Detail Drawings: Provide roofing system plans, elevations, sections, details, and details of attachment to other Work, including:

Base flashings, cants, and membrane terminations.

Tapered insulation, including slopes.

Crickets, saddles, and tapered edge strips, including slopes.

Insulation fastening patterns.

Verification Samples: Provide for each product specified.

Installer Certificates: Signed by roofing system manufacturer certifying that Installer is approved, authorized, or licensed by manufacturer to install roofing system.

Maintenance Data: Refer to manufacturer's latest published documents.

Guarantees: Provide manufacturer's current guarantee specimen.

QUALITY ASSURANCE

Installer Qualifications: Qualified firm that is approved, authorized, or licensed by roofing system manufacturer to install manufacturer's product and is eligible to receive the specified manufacturer's guarantee.

Manufacturer Qualifications: Qualified manufacturer that has UL listing for roofing system identical to that used for this Project.

Testing Agency Qualifications: Independent testing agency with the experience and capability to conduct the testing indicated, as documented in accordance with ASTM E329.

Test Reports:

Roof drain and leader test or submit plumber's verification.

Source Limitations: Obtain all components from the single source roofing system manufacturer guaranteeing the roofing system. All products used in the system shall be labeled by the single source roofing system manufacturer issuing the guarantee.

Fire-Test-Response Characteristics: Roofing materials shall comply with the fire-test-

response characteristics indicated as determined by testing identical products per test method below by UL, or another testing and inspecting agency acceptable to authorities having jurisdiction. Materials shall be identified with appropriate markings of applicable testing and inspecting agency.

Exterior Fire-Test Exposure: Class A; ASTM E 108, for application and roof slopes indicated.

Fire-Resistance Ratings: ASTM E 119, for fire-resistance-rated roof assemblies of which roofing system is a part.

DELIVERY, STORAGE, AND HANDLING

Deliver roofing materials in original containers with seals unbroken and labeled with manufacturer's name, product brand name and type, date of manufacture, and directions for storage.

B. Store liquid materials in their original undamaged containers in a clean, dry, protected location and within the temperature range required by roofing system manufacturer.

C. Protect roof insulation materials from physical damage and from deterioration by sunlight, moisture, soiling, and other sources. Comply with insulation manufacturer's written instructions for handling, storing, and protecting during installation.

D. Handle and store roofing materials and place equipment in a manner to avoid permanent deflection of deck.

PROJECT CONDITIONS

Weather Limitations: Proceed with installation only when current and forecasted weather conditions permit roofing system to be installed in accordance with manufacturer's written instructions and guarantee requirements.

GUARANTEES

Provide manufacturer's system guarantee equal to Johns Manville's Peak Advantage No Dollar Limit Roofing System Guarantee.

Single-Source special guarantee includes roofing membrane, base flashings, roofing membrane accessories, roof insulation, fasteners, cover board, walkway products, manufacturer's edge metal products and other single-source components of roofing system marketed by the manufacturer.

Guarantee Period: 20 years from date of Substantial Completion.

Installer's Guarantee: Submit roofing Installer's guarantee signed by Installer, covering Work of this Section, including all components of roofing system, for the following guarantee period:

Guarantee Period: Two years from date of Substantial Completion.

Existing Guarantees: Guarantees on existing building elements should not be affected

by scope of work.

Installer is responsible for coordinating with building owner's representative to verify compliance.

PART 2 – PRODUCTS

MANUFACTURER

Basis of Design Manufacturer: Johns Manville, a Berkshire Hathaway Company.

POLYVINYL-CHLORIDE ROOFING MEMBRANE - PVC

PVC Sheet: ASTM D 4434, Type III, fabric reinforced that contains KEE (Elavon) to reduce plasticizer migration. Basis of Design: JM PVC SD Plus.

Certification, by letter, stating that the formulation has a minimum 20 years of performance history in North America.

Thickness: 80 mils, nominal.

Exposed Face Color. White.

AUXILIARY ROOFING MATERIALS - SINGLE PLY

General: Auxiliary materials recommended by roofing system manufacturer for intended use and compatible with membrane roofing.

Liquid-type auxiliary materials shall meet vow limits of authorities having jurisdiction.

Sheet Flashing: Manufacturer's internally reinforced or scrim reinforced, smooth backed membrane with same thickness and color as sheet membrane. Basis of Design: JM PVC SD Plus.

Bonding Adhesive: Manufacturer's standard solvent-based bonding adhesive for membrane, and solvent- based bonding adhesive for base flashings. Basis of Design: JM PVC Membrane Adhesive (Low VOC).

Metal Termination Bars: Manufacturer's standard predrilled stainless-steel or aluminum bars, with anchors. Basis of Design: JM Termination Systems.

Miscellaneous Accessories: Provide pourable sealers, preformed cone and vent sheet flashings, preformed inside and outside comer sheet flashings, T-joint covers, cover strips, sealants, and other accessories.

AUXILIARY ROOFING SYSTEM COMPONENTS

Expansion Joints: Provide factory fabricated weatherproof, exterior covers for expansion joint openings consisting of flexible rubber membrane, supported by a closed cell foam to form flexible bellows, with two metal flanges, adhesively and mechanically combined to the bellows by a bifurcation process. Provide product manufactured and marketed by single-source membrane supplier that is included in the No Dollar Limit guarantee. Basis of Design: Expand-0-Flash (vertical), Expand-0-

Gard (horizontal}.

Coping System: Manufacturer's factory fabricated coping consisting of a base piece and a Snap-On cap. Provide product manufactured and marketed by single-source membrane supplier that is included in the No Dollar Limit guarantee. Basis of Design: Presto-Lock Coping.

Fascia System: Manufacturer's factory fabricated fascia consisting of a base piece and a Snap-On cover. Provide product manufactured and marketed by single-source membrane supplier that is included in the No Dollar Limit guarantee. Basis of Design: Presto-Tate Fascia.

PVC-Coated Metal: Manufacturer's factory fabricated edge metal consisting of a mechanically fastened flange with a PVC-coated face for welding membrane. Provide product by single-source membrane supplier that is included in the No Dollar Limit guarantee. Basis of Design: JM PVC-Coated Metal.

E. Metal Flashing Sheet: Metal flashing sheet is specified in Division 07 Section "Sheet Metal Flashing and Trim."

WALKWAYS AND SAFETY STRIPS

Flexible Walkways: Factory-formed, nonporous, heavy-duty, slip-resisting, surface-textured walkway pads sourced from membrane roofing system manufacturer. Basis of Design: JM PVC Heavy Duty Walk pad.

Safety Strips: Manufacturer's minimum 45 mils, reinforced, UV-resistant PVC (polyvinyl chloride) with Elavon KEE (ketone ethylene ester) safety warning line for roof perimeters. Basis of Design: JM PVC Safety Strip

Exposed Face Color: Yellow

COVER BOARD

High-Density Polyisocyanurate: ASTM C 1289, Type II, Class 4, Grade 3, High-density Polyisocyanurate technology bonded in-line to mineral-surfaced, fiber glass reinforced facers with greater than 140 lbs. of compressive strength. Basis of Design: lianas Roof Board.

ROOF INSULATION

General: Preformed roof insulation boards that comply with requirements and referenced standards, selected from manufacturer's standard sizes and of thicknesses indicated.

Polyisocyanurate Board Insulation: ASTM C 1289, Type II, Class 1, Grade 2 (20 psi), Basis of Design: ENRGY 3.

Provide insulation package with minimum R Value: minimum required by applicable code.

Provide insulation package in multiple layers.

Minimum Long-Term Thermal Resistance (LTTR): 5.7 per inch.

Determined in accordance with CAN/ULC S770 at 75°F(24°C)

TAPERED INSULATION

Tapered Insulation: ASTM C 1289, Type II, Class 1, Grade 2 (20 psi}, provide factory-tapered insulation boards fabricated to slope of 1 1/4 inches per 12 inches (1:48}, unless otherwise indicated. Basis of Design: Tapered ENERGY 3.

INSULATION ACCESSORIES

General: Roof insulation accessories recommended by insulation manufacturer for intended use and compatible with membrane roofing.

Provide factory preformed saddles, crickets, tapered edge strips, and other insulation shapes where indicated for sloping to drain. Fabricate to slopes indicated.

Fasteners: Factory-coated steel fasteners and metal or plastic plates meeting corrosion-resistance provisions in FMG 4470, designed for fastening roof insulation to substrate, and furnished by roofing system manufacturer. Basis of Design: Ultrafast Fasteners and Plates.

