


Services

February 28, 2013

Dear Evaluation Team,

Thank you for the opportunity to present our proposal for WEST BRANCH-ROSE CITY AREA SCHOOLS custodial services. Headquartered in Hudsonville, Michigan and incorporated in 1998, CSM's partnerships are designed to provide customer's excellence from lessons learned and best practices. Our success is by providing continuous communication, being proactive, and responding every day to OUR customer requests.

We believe that first impressions are critical, which is why we are dedicated to cleaning above and beyond expectations, giving WEST BRANCH-ROSE CITY AREA SCHOOLS the facilities that will impress current and prospective students, parents, staff, alumni and visitors. We also believe in operating responsibly, our partnership with Nichols (LEED EB Gold Certified) allows us to be leaders in the industry when it comes to green cleaning and assisting our customers with LEED accreditation. Nichols is a recognized leader in their expertise of the newest and greenest equipment & chemicals, as well as a reliable source for the highest standard of training materials compliant with United States Green Building Council standards. 

As, one of the leading building service contractors in Michigan, CSM offers WEST BRANCH-ROSE CITY AREA SCHOOLS the financial backing and liquidity to handle all work associated with your facility(s) and workload. We are fortunate to offer exceptionally skilled and talented employees. CSM utilizes some of the strictest hiring guidelines in the industry. Before they begin work, each CSM employee must complete an extensive training program, which often includes hands-on instruction and one-on-one teaching. The 300 plus highly capable employees who have completed this program serve CSM customers from offices in Hudsonville, Kalamazoo, Traverse City and Flint. And while our business continues to grow, our focus is continually on each individual customer—your facilities and what makes them unique.

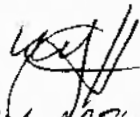
To date, over twelve Michigan school districts and universities have chosen CSM as their preferred custodial services contractor. CSM is one of the only contractors in the state whose owners directly participate in providing high-quality service. Our management structure allows us to provide school districts and universities a level of communication and service not normally seen in this industry. Our co-president/founders will stay up-to-date on the status of your school's account. And won't simply hear reports, they stay involved, visiting your buildings, making calls—remaining in touch—whenever you need them. They are dedicated to customers and employees, leading by example. From the corporate staff to on-site employees, we are all committed to doing what is best for each customer and their facility(s).

There is no other company bidding your contract that will offer you the level of service and commitment that you'll get with CSM. We believe the information provided here will give you the knowledge and confidence to choose our firm for your custodial service desires.

Thank you again for this great opportunity to partner with you and WEST BRANCH-ROSE CITY AREA SCHOOLS. While we look forward to presenting our company attributes and quality-cost savings to you in-person, we are always available to answer your questions at any time. Please contact Misty Yohannan, Director of Business Development, P: 616-862-9105 E:myohannan@csmservices.net. We look forward to hearing from you soon.

Sincerely,

Misty Yohannan
Director of Business Development


Michael J. Horreema
Co-President/Owner

Steven J. Latimer
Co-President/Owner



CSM Services Headquarters
3536 Highland Dr
Hudsonville, MI 49426

P: 616-667-0037
F: 616-662-3989
Website: www.csmservices.net

CSM Services

CONTRACTORS PROPOSAL

The contractor agrees to provide the janitorial and cleaning services described in this proposal for the quoted cost, which shall not be increased for 120 days.

LOCATION OF SERVICES

Chavon S. Nihls
West Branch-Rose City Area Schools
515 Harrington St.
Rose City MI 48654

BILLING ADDRESS

Chavon S. Nihls
West Branch-Rose City Area Schools
Box 308
West Branch MI 48661

All pricing is based on the cleaning specs as given by West Branch-Rose City Area Schools.

CONTRACT PRICE: Customer agrees to pay CSM the sum of **\$ 33,750.93 per Month** for the services indicated below, in accordance with the Price and Payment provisions in the Agreement

ANNUAL TOTAL: \$ 405,011.16

Price Includes:

- Custodial Services Labor - Staffing (see attached schedule)
- Chemicals
- Equipment
- Consumables
- Floor care to include: Carpet (1) one time per year, Strip/Wax (1) one time per year, Scrubs (2) two times per year, and Gym (1) one time per year.

*Currently
On Priority
Health
\$1.50 / \$2.00*

*Alternate 1: Additional \$45,000 annually to include full healthcare to meet the minimum requirements of the Affordable Healthcare Act for all Custodians.