Urethane Adhesive: Manufacturer's two component polyurethane adhesive formulated to adhere insulation to substrate. Basis of Design: JM Two-Part Urethane Insulation Adhesive (UIA} or JM One- Step Foam Able Adhesive.

Wood Nailery Strips: Comply with requirements in Division 06 Section "Miscellaneous Rough Carpentry."

PART 3 - EXECUTION EXAMINATION

Examine substrates, areas, and conditions for compliance with the requirements affecting performance of roofing system. Contractor shall visit site to familiarize him or her with all areas of roof system, site, planned staging areas, access roads, access doors and panels and all aspects of the roof system and related elements prior to bidding and any installation activities.

General:

Verify that roof openings and penetrations are in place and set and braced and that roof drains are securely clamped in place.

Verify that wood cants, blocking, curbs, and mailers are securely anchored to roof deck at penetrations and terminations and that mailers match thicknesses of insulation.

Concrete Decks:

Verify that concrete curing compounds that will impair adhesion of roofing components to roof deck have been removed.

verify that concrete substrate is visibly dry and free of moisture.

Ensure general rigidity and proper slope for drainage.

Verify that deck is securely fastened with no projecting fasteners and with no adjacent units more than 1/16 inch (1.6 mm) out of plane relative to adjoining deck.

Unacceptable panels should be brought to the attention of the General Contractor and Project Owner's Representative and must be corrected prior to installation of roofing system.

Proceed with installation only after unsatisfactory conditions have been corrected.

PREPARATION

Clean and remove from substrate sharp projections, dust, debris, moisture, and other substances detrimental to roofing installation in accordance with roofing system manufacturers written instructions.

Prevent materials from entering and clogging roof drains and conductors and from spilling or migrating onto surfaces of other construction.

RE-ROOF PREPARATION

Remove all roofing materials, surfacing, coverboards, insulation, fasteners, asphalt, pitch, adhesives, etc.

Remove an area no larger than can be re-roofed in one day.

Tear out all base flashings, counterflashing's, pitch pans, pipe flashings, vents and like components necessary for application of new membrane.

Remove abandoned equipment curbs, skylights, smoke hatches, and penetrations.

Install decking to match existing as directed by Owners Representative.

Raise (disconnect by licensed craftsmen, if necessary) all HVAC units and other equipment supported by curbs to conform with the following:

Modify curbs as required to provide a minimum 8" base flashing height measured from the surface of the new membrane to the top of the flashing membrane.

Secure top of flashing and install new metal counterflashing prior to re-installation of unit.

Perimeter mailers must be elevated to match elevation of new roof insulation.

Immediately remove all debris from roof surface. Demolished shed roof system may

not be stored on the roof surface.

INSULATION INSTALLATION

Coordinate installation of roof system components so insulation and cover board are not exposed to precipitation or left exposed at the end of the workday.

Comply with roofing system manufacturers written instructions for installation of roof insulation and cover board.

Install tapered insulation under area of roofing to conform to slopes indicated.

Install insulation boards with long joints in a continuous straight line with end joints staggered between rows, abutting edges and ends between boards. Fill gaps exceeding 1/4 inch (6 mm) with like material.

Install 2 or more layers with joints of each succeeding layer staggered from joints of previous layer a minimum of 6 inches (150 mm) in each direction.

Trim surface of insulation boards where necessary at roof drains so completed surface is flush and does not restrict flow of water.

Install tapered edge strips at perimeter edges of roof that do not terminate at vertical surfaces.

Adhered Insulation: Install each layer of insulation and cover board and adhere to substrate as follows:

Install each layer in a urethane adhesive according to roofing system manufacturer's instruction.

Install each layer to resist uplift pressure at comers, perimeter, and field of roof.

COVER BOARD INSTALLATION

Coordinate installing membrane roofing system components so cover board is not exposed to precipitation or left exposed at the end of the workday.

Comply with membrane roofing system manufacturer's written instructions for installing roof cover board.

Install cover board with long joints of cover board in a continuous straight line with end joints staggered between rows, abutting edges and ends between boards. Fill gaps exceeding 1/4 inch (6 mm) with cover board.

Cut and fit cover board within 1/4 inch (6 mm) of mailers, projections, and penetrations.

Trim surface of cover board where necessary at roof drains so completed surface is

flush and does not restrict flow of water.

Install tapered edge strips at perimeter edges of roof that do not terminate at vertical surfaces.

Adhered Cover Board: Adhere cover board to substrate as follows:

Install each layer in a urethane adhesive according to roofing system manufacturer's instruction.

Install to resist uplift pressure at corners, perimeter, and field of roof.

ROOFING MEMBRANE INSTALLATION, GENERAL

Install roofing membrane in accordance with roofing system manufacturer's written instructions, applicable recommendations of the roofing manufacturer and requirements in this Section.

Start installation of roofing membrane in presence of roofing system manufacturer's technical personnel.

Where roof slope exceeds 1/2 inch per 12 inches (1:24), contact the membrane manufacturer for installation instructions regarding installation direction and back nailing.

Cooperate with testing and inspecting agencies engaged or required to perform services for installing roofing system.

Coordinate installing roofing system, so insulation and other components of the roofing membrane system not permanently exposed are not subjected to precipitation or left uncovered at the end of the workday or when rain is imminent.

Provide tie-offs at end of each day's work to cover exposed roofing membrane sheets and insulation with joints and edges sealed.

Complete terminations and base flashings and provide temporary seals to prevent water from

entering completed sections of roofing system.

Remove and discard temporary seals before beginning work on adjoining roofing.

ADHERED ROOFING MEMBRANE INSTALLATION

Install roofing membrane over area to receive roofing in accordance with membrane roofing system manufacturer's written instructions.

Unroll roofing membrane and allow to relax before installing.

Install sheet in accordance with roofing system manufacturer's written instructions.

Accurately align roofing membrane and maintain uniform side and end laps of minimum dimensions required by manufacturer. Stagger end laps.

Bonding Adhesive: Apply solvent-based bonding adhesive to substrate and underside of roofing membrane at rate required by manufacturer and allow to partially dry before installing roofing membrane. Do not apply bonding adhesive to splice area of roofing membrane.

Mechanically fasten roofing membrane securely at terminations, penetrations, and perimeter of roofing.

Apply roofing membrane with side laps shingled with slope of roof deck where possible.

Seams: Clean seam areas, overlap roofing membrane, and hot-air weld side and end laps of roofing membrane according to manufacturer's written instructions to ensure a watertight seam installation.

Test lap edges with probe to verify seam weld continuity.

Verify field strength of seams a minimum of twice daily and repair seam sample areas.

Remove and repair any unsatisfactory sections before proceeding with Work.

Repair tears, voids, and lapped seams in roofing membrane that do not meet requirements.

Spread sealant or mastic bed over deck drain flange at deck drains and securely seal roofing membrane in place with clamping ring.

Install roofing membrane and auxiliary materials to tie into existing roofing.

BASE FLASHING INSTALLATION

Install sheet flashings and preformed flashing accessories and adhere to substrates in accordance with membrane roofing system manufacturer's written instructions.

Apply solvent-based bonding adhesive at required rate and allow to partially dry. Do not apply bonding adhesive to seam area of flashing.

Flash penetrations and field-formed inside and outside corners per manufacturer's installation instructions.

Clean seam areas and overlap and firmly roll sheet flashings into the adhesive. Weld side and end laps to ensure a watertight seam installation.

Exterminated and seal top of sheet flashings and mechanically anchor to substrate through termination bars.

WALKWAY INSTALLATION

Flexible Walkways: Install walkway products in locations indicated. Heat-weld walkway products to substrate according to roofing system manufacturer's written instructions.

Roof-Paver Walkways: Install walkway roof pavers according to manufacturer's written instructions in locations indicated, to form walkways. Leave 3 inches (75 mm) of space between adjacent roof pavers. Install these as Directed by DPSCD.

FIELD QUALITY CONTROL

Testing Agency: Owner will engage a qualified independent testing and inspecting agency to perform roof tests and inspections and to prepare test reports.

Final Roof Inspection: Arrange for roofing system manufacturer's Registered Roof Observer (RRO) to inspect roofing installation on completion and submit report to DPSCD.

Notify DPSCD or Owner 48 hours in advance of date and time of inspection.

Repair or remove and replace components of roofing system where test results or inspections indicate that they do not comply with specified requirements.

Additional testing and inspecting, at Contractor's expense, will be performed to determine compliance of replaced or additional work with specified requirements.

PROTECTION AND CLEANING

A. Protect roofing system from damage and wear during remainder of construction period.

Correct deficiencies in or remove roofing system that does not comply with requirements, repair substrates, and repair or reinstall roofing system to a condition free of damage and deterioration at time of Substantial Completion and according to warranty requirements.

Clean overspray and spillage from adjacent construction using cleaning agents and procedures recommended by manufacturer of affected construction.

End of Section C

SECTION D PACKAGING AND MARKING (Reserved) End of Section D

SECTION E
INSPECTION AND ACCEPTANCE

Felicia Venable, Senior Executive Director of Facilities and Auxiliary Operations is the Deputy Executive Director of Procurement and Logistics Office Technical Representative and shall perform or designate other persons or entities to perform inspection, acceptance, and quality assurance. Reports and other submissions shall be submitted to:

Felicia Venable, Senior Executive Director
Operations
Fisher Building, 14th Floor
3011 West Grand Blvd.
Detroit, MI 48202

----- End of Section E -----

SECTION F
DELIVERIES OR PERFORMANCE

The primary place of performance and/or delivery for program in Section B shall mostly be at the Detroit Public School District. Monday through Friday except Holidays.

End of Section F

SECTION G
CONTRACT ADMINISTRATION DATA

1. The Deputy Executive Director - Procurement shall be responsible for all contractual matters and is the only individual authorized to make changes of any kind to the contract. The Supplier shall not rely upon any oral change from anyone, or a written request for change from someone other than the Deputy Executive Director - Procurement. All changes must be in writing, signed by the Deputy Executive Director - Procurement.
2. **Invoicing and Payment**
 - a. Invoicing and billing shall be submitted to:

Detroit Public Schools Community District
Fisher Building
Accounts Payable Department
3011 West Grand Blvd.
Detroit, MI 48202

And shall conform to policies or regulations adopted from time to time by the District. Invoices shall be legible and shall contain, as a minimum and as applicable the following information: (1) the contract number and **DPSCD purchase order number**; (2) a complete itemization of all costs including quantities ordered; (3) a complete itemization of the schools and/or students served; and (4) any discounts offered to the District under the terms of the contract. A courtesy copy of the invoice may be sent to the department identified under Section E – Inspection and Acceptance but shall not be deemed received by DPSCD unless sent directly to the Accounts Payable.

- b. Subject to any withholding provisions of the contract, payment shall be made within a 90 day payment cycle after the District's receipt of a properly prepared invoice.
- c. The Supplier shall provide to the Deputy Executive Director - Procurement a fully executed W-9 Form. It is the Supplier's responsibility to notify the Deputy Executive Director - Procurement of any changes in the remittal address. Failure to provide this information may impact payment of invoices by DPSCD. In order that this Form is the current version at time of submittal, the Supplier shall download this Form from the Internal Revenue Service website shown below, complete the Form and submit as specified herein. The website from which to obtain this Form is:
http://www.irs.gov/prod/forms_pub/whatshot.htm

SECTION H
SPECIAL CONTRACT REQUIREMENTS
(Reserved)
----- **End of Section H** -----

SECTION I GENERAL CONTRACT CLAUSES

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I.49	Miscellaneous

I.01 Type of Contract

This will be a fixed type Contract. Unless the parties otherwise agree in writing, the fixed prices agreed upon by the parties will remain fixed for the duration of the Contract, including any extensions thereof.

I.02 Term of Contract

This Contract is for the period as outlined in Section A, Item 5 of this contract, subject to extension as set forth in Section I.03 below and suspension and termination as set forth in Sections I.38 and I.39 below.

I.03 Option to Extend the Term of the Contract (Reserved)

I.04 Availability of Funds (Multi-Year) (Reserved)

I.05 Holidays:

The District observes the following Holidays (Note: The radio station will operate during all Holidays):

New Year's Day
Martin Luther King's Birthday
Good Friday
Memorial Day
Independence Day
Labor Day
Thanksgiving Day
Day after Thanksgiving
Christmas Day

I.06 Compliance with Applicable Laws

The Supplier agrees to adhere to and comply with any and all federal and state laws, applicable to its operation, its execution, delivery and performance of this Contract and the operation of school buildings in the State of Michigan, including, but not limited to, federal laws and regulations pertaining to Equal Employment Opportunity, Fair Employment Practices, Anti-Kickback Act, Clean Water Act, Environmental Protection Agency laws and regulations, Energy Policy and Conservation Act, Elementary and Secondary Education Act, the No Child Left Behind Act, American Disabilities Act, the Asbestos Hazardous Emergency Response Act, America Recovery and Reinvestment Act, federal and state privacy laws and federal and state health regulations. The Supplier shall also adhere to all rules and regulations, including any reporting requirements thereof, from any regulatory body, including Department of Education (DOE) and Department of Labor, regarding the operations of such programs. Supplier acknowledges this Contract may be funded by funds from a federal agency or program. Supplier certifies that neither it, its principals nor its subcontractors are currently debarred, declared ineligible or voluntarily excluded from participation in transactions by any federal department or agency.

I.07 Licenses and Permits

The Supplier shall, without additional expense to the District, be responsible for obtaining any necessary licenses, permits, and approvals for complying with any federal, state, county, municipal, and other laws, codes, and regulations applicable to the performance of the work or to the products

or services to be provided under this contract including, but not limited to, any laws or regulations requiring the use of licensed Suppliers to perform parts of the work.

I.08 Licensed and Qualified Personnel

The Supplier agrees to use only licensed personnel to perform work required by law to be performed by such personnel. Lack of knowledge by the Supplier will in no way be a cause for relief from responsibility. The Supplier represents that all persons performing services under this Contract have the requisite skills and experience necessary to adequately provide the services in the accordance with the standards set forth herein, and shall be qualified to do so and licensed if required.

I.09 Criminal Background Screening

The Supplier agrees that any and all Supplier employees, subcontractors, independent contractors or other agents working on or under this Contract shall be free and clear of any sexual and drug related convictions, and from any felony convictions. The Supplier understands and agrees that each employee, subcontractor, independent contractor or other agent, who is or shall be assigned to regularly and continuously work under this Contract in any of the District's schools, as determined or defined by the Michigan Revised School Code (each a "Covered Employee or Agent"), must provide written consent to the District to enable the District to conduct the federal and state criminal history check and the federal and state criminal records check required by the Michigan Revised School Code. The Supplier further agrees that each Covered Employee or Agent must be presented to submit his or her fingerprints for the purpose of the federal and state criminal records check in accordance with District policy and as further directed by the District, at the sole cost and expense of the Supplier, have the results sent to the District, and provide all information required by the State of Michigan to include those individuals in the appropriate State of Michigan education personnel databases.

The Supplier understands and agrees that the cost of the criminal background check is the responsibility and expense of the Supplier and its Covered Employees or Agents and not the responsibility and expense of the District.

The Supplier understands and agrees that any of its Covered Employee or Agent, who does not meet or comply with the requirements of this Section may not provide services to the District under this Contract or otherwise. Failure by any Covered Employee or Agent of Supplier to comply with the provisions of this Section constitutes a breach of this Contract and the District may seek all applicable remedies.

I.10 Equal Opportunity

During the performance of this Contract, the Supplier agrees that it will, in good faith, afford equal opportunity required by applicable federal, state or local law to all employees and applicants for employment without regard to race, color, religion, sex, handicapping conditions, or national origin. The Supplier further agrees to afford equal opportunity required by applicable federal, state, or local law to subcontractors and suppliers, which are "disadvantaged business enterprises" or "women owned enterprises" (both as defined by federal law or regulation in effect on the date of this contract). The Supplier agrees to insert the substance of this clause in all subcontracts and purchase orders.

I.11 Subcontractors and Outside Consultants

Supplier agrees that any subcontractors and outside consultants required or utilized by the Supplier in connection with the services covered by the Contract will be limited to such individuals or firms

as were specifically identified and agreed to by the District in connection with the award of this Contract, and who will assist the Supplier in performing the Contract in accordance with its terms, including, but not limited to, the provisions relating to insurance, the right to audit, confidentiality, and background checks. Any substitution in such subcontractors or consultants is subject to the prior written approval of the District. The Supplier shall inform any subcontractors of the terms and conditions of this Contract and have the subcontractors' written agreement to be bound by the terms thereof.