This is for all employees to have insurance

**Additional Services Cost Proposal:

Custodian: \$15.50 per hour (Standard Time) \$23.25 per hour (Overtime)
Supervisor: \$20.00 per hour (Standard Time) \$30.00 per hour (Overtime)

This is a contract with a sixty (60) day clause for termination.

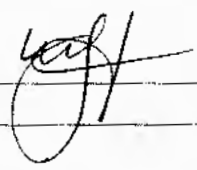
CONTRACTOR NAME: CSM Services
ADDRESS: 3536 Highland Dr
Hudsonville, MI 49426
PHONE / FAX: 616-667-0037 / 616-662-3989
Authorized Signature: Michael Herrema
Title: President / Owner
Date Signed: 03.01.13

The parties have signed this Agreement as of the date first written above.

CSM Services

West Branch-Rose City Area Schools

By: Michael Herrema
Its: President



By: _____
Its: _____

**CSM
Services**

Call the down to 117 hrs/line

CSM Staffing Schedule:

CSM Services/West Branch-Rose City Area Schools Building Hours		
Super Flex Schedule 1st/2nd Shift for the Entire District		
Buildings		FTE(s)
Rose City Elementary		2.00
Surline Elementary		3.00
Surline Middle School		2.00
Rose City Middle School		1.00
Ogemaw Heights High School		4.00
Bus Garage		1.00
Supervisor(s) () FTE		1
Matched Day Staff <i>Shanina of the employe</i>		3
Matched Day Staff	6:00a.m.-2:30p.m.	
Middle School/High School	2:30pm-11:00pm	
Elementary(s)	2:30pm-11:00pm	
*Start times subject to change.		
*Subject to change with direction of building Principal and Contract Administrator.		
*90 Day probationary period for all new hires. Starting wages are based on		

ADDITIONAL STAFF
Define this

CSM Employee Wages:

CSM Services/West Branch-Rose City Area Schools Employee Wage Structure	
Account Supervisor	\$11.00-\$13.00/per hour
Assistant Supervisor	\$11.00/per hour
High School/Middle School Supervisor	\$10.00-\$11.00/per hour
3rd Shift/Day Porter Premium	\$10.00/per hour
Full Time /Part Time	\$9.50/per hour

CSM Services

EQUIPMENT LIST:

****NOTE: CSM Services equipment list is subject to change upon award based on needs of the facility.**

CAPITAL EQUIPMENT	QUANTITY	COST/unit	
Scrubbers	5	\$4,000.00	20,000
Ride on Automatic	2 to 3	\$9,500.00	28,500
Wet Dry Vacuum	10	\$700.00	7,000
Carpet Extrator	1	\$2,000.00	2,000
Carpet Spotter	5	\$250.00	1,250
Kaivac Restroom Cleaning	7	\$3,000.00	21,000
Fans	10	\$200.00	2,000
Wet Floor Signs	16	\$100.00	1,600
Brute Carts	6	\$200.00	1,200
Maid Carts	6	\$100.00	600
Mop Buckets	12	\$100.00	1,200
Flat Mops	12	\$300.00	3,600
Brute Caddy	6	Inc.	
ProTeam Vacuum	10	\$350.00	3,500
Vacuums	6	\$200.00	1,200
Trash Dollys	4	\$800.00	3,200
			<u>\$ 97,850</u>

(Please circle yes or no)

YES NO 1.09 **BID GUARANTEE:** Each Proposal must be accompanied by either a certified or cashier's check on an open, solvent bank or a bid bond with an authorized surety company in the amount equal to 5% of the first year's estimated total cost of the contract. Bid guarantee must be made payable to West Branch-Rose City Area Schools as a guarantee of good faith. If the successful Bidder fails to furnish satisfactory bonds and insurance within 10 days after notice of award, such guarantee shall be forfeited as liquidated damages by the District to compensate for losses due to delay and/or increased costs for the project. The guarantees of all other Bidders will be returned within ten days after the bid opening.

YES NO 1.10 **PROPOSAL COSTS:** Any recipient of the RFP is responsible for any and all costs incurred by it or others acting on its behalf in preparing or submitting a Proposal, or otherwise responding to the RFP, or any negotiations incidental to its Proposal or the RFP.