I.12 Drug-Free Workplace

1. Definitions. As used in this clause –
 - a. “Controlled substance” means a controlled substance including but not limited to marijuana, heroin, LSD, concentrated cannabis or cannabis oils, hashish or hash oil, morphine or its derivatives, mescaline, peyote, phencyclidine (PCP, Angel Dust), opium, opiates, cocaine, methadone, Quaaludes, amphetamines, ‘exotic designer’ drugs, benzodiazepines, secondly, codeine, barbiturates, phenobarbital or valium.
 - b. “Conviction” means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of federal or state criminal drug statutes.
 - c. “Criminal drug statute: means a federal or non-federal criminal statute involving the manufacture, distribution, dispensing, possession, or use of any controlled substance.
 - d. “Drug-free workplace” means the site(s) for the performance of work done by the Supplier in connection with a specific contract.
 - e. “Alcohol” means ethyl alcohol and any beverage containing ethyl alcohol.
 - f. “Employee” means an employee of a Supplier or of a permitted Subcontractor or outside consultant directly engaged in the performance of work under a District contract. “Directly engaged” is defined to include all direct cost employees and any other Supplier employee who has other than a minimal impact or involvement in contract performance.
 - g. “Individual” means a Supplier that has no more than one employee including the Supplier.
2. The Supplier shall, within 30 days after award (unless a longer period is agreed to in writing for contracts of 30 days or more performance duration), or immediately for contracts of less than 30 days performance duration
 - a. Publish a statement notifying its employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Supplier’s workplace and specifying the actions that will be taken against employees for violations of such prohibition;
 - b. Establish an ongoing drug-free awareness program to inform such employees about -
 - i. The dangers of drug abuse in the workplace;
 - ii. The Supplier’s policy of maintaining a drug-free workplace;

- iii. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - iv. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- c. Provide all employees engaged in performance of the contract with a copy of the statement required by subparagraph (2) (a) of this clause;
- d. Notify such employees in writing in the statement required by subparagraph (2) (a) of this clause that, as a condition of continued employment on this contract, the employee will:
 - i. Abide by the terms of the statement; and
 - ii. Notify the employer in writing of the employee's conviction under a criminal drug statute for a violation occurring in the workplace no later than 5 days after such conviction.
- e. Notify the Chief Procurement and Logistics Officer in writing within 10 days after receiving notice under subdivision (2) (d) (ii) of this clause, from an employee or otherwise receiving actual notice of such conviction. The notice shall include the position title of the employee;
- f. Within 30 days after receiving notice under subdivision (2)(d)(ii) of this clause of a conviction, take one of the following actions with respect to any employee who is convicted of a drug abuse violation occurring in the workplace:
 - i. Taking appropriate personnel action against such employee, up to and including termination; or
 - ii. Require such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State or local health, law enforcement, or other appropriate agency; and
- g. Make a good faith effort to maintain a drug-free workplace through implementation of subparagraphs (2) (a) through (2) (f) of this clause.
 - i. The Supplier, if an individual, agrees by award of the contract or acceptance of a purchase order, not to engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance while performing this contract.
 - ii. In addition to other remedies available to the District, the Supplier's failure to comply with the requirements herein renders the Supplier subject to suspension of contract payments, termination of the contract or default, and suspension or debarment.

I.13 Standards of Performance and Reasonable Assurances

1. The Supplier shall be responsible for maintaining satisfactory standards of its employees' competence, conduct, courtesy, appearance, honesty, and integrity. It shall be responsible for taking such disciplinary action with respect to any of its employees as may be necessary.
1. The Supplier shall perform all services required by this Contract in accordance with high professional standards prevailing in the Supplier's field of work.
2. If the District, in good faith, has reason to believe that the Supplier does not intend to, or is unable to perform or has refused to perform or continue performing all material obligations under this Contract, the District may demand in writing that the Supplier give a written assurance of intent to perform. Failure by the Supplier to provide written assurance within the number of days

specified in the demand (in no event less than five (5) business days) may, at the District's option, be the basis for terminating this contract under the terms and conditions or other rights and remedies available by law or provided by this Contract.

I.14 Materials and Equipment

The Supplier is expected to supply all tools, equipment, materials and supplies necessary to complete the services specified, beyond normal and routine equipment provided at schools and administrative office facilities. Materials and supplies used will be reputable name brands and kept in excellent condition. Occupational Safety and Health Act of 1970 (OSHA) training, if applicable, will be provided to all employees required to operate equipment. The Supplier will be held responsible for damages resulting from improper use of tool, materials and equipment, unless such damages result from the negligence of the District, and shall repair or pay for such damages, at its sole cost.

I.15 Patents and Royalties

The Supplier, without exception, shall indemnify the hold harmless the District and its employees from liability of any nature or kind, including cost and expenses for or on account of any copyrighted, patented, or unpatented invention, process, or article manufactured or used in the performance of the contract, including its use by the District. If the Supplier uses any design, device, or materials covered by letters, patent, or copyright, it is mutually understood and agreed without exception that the Contract prices shall include all royalties or cost arising from the use of such design, device or materials in any way involved in the work.

I.16 Warranty of Services and Goods

1. "Acceptance," as used in this clause, means the act of an authorized representative of the District by which the District assumes for itself, or as an agent of another, ownership of existing and identified supplies, or approves specific services, as partial or complete performance of the contract. "Correction," as used in this clause, means the elimination of defect.
2. Notwithstanding inspection and acceptance by the District or any provision concerning the conclusiveness thereof, the Supplier warrants that all services performed and goods provided under this Contract will, at the time of acceptance, be free from defects in workmanship and conform to the requirements of this contract. Contract further warrants that the goods will be fit and sufficient for the purpose intended. The Chief Procurement and Logistics Officer shall give written notice of any defect or nonconformance to the Supplier within 30 days. This notice shall state either (1) that the Supplier shall correct, re-perform or replace any defective or nonconforming services or goods, or (2) that the District does not require correction, re-performance or replacement.
3. If the Supplier is required to correct or re-perform services or replace goods, it shall be at no cost to the District, and any services corrected or re-performed or any goods replaced by the Supplier shall be subject to this clause to the same extent as work initially performed. If the Supplier fails or refuses to correct or re-perform services or replace goods, the Chief Procurement and Logistics Officer may, by contract or otherwise, correct or replace with similar services and goods and charge to the Supplier the cost occasioned to the District thereby, or make an equitable adjustment in the Contract price.

4. Supplier will deliver and transfer all manufacturer's warranties related to the goods to the District and will execute all paperwork and instruments necessary to effectuate such delivery and transfer.

I.17 Adjustment and Cleaning

1. The Supplier shall clean exposed surfaces of all grease, oil, dirt, and other foreign matter and remove all packaging materials.
2. The Supplier shall at all times keep the work area, including storage areas, free from accumulations of waste materials. Before completing the work, the Supplier shall remove from the work area and premises any rubbish, tools, scaffolding, equipment, and materials that are not the property of the District. Upon completing the work, the Supplier shall leave the work area in clean, neat and orderly conditions satisfactory to the District. Dumpsters will not be provided by the District.

I.18 Federal, State, and Local Taxes

The Contract price includes all applicable federal, state, and local taxes and duties. The District is exempt from Michigan State and local sales and use taxes, and any such taxes included on any invoice or voucher received by the District shall be deducted from the amount of the invoice or voucher for purposes of payment.

I.19 Project Personnel

The Supplier shall provide adequate and competent supervision at all times during the performance of the Contract. The Supplier shall identify key personnel and telephone numbers for those who will be actually managing the Contract. Changes in staffing must be proposed in writing to the District and approved by the Chief Procurement and Logistics Officer. Nothing in this section is intended by the District to be a guarantee of employment for any such identified persons.

I.20 Removal of Employees, Agents or Subcontractors

The District may request the Supplier to immediately remove from assignment to the District any employees, agent, or subcontractor found unfit or unable to perform duties or services under this Contract, for any non-discriminatory reason as determined by the District. Failure by the District to make such request shall not excuse Supplier from complying with the terms of this Contract or applicable law. The Supplier will remedy any District requests under this Section within five (5) business days of written notice. Nothing in this section will be construed to be an extension of any deadline for performance by the Supplier under this Contract, unless agreed to by the District in writing.

I.21 Photo Identification Badge

The Supplier shall provide any individual assigned to the District, a company photo identification badge, which must be worn at all times while on the District's property. The District reserves the right to require the Supplier to pay fingerprinting fees for personnel assigned to work in sensitive areas. Upon completion of the service and prior to final payment of invoice, all employees shall turn in their photo identification badges to the Supplier.

I.22 Performance Meetings/Reports

The Supplier will meet with the District, as requested at no additional cost, and shall provide the District with such agreed upon reports or such reports as are required by law in Supplier's performance of this Contract or to assist the District in assessing the Supplier's performance. The Supplier shall be readily available to meet with representatives of the District, at no additional cost, as often as necessary to resolve any performance problems identified during the term of the Contract. Meetings will be coordinated by the District. Supplier's failure to participate in problem resolution meetings or failure to make a good faith effort to resolve problems may result in termination of this Contract.

I.23 Independent Contractor

The Supplier at all times shall be an independent contractor. The Supplier shall be responsible for the payment of all federal, state, and local taxes, including, but not limited to income taxes, which may be payable by Supplier as a result of its performance of this Contract and/or the revenues earned hereunder. The Supplier shall be fully responsible for all acts and omissions of its employees, subcontractors, and their suppliers, and shall be specifically responsible for sufficient supervision and inspection to ensure compliance in every respect with the contract requirements. There shall be no contractual relationship between any subcontractor or supplier of the Supplier and the District by virtue of this contract. No provision of this contract shall be for the benefit of any party other than the District and the Supplier.

I.24 Insurance

1. General. The Supplier is required to maintain the insurance, meeting the specifications set forth herein for the entire duration of the Contract with the District.
2. Insurance. Prior to the execution of this Contract, the Supplier shall submit a certified copy of the policies or Certificate of Insurance satisfactory to the District at the following address: Detroit Public Schools Community District, Office of Procurement and Logistics, Fisher Building, 3011 West Grand Blvd., 11th Floor, Detroit, Michigan 48202.
3. Requirements. The insurance required of Supplier by this Section must meet the following specifications:
 - a. **Worker's Compensation** coverage limits in the statutory amount as required in the State of Michigan and **Employer's Liability** coverage limits in the amount of \$500,000.00 (Five Hundred Thousand Dollars) each accident, each disease and each employee.
 - b. **Automobile Liability Insurance** (covering all owned, hired and non-owned vehicles with personal and property protection insurance including residual liability insurance under Michigan No Fault Insurance Law) coverage limits in an amount with a combined single limit not less than \$1,000,000.00 (One Million Dollars).
 - c. **Commercial General Liability Insurance** coverage limits in the amount of 1,000,000.00 (one Million Dollars) per occurrence and \$4,000,000.00 (Four Million Dollars) aggregate.
 - d. **Umbrella / Excess Liability Insurance** coverage limits in the amount of \$5,000,000.00 (Five Million Dollars) per occurrence and \$5,000,000.00 (Five Million Dollars) aggregate.

4. Approval of Forms and Companies. The Certificate of Insurance must state the Policy Number, date of expiration and limits of liability there under. No party subject to the provisions of this Contract shall violate or knowingly permit to be violated any of the provisions of the policies of insurance described herein. All insurance should be provided by insurance companies licensed to do business in the State of Michigan with a Best's Service rating of no lower than A-.

5. Additional Insurance Endorsement. The policies required hereunder, with the exception of 3a. (Workers Compensation and Employer's Liability) shall name the District and its mortgagee, if any, as an additional insured. The minimum amounts of coverage set forth in Section 3 above are subject to periodic review and amendment by the District's Risk Management Office, in the exercise of its reasonable discretion. Any excess liability coverage utilized to satisfy any increased requirements hereunder must be at least "follow form" in scope of coverage, placed with an authorized carrier and name the District, its officers, representatives, agents and employees, as an additional insured.

6. Certificate Holder: DPSCD should be addressed as the Certificate Holder using the following address: Detroit Public Schools Community District, Risk Management, 3011 W Grand Blvd, 11th Floor, Detroit, MI 48202.

7. Notice of Cancellation or Material Changes. Policies and/or certificates shall specifically provide for a thirty (30) day written prior notice of cancellation, non-renewal, or any material change to be sent to the District.

8. Multiple Policies. The limits of liability as required above may be provided by a single policy of insurance or a combination of primary, excess or umbrella liability policies. But in no event shall the total limit of liability of any one occurrence or accident be less than the amount shown above.

9. Deductibles. Companies issuing the insurance policies and the Supplier shall have no recourse against the District for payment of any premiums or assessments for any deductibles, as all such premiums and deductibles are the sole responsibility and risk of the Supplier.

10. Subcontractors. If any part of the work is subcontracted, Supplier shall require any and all subcontractors performing work under this Contract to carry worker's compensation insurance and other types of insurance with limits of liability as Supplier shall deem appropriate and adequate for the duration of the subcontracting arrangement. In the event a subcontractor is unable to furnish adequate insurance required under the Contract, the Supplier shall endorse the subcontractor as an Additional Insured and/or become an Alternate Employer, prior to the subcontractor performing any work for or on behalf of the Supplier in performance of this Contract. The Supplier shall obtain and furnish to the District certificates of insurance evidencing subcontractors' workers' compensation insurance coverage. If a subcontractor's certificate of workers' compensation insurance expires during the period of performance, Supplier shall obtain a renewal certificate. All other insurance certificates for subcontractors shall be furnished to the District.

11. Waiver. The selected Supplier shall not hold the District liable for any personal injury incurred by its employee, agent or consultant, Supplier or subcontractor while working on this project. The Supplier agrees to hold the District harmless from any such claim by its employees, agents, consultants, Supplier or subcontractor.

I.25 Changes

1. The Chief Procurement and Logistics Officer may, at any time, by written order, make changes within the general scope of the Contract in the services to be performed. If such changes cause an increase or decrease in the Supplier's cost of, or time required for, performance of any services under this Contract, whether or not changed by any order, the Contract shall be modified in writing to reflect

such changes. Any claim of the Supplier for adjustment under this clause must be asserted in writing within 30 days from the date of receipt by the Supplier of the notification of change unless the Chief Procurement and Logistics Officer grants a further period of time before the date of final payment under the Contract.

2. No services for which an additional cost or fee will be charged by the Supplier shall be furnished without the prior written authorization of the Chief Procurement and Logistics Officer.

I.26 Notices

All written notices required under the terms of the contract shall be addressed to the Supplier at the address set forth in Section A of this Contract. Notices to the District shall be addressed as follows: Attention: Chief Procurement and Logistics Officer, Detroit Public Schools Community District, Office of Procurement and Logistics, 3011 West Grand Blvd., 11th Floor, Detroit, Michigan 48202.

I.27 Indemnification

The Supplier agrees to indemnify, hold harmless and defend the School District, its Board of Education, and all administrators, employees, students, volunteers, agents, or servants of the District, against all suits, actions, legal proceedings, claims and demands, and against all damages, loss, costs, expenses (including attorney's fees), in a manner caused by, arising from, incidental to, connected with or growing out of their performance of this Contract or breach thereof, to the extent that such actions are not caused by the sole negligence of the School District, its Board of Education, or its employees.

I.28 District Restrictions

In the event that, as result of new regulation, the Supplier seeks to impose any restrictions on the District which would necessitate alteration of material, quality, workmanship, or performance of the good or services offered, it shall be the responsibility of the Supplier to immediately notify the Chief Procurement and Logistics Officer in writing specifying the regulation which requires alteration. The District reserves the right to accept any such alteration, including any reasonable price adjustments occasioned thereby, or to cancel the Contract at no expense to the District.

I.29 Assignment or Transfer

The Supplier shall not assign or transfer the whole or any part of this Contract or any monies due or to become due hereunder without the prior written approval of the District.

I.30 Audit, Examination and Retention of Records

The Supplier shall maintain all books, records, documents, and other instruments, related to the provision of goods and services hereunder, and shall maintain accounting records, procedures and practices, sufficient to reflect properly all direct and indirect cost of whatever nature claimed to have been incurred for the performance of the Contract. The Supplier shall maintain these documents for five (5) years from the later of the date termination or final payment under the Contract, or such longer period as required by law. Such records shall include any records in electronic form, including but not limited to computer hard drives, tape backups and other such storage devices.

The Supplier agrees that such Supplier records shall be open to inspection and subject audit and /or reproduction, during normal working hours, by the District, its Contracting/Auditing/or Inspecting Officer, or its other agents or authorized representatives, as well as the District's state and federal regulatory and/or funding agencies, including, but not limited to, the Michigan Department of

Education and the U.S. Office of the Comptroller and the U.S. Office of the Inspection General (together the “Examiners/Auditors”) to the extent necessary to adequately permit evaluation and verification of any invoices and the services provided, payments or claims submitted by the Supplier and any of its payees (including subcontractors) pursuant to this Contract, including but not limited to at least once annually. If an audit, inspection or examination in accordance with this section discloses overcharges of any nature, the actual costs of the audit, inspection or examination shall be paid by the Supplier. The rights of the Examiners/Auditors hereunder shall also include timely (i.e., at least one business day) and reasonable access to Supplier’s personnel for the purpose of interview and discussion related to such records. The Examiners/Auditors’ audit or inspection or lack thereof, or the existence of this contractual provision, shall not relieve Supplier of its responsibility to comply with this Contract. Further the failure by any of Examiners/Auditors to notify Supplier of detection, or failure to require Supplier remediation of any unsatisfactory practice, does not constitute acceptance of such practice, or a waiver of the District’s rights under this Contract.