1.11 **RFP/PROPOSAL INFORMATION CONTROLLING:** The following process described is intended to ensure that all prospective Bidders have equal access to information relative to the RFP. As part of the RFP preparation (which may have included previous discussions with selected prospective Bidders), every effort has been made to provide prospective Bidders with adequate information. Each Bidder shall prepare its Proposal based only on the information contained in the RFP, notwithstanding any information that may have been previously provided. A prospective Bidder noting any inconsistency between the information contained in the RFP and any information previously provided should request clarification (reference Section I-1.05).

No information communicated, either verbally or in writing, to or from a Bidder shall be effective unless confirmed by written communication contained in the RFP, an addendum to the RFP, a request for clarification or written response thereto, or in the Proposal.

1.12 **ADDENDA TO THE RFP:** Should it become necessary to revise any part of the RFP, notice of the revision will be given in the form of an addendum to all prospective Bidders on record as having received the RFP. Each Bidder must acknowledge receipt of addenda, but the failure of a Bidder to receive or acknowledge receipt of any addendum, shall not relieve the Bidder of the responsibility for complying with the terms thereof. Acknowledgment shall consist, minimally, of returning a signed copy of all addenda cover sheets as part of the Proposal by the RFP Due Date and time, but failure to acknowledge receipt of any addendum shall not relieve the Bidder of complying with the terms thereof. All addenda shall become a part of the RFP. Acknowledgment of all addenda received must be submitted by the RFP Due Date and time. Please provide email address, as most communication will be via email.

1.13 **OPENING OF PROPOSALS:** At the specified time and date stated in Section I-1.0 all submitted Proposals shall be opened publicly and read aloud. No immediate decision will be rendered. Any interested parties may attend the opening.

1.14 **RESERVATION OF RIGHTS:** The District reserves the right to accept or reject any or all Proposals not withdrawn before the Due Date and to waive any irregularity or informality in the Proposal process. West Branch-Rose City Area Schools reserves the right to conduct discussions and request additional information from any or all Bidders. West Branch-Rose City Area Schools reserves the right to negotiate with the Bidder whose proposal is deemed strongest by the Selection Committee. Bids may not be withdrawn within 60 days after Due Date without forfeiting bid security. The District reserves the right to make such investigations as deemed prudent to determine Bidder's qualifications and eligibility, including but not limited to, requests for financial statements and company profiles. The District reserves the right to award the contract to other than the lowest bidder.

1.15 **FINALITY OF DECISION:** Any decision made by The District, including the selection of a Contractor, shall be final.

2.0 SECTION II – DEFINITIONS

- 2.01 **"District"** – The Board of Education of West Branch-Rose City Area Schools or its expressly authorized representative. The term may also be referred to as "West Branch-Rose City Area Schools".
- 2.02 **"Contractor"** – Any custodial company having been invited by West Branch-Rose City Area Schools, as a matter of being on record as having received the RFP, and preparing and presenting a Proposal for the Custodial Services in accordance with the RFP.
- 2.03 **"Proposal"** – A response to the RFP submitted in accordance with the RFP.
- 2.04 **"Facilities"** – Any facility, land, or real estate owned or controlled by West Branch-Rose City Area Schools.
- 2.05 **"Contract"** – The negotiated contract resulting from the District's acceptance of the Contractor's proposal, to the satisfaction of the District, which incorporates this RFP and the Contractor's Proposal.
- 2.06 **"Accounting period"** – A one- (1) month accounting period within a Contract Year.
- 2.07 **"Contract Year"** – Each 12-month period commencing on July 1 and ending on the next succeeding June 30 during the term hereof or ending on the termination date if the contract is terminated earlier.
- 2.08 **"District Representative"** – Person or persons authorized to handle administrative matters associated with the Contract. The District Representative is not authorized to enter any amendment or extension of this Contract.

(Please circle yes or no)

3.0 SECTION III – SPECIFICATIONS/SCOPE OF WORK

- 3.01 **BACKGROUND – GENERAL OVERVIEW:** This RFP is being issued to qualified custodial service providers for the operation of the following custodial components at West Branch-Rose City Area Schools.
- 3.02 West Branch-Rose City Area Schools is comprised of several facilities throughout the District servicing a pre-K – 12 education. Other buildings support the administration required to fulfill such education.
- YES NO 3.02.1 The Contractor will be expected to provide the necessary equipment to perform the Custodial services and maintain quality and service standards. It is understood and agreed that the District shall in no way be responsible for any theft, disappearances or other misappropriation of any equipment