I.31 Award Certificates

Supplier agrees that the information provided in Section K and, specifically, the Certificate of Independent Price Determination, the Suspension and Debarment Certification, the Clean Air and Water Act Certificate and the Disclosure of Lobbying Activities, is true and correct as of the date of this Contract and will remain true and correct as during the term of this Contract. Supplier agrees to provide the District with updated information as soon as the information in any certificates and disclosure becomes materially false or misleading and on the date of any renewal of this Contract.

I.32 Conflict of Interest

1. The Supplier warrants that, except as otherwise disclosed in writing, it does not have any conflict of interest. Conflict of interest is defined as a situation in which the nature of work under this Contract and the Supplier’s organizational, financial, contractual or other interests are such that:
 - a. Award of the Contract may result in an unfair competitive advantage; or
 - b. The Supplier’s objectivity in performing the contract work may be impaired.
2. The Supplier agrees that, at any time after the award of this Contract and during the term thereof, it discovers an organizational conflict of interest with respect to this Contract, it shall make an immediate and full disclosure in writing to the Chief Procurement and Logistics Officer, Department of Contracting and Procurement, which disclosure shall include a description of the action which the Supplier has taken or intends to take to eliminate or neutralize the conflict. The District may however terminate the Contract if it is deemed in the District’s best interest to do so.
3. In the event the Supplier did not and does not disclose the conflict to the Chief Procurement and Logistics Officer, the District may terminate the Contract for default.
4. The provisions of this clause shall be included in all permitted subcontracts and consulting agreements wherein the work to be performed is similar to the service provided by the Supplier. The Supplier shall include in such subcontracts and consulting agreements any necessary provisions to eliminate or neutralize conflicts of interest.
5. The District reserves total discretion to determine the proper treatment of any conflict of interest disclosed under this provision.

I.33 Gratuities

The Supplier represents and warrants that neither it, its agent nor any other representative has offered or given gratuities (in the form of entertainment, gifts, or otherwise) to any employee, official, or member of the Board (Executive Committee) of the District with a view toward securing favorable treatment in the awarding, amending, or evaluating the performance of this Contract. For breach of any representation or warranty in this clause, the District shall have the right to annul this Contract without liability and/or have recourse to any other remedy it may have at law.

I.34 Interest of Public Officials

The Supplier represents and warrants that no employee, official, or member of the Board (Executive Committee) of the District, no member of the governing body of the locality in which the project is situated, no member of the governing body in which the District was activated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the project shall, during his or her tenure, or for one year thereafter is or will be pecuniarily interested or benefited directly or indirectly in this Contract or the proceeds thereof.

I.35 Order of Precedence

Any inconsistency in this Contract shall be resolved by giving precedence in the following order:

1. Contract Sections, including scope of services and general contract clauses.
2. Other exhibits, and attachments to the Contract.
3. Any purchase order.
4. Any Supplier website terms and conditions.

I.36 Confidentiality, Ownership and Protection of District Property

The Supplier acknowledges that certain data, material, or other information which originated from, or was provided to Supplier under, this Contract may consist of confidential records owned by the District or confidential personally identifiable information subject to the federal Family Educational Rights and Privacy Act or other privacy laws, and that disclosure to or use by third parties would be damaging. The Supplier, therefore, agrees to hold all such material and information in strictest confidence, not to make use thereof other than for the performance of this Contract, to release it only to authorized employees and agents requiring such information or as required by law and not release or disclose it to any other party. The Supplier agrees to release such information or material only to employees and agents who have signed a written agreement or a written acknowledgement of the Supplier's confidentiality policies expressly prohibiting re-disclosure.

All facilities used to store and process the District's data will implement and maintain administrative, physical, technical, and procedural safeguards and best practices at a level sufficient to secure such data from unauthorized access, destruction, use, modification, or disclosure. Such measures will be no less protective than those used to secure Supplier's own Data of a similar type, and in no event less than reasonable in view of the type and nature of the data involved. Supplier shall report immediately, in writing, to District any data compromise involving District data, or circumstances that could have resulted in unauthorized access to or disclosure or use of the District's data, not authorized by this Contract or authorized in writing by the District. Within five (5) calendar days of the date Supplier becomes aware of any such data compromise, Supplier shall

have completed implementation of corrective actions to remedy the data compromise, restore District access to the services as directed by the District, prevent further similar unauthorized use or disclosure. Supplier shall be responsible for providing disaster recovery services if Supplier experiences or suffers a disaster.

Supplier will retain the District's data for the time period specified in Section I.30 hereof. Using appropriate and reliable storage media, Supplier will regularly backup District data and, upon District's request, provide a copy of the data at no cost, each month to the District's in format compatible with District's SIS, PeopleSoft or other software, or in different format agreed upon by the parties in writing. At the District's election, Supplier will either securely destroy or transmit to University repository any backup copies of District's data. Supplier will supply District with a certificate indicating the records disposed of, the date disposed of, and the method of disposition used.

The parties acknowledge that should the performance of this Contract result in the development of any new proprietary, secret, or trade concepts, methods, techniques, processes, adoptions, discoveries, improvements and ideas, the same shall be promptly be reported to the District and shall be the sole and exclusive property of the District without further or additional consideration and without regard to the origin thereof, and the Supplier will not, other than in the performance of this Contract make use or disclose the same to any third party. The Supplier also acknowledges and agrees that all reports and documents created and/or submitted to the District under this Contract shall be the sole and exclusive property of the District without further or additional consideration and without regard to the origin thereof, and the Supplier will not, other than in the performance of this Contract make use or disclose the same to any third party. At the District's request or upon the expiration or earlier termination of this Contract, Supplier shall execute all documents, papers and shall furnish all reasonable assistance requested in order to establish in the District all rights, title, and interest in such inventions, discoveries and improvements or ideas or to enable the District to apply for state and federal patents, trademarks or other protection of the District's intellectual property, if the District so elects.

The Supplier shall use reasonable care to avoid damaging existing buildings, equipment, and vegetation on or about premises owned by, or under the control of, the District. If the Supplier's failure to use reasonable care causes damage to any of this property, the Supplier shall replace or repair the damage at no expense to the District as the Chief Procurement and Logistics Officer directs. If the Supplier fails or refuses to make such repair or replacement, the Supplier shall be liable for the cost, which may be deducted from the contract price.

The Supplier acknowledges that the District is a public body and as such is subject to the disclosure requirements of the Freedom of Information Act. Therefore, this Contract and all accompanying attachments, documents and related material are subject to disclosure, upon request, unless an exemption to disclosure applies. Nothing in this document may be construed as a promise of confidentiality exempting documents related to this Contract from disclosure pursuant to FOIA.

I.37 Publicity Releases

All publicity releases or releases of reports, papers, articles, maps, or other documents in any way concerning this contract or the work hereunder which the Supplier or any of its subcontractor's desires to make for purposes of publication in whole or in part, shall be subject to written approval by the Chief Procurement and Logistics Officer prior to release.

I.38 Suspension of Work

1. The Chief Procurement and Logistics Officer may order the Supplier in writing to suspend all or any part of the work for such period of time as he may determine to be appropriate for the convenience of the District.
2. If the performance of all or any part of the work is, for an unreasonable period of time, suspended or delayed by an act of the Chief Procurement and Logistics Officer in the administration of this Contract, or by his/her failure to act within the time specified in this contract (or, if no time is specified, within a reasonable time), an adjustment shall be made for any increase in cost of performance of this contract (excluding profit) necessarily caused by such unreasonable suspension or delay, and the contract modified in writing accordingly. However, no adjustment shall be made under this clause for any suspension or delay to the extent (1) that performance would have been suspended or delayed by any other cause, including the fault or negligence of the Supplier, or (2) for which an equitable adjustment is provided for or excluded under any other provision of this contract.
3. No claim under this clause shall be allowed (1) for any costs incurred more than 20 days before the Supplier shall have notified the Chief Procurement and Logistics Officer in writing of the act or failure to act involved (but this requirement shall not apply to a claim resulting from a suspension order), and (2) unless the claim, in an amount stated, is asserted in writing as soon as practicable after the termination of suspension or delay, but not later than the date of final payment. No part of any claim based on the provisions of this clause shall be allowed if not supported by adequate evidence showing that the cost would not have been incurred but for a delay within the provisions of this clause.

I.39 Termination and Non-Compliance

1. The Chief Procurement and Logistics Officer may, by written notice to the Supplier, terminate this Contract in whole or in part at any time, either for the District's convenience (including non-availability of funding) or because of the failure of the Supplier to fulfill its Contract obligations, including, but not limited to, Supplier's failure to (a) provide the reasonable assurances required under this Contract; (b) services furnished by the Supplier fail to conform to any requirement of this Contract; (c) failure to submit any report or document required by this Contract; or (d) failure to meet any material performance deadline under this Contract. Upon receipt of such notice, the Supplier shall: (1) immediately discontinue all services affected (unless the notice directs otherwise), and (2) deliver to the Chief Procurement and Logistics Officer all data, drawings, specifications, reports, estimates, summaries, and such other information and materials as may have been accumulated by the Supplier in performing this contract, whether completed or in process.
2. If the termination is for the convenience of the District and if this is a Contract wherein the Supplier is to be compensated by a fixed firm amount, an equitable adjustment in the Contract price shall be made by the District, but no amount shall be allowed for anticipated profit on unperformed services. Otherwise where the Contract is not for a fixed firm amount, in the event of termination for convenience, Supplier shall only be entitled to amounts earned by it up to including the date of the termination and no amounts shall be allowed for anticipated profit on unperformed services.
3. If the termination is for default (failure to fulfill contract obligations), the District may take over the work and complete the same by contract or otherwise. In such case, the Supplier shall be liable to the District for any additional/re-procurement cost occasioned to the District.

4. If, after notice of termination for default, it is determined that the Supplier had not so failed, the termination shall be deemed to have been effected for the convenience of the District. In such event, adjustment in the contract price shall be made as provided in paragraph (2) of this clause.
5. In addition to its right to terminate this Contract in the event of default, if a Supplier materially fails to comply with the terms and conditions of this Contract, whether stated in a statute, regulation, assurance, or notice of award, the District shall have the right to take one or more of the following actions, as appropriate in the circumstances: (1) temporarily withhold cash payments pending correction of the deficiency by the Supplier, (2) disallow all or part of the cost of the activity or action not in compliance, or (3) wholly or partly suspend the Contract.
6. The rights and remedies of the District provided in this clause are in addition to any other rights and remedies provided by law or under this Contract. Time is of the essence for all delivery, performance, submittal, and completion dates in this Contract.
7. Upon termination of this Contract for any reason, the Supplier, for a reasonable, mutually agreed period of time after the termination of this Contract (and in any event no less than sixty (60) days, agrees to provide all reasonable transition assistance requested by the District, to allow for the services to continue without interruption or adverse effect, and/or to facilitate the orderly transfer of such services to the District or its designees. Such transition assistance will be deemed by the parties to be governed by the terms and conditions of this Contract, except for those terms or conditions that do not reasonably apply to such transition assistance. There shall be no additional cost pay by the District to the Supplier for any resources utilized in performing such transition assistance. If the District terminates this Contract for cause, then the District will be entitled to offset the cost of paying the Supplier for the additional resources the Contractor utilized in providing transition assistance with any damages the District may have otherwise accrued as a result of said termination. Transition services shall include Supplier's provision of copies of the District's data, work products, and reports required under this Contract, at no cost, in format compatible with District's SIS, PeopleSoft or other software, or in different format agreed upon by the parties in writing.

I.40 Insolvency

In the event the Supplier enters into proceedings relating to bankruptcy, whether voluntary or involuntary, the Supplier agrees to furnish, by certified mail or electronic commerce method authorized by the contract, written notification of the bankruptcy to the Chief Procurement and Logistics Officer responsible for administering the contract. This notification shall be furnished within five (5) days of the initiation of the proceedings relating to bankruptcy filing. This notification shall include the date on which the bankruptcy petition was filed, the identity of the court in which the bankruptcy petition was filed, and a listing of District contract numbers and contracting offices for all District contracts against which final payment has not been made. The District shall have the right to immediately terminate this Contract in the event of Supplier's insolvency or bankruptcy.

I.41 Dispute and Dispute Resolution

In the event of any disputes, including disputes concerning a question of fact or law ("disputes"), claims, issues, questions, or disagreement arising from or relating to this contract or the breach thereof, the parties hereto shall use their best efforts to settle the dispute, claim, question, or disagreement in a timely manner. Initially, the Category Manager, Assistant Director and supervisor/Executive Director shall discuss the issue with the Supplier. If resolution is not reached,

then Supplier shall meet with the Chief Procurement and Logistics Officer, their successor, or designee, to resolve the issue. To this effect, they shall consult and negotiate with each other in good faith and, recognizing their mutual interest(s), attempt to reach a just and equitable solution satisfactory to both parties.

Any disputes, claims, issues, questions, or disagreement arising under or related to this Contract which is not disposed of by agreement shall be decided by the Chief Procurement and Logistics Officer, who shall reduce her/his decision to writing and mail or otherwise furnish a copy thereof to the Supplier, which decision shall be binding and conclusive on the parties unless the Supplier gives written notice of its objection to the decision with ten (10) business days of receipt of the decision.

If the Supplier gives written notice of its objection to the decision of the Chief Procurement and Logistics Officer as set forth above, then the parties shall try to settle the dispute, claim or questions through alternative dispute resolution within 60 days of the written objection to the Chief Procurement and Logistics Officer's decision. The District will be allowed to choose the forum for the alternative dispute resolution. The parties shall agree on any mediator(s) or facilitator(s). The parties shall equally share all of the cost of alternative dispute resolution. If, after such alternative dispute resolution, the parties still are unable to resolve the disputes, issues claims, questions, or disagreement arising from or relating to this contract or the breach thereof, then upon notice by either party to the other, all disputes, issues claims, questions, or disagreement arising from or relating to this contract or the breach thereof shall be finally settled by submission to the American Arbitration Association in accordance with the provisions of its Arbitration Rules, and judgment on the award rendered by the arbitrator(s) shall be binding and may be entered in any court having jurisdiction thereof.

Nothing contained in this Section shall be construed to prevent a party from exercising its right to terminate the Contract under Section I.39 hereof.

I.42 Notice of Labor Disputes

1. If the Supplier has knowledge that any actual or potential labor dispute is delaying or threatens to delay the timely performance of this Contract, the Supplier immediately shall give notice, including all relevant information, to the Chief Procurement and Logistics Officer.
2. The Supplier agrees to insert the substance of this clause, including this paragraph, in any subcontract under which a labor dispute may delay the timely performance of this contract; except that each subcontract shall provide that in the event its timely performance is delayed or threatened by delay by any actual or potential labor dispute, the subcontractor shall immediately notify the next higher tier subcontractor or the Supplier, as the case may be, of all relevant information concerning the dispute.

I.43 Anti-Kickback Procedures

- (1) *Definitions*
"Kickback," as used in this clause, means any money, fee, commission, credit, gift, gratuity, thing of value, or compensation of any kind which is provided, directly or indirectly, to any prime Supplier, prime Supplier employee, subcontractor, or subcontractor employee for the purpose of improperly obtaining or rewarding favorable treatment in connection with a prime contract or in connection with a subcontract relating to a prime contract.

"Person," as used in this clause, means a corporation, partnership, business association of any kind, trust, joint-stock company, or individual.

"Prime contract," as used in this clause, means a contract or contractual action entered into by the District for the purpose of obtaining supplies, materials, equipment, or services of any kind.

"Prime Supplier" as used in this clause, means a person who has entered into a prime contract with the District.

"Prime Supplier employee," as used in this clause, means any officer, partner, employee, or agent of a prime Supplier.

"Subcontract," as used in this clause, means a contract or contractual action entered into by a prime Supplier or subcontractor for the purpose of obtaining supplies, materials, equipment, or services of any kind under a prime contract.

"Subcontractor," as used in this clause,

(a) means any person, other than the prime Supplier, who offers to furnish or furnishes any supplies, materials, equipment, or services of any kind under a prime contract or a subcontract entered into in connection with such prime contract, and

(b) includes any person who offers to furnish or furnishes general supplies to the prime Supplier or a higher tier subcontractor.

"Subcontractor employee," as used in this clause, means any officer, partner, employee, or agent of a subcontractor.

- (2) The Anti-Kickback Act of 1986 (the Act), prohibits any person from --
 - (a) Providing or attempting to provide or offering to provide any kickback;
 - (b) Soliciting, accepting, or attempting to accept any kickback; or
 - (c) Including, directly or indirectly, the amount of any kickback in the contract price charged by a prime Supplier to the District or in the contract price charged by a subcontractor to a prime Supplier or higher tier subcontractor.
- (3)
 - (a) The Supplier shall have in place and follow reasonable procedures designed to prevent and detect possible violations described in paragraph (2) of this clause in its own operations and direct business relationships.
 - (b) When the Supplier has reasonable grounds to believe that a violation described in paragraph (2) of this clause may have occurred, the Supplier shall promptly report in writing the possible violation. Such reports shall be made to the Chief Procurement and Logistics Officer.
 - (c) The Supplier shall cooperate fully with any investigation of a possible violation described in paragraph (2) of this clause.
 - (d) The Chief Procurement and Logistics Officer may
 - (i) offset the amount of the kickback against any monies owed by the District under the prime contract and/or
 - (ii) direct that the Prime Supplier withhold from sums owed a subcontractor under the prime contract the amount of the kickback. The Chief Procurement and Logistics Officer may order that monies withheld under subdivision (3) (d) (ii) of this clause be paid over to the District unless the District has already offset those monies under subdivision (3) (d) (i) of this clause. In either case, the Prime Supplier shall notify the Chief Procurement and Logistics Officer when the monies are withheld.

(e) The Supplier agrees to incorporate the substance of this clause, including subparagraph (3) (e) but excepting subparagraph (3) (a), in all subcontracts under this contract which exceed \$100,000.

I.44 Pending Legal Dispute with District

It is the policy of the District that one factor, among others, that is to be considered when awarding a contract or approving a purchase order is the existence of a pending legal dispute - whether in court or an alternative dispute forum - with any Supplier or supplier which has submitted a bid or proposal. Before including a consideration of the legal dispute as a factor, a Chief Procurement and Logistics Officer shall seek the advice of the Office of the General Counsel regarding the legal dispute and shall obtain the concurrence of the District's Chief Executive Officer or his or her designee.

I.45 Governing Law

This Contract shall be governed by the laws of the State of Michigan without giving effect to the principles of conflicts of laws.

I.46 Supplier Authorization

All persons executing and delivering this Contract on behalf of Supplier have been duly authorized by Supplier and all corporate or other action has been taken which is required for Supplier to execute, deliver, and perform this Contract

I.47 Bid, Performance Bond

The Supplier shall provide a performance and payment bond, in form and amount approved by the District, with a surety listed on the U.S. Department of Treasury's Listing of Approved Sureties (Department Circular 570), which can be viewed on the Internet at http://fms.treas.gov/c570/c570_a-z.html

I.48 Liquidated Damages (Reserved)

I.49 Miscellaneous

This Contract can be extended, modified or amended only by a written agreement signed by the Chief Procurement and Logistics Officer and the Supplier, except that the Contract shall be deemed to be modified to include new requirements imposed by law. If necessary or requested, the parties shall cooperate with each other to execute a written amendment which reflects such new requirements.

If any provision of this Contract is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. Any provision of this Contract held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

In the event of any breach by Supplier or in the event of a disputed amount, District shall have the right to set-off any amounts owed by it to Supplier for any purpose, against any amounts due to District by Supplier under this Contract or otherwise or withhold payment due hereunder, pending resolution of the dispute or the breach.

The provisions of this Contract are for the parties hereto only and are not for the benefit of any third party, and accordingly, no third party shall have the right to enforce the provisions of this Contract.

The parties acknowledge that the parties and their counsel have reviewed (or their counsel has had the opportunity to review) and revised this Contract and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Contract or any exhibits or amendments hereto.

This Contract, including the exhibits, contains the entire agreement between the parties pertaining to the subject matter hereof and fully supersedes all prior written or oral agreements and understandings between the parties pertaining to such subject matter.

----- End Of Section I -----

SECTION J LIST OF ATTACHMENTS

Attachment A – Unit Pricing

End of Section J

DPSCD PALMER PARK RFP, PRICING MATRIX

UNIT PRICES FOR THE FOLLOWING:

ITEM	UNIT	COST
1. Deck replacement		
Gypsum (per 2" thickness) including reinforcing mesh and formboard	Square Feet	\$20.00
Concrete (per 4" thickness)	Square Feet	N/A
Steel Deck	Square Feet	\$7.00
Wood Deck	Square Feet	\$5.00
2. Deck repair		
Gypsum	Square Feet	\$20.00
Concrete	Square Feet	N/A
Steel Deck	Square Feet	\$3.50
Wood Deck	Square Feet	\$5.00
Metal Reinforcement	Square Feet	\$3.50
Metal Painting	Square Feet	\$2.50
3. BUR Removal/Replacement (Based on 2 inch thick removal)	All will be torn off to deck- Not applicable	
New insulation would consist of : Base layer 4' x 4' x 1.5" Iso and Top Layer 4' x 4' x 1" Fiberboard.		
Above insulations adhered with insulation adhesive.		
25 square feet	Lump Sum	N/A
50 square feet	Lump Sum	N/A
100 square feet	Lump Sum	N/A
500 square feet	Lump Sum	N/A
1000 square feet	Lump Sum	N/A
4. Additional insulation replacement - per sq. ft.		
Insulations adhered with insulation adhesive.		
a. 1 layer .05" fiberboard	Lump Sum	\$3.00/sf
b. 1-layer 1" fiberboard and 1-layer 1" fiberboard	Lump Sum	\$2.00/sf
Drains, Installation Repair, Etc.		
5. Installation of new drains (no service connection), per drain	Lump Sum	\$500.00
6. Installation of new drains (with service connectin) per drain-	Lump Sum	\$500.00 + \$100.00plf of piping
7. Drain repair - per drain		
a. Clean drain/conductor	Lump Sum	\$500.00
b. New Clamping Ring installation	Lump Sum	\$100.00
c. Retap existing clamping ring	Lump Sum	Included in proposal
d. New gravel guard 4' x 4'	Lump Sum	N/A
e. New cast iron strainer/ea.	Lump Sum	\$100.00
8. Coping replacement		
Bell tile coping	Lin. Ft	\$100.00
Metal coping cap	Lin Ft.	\$20.00
9. Wood blocking replacement		
2"x 4"	Lin.Ft	\$3.00
2"x 6"	Lin.Ft	\$3.50
2"x 8"	Lin.Ft	\$4.00
2"x 10"	Lin.Ft	\$4.50
2"x 12"	Lin.Ft	\$5.00
10. Repair flashings splits w/5-course ELS/Burmesch and coat with DDA	All to be removed/replaced (included in proposal)	
12" flashing repair	5 lin. Ft.	N/A
17" flashing repair	5 lin. Ft.	N/A
24" flashing repair	5 lin. Ft.	N/A
36" flashing repair	5 lin. Ft.	N/A
11. Re-coat of Bare Area:	All to be torn off to deck	
25 square feet	Lump Sum	N/A
50 square feet	Lump Sum	N/A

100 square feet	Lump Sum	N/A
500 square feet	Lump Sum	N/A
1000 square feet	Lump Sum	N/A
13. Pitch Pockets:		
Top off per pitch pan	Each	Included in proposal
SMACNA Sheet metal Umbrella and sealant		
up to 3 inch diameter	Lump Sum	\$20.00
greater than 3 inch, not more than 6 inch diameter	Lump Sum	\$20.00
14. Caulking:		
Remove existing, clean joint and prime	Lin. Ft.	\$10.00
Backer rod 1/4" diameter	Lin. Ft.	\$2.00
Backer rod 1/2" diameter	Lin. Ft.	\$2.00
Backer rod 3/4" diameter	Lin. Ft.	\$2.00
Backer rod 1" diameter	Lin. Ft.	\$2.00
1 component silicone up to 3/4" x 1/4"	Lin. Ft.	\$10.00
Reglet Joint Sealant up to 3/4" x 1/4"	Lin. Ft.	\$10.00
Tremseal G.P. Sealant up to 3/4" x 1/4"	Lin. Ft.	\$10.00
15. General Area Repair (Sweep gravel and coat with TRP/BURmastic) or approved equal		
25 square feet	Square Feet	N/A
50 square feet	Square Feet	N/A
100 square feet	Square Feet	N/A
500 square feet	Square Feet	N/A
1000 square feet	Square Feet	N/A
17. Hourly Rates		
1. Journeymen:	Per Hour	\$95.00
2. Laborer:	Per Hour	\$95.00
3. Inspection, Existing Roofs	Per Hour	\$105.00
Consulting Services, Specifications, Reporting, Etc.	Per Hour	\$150.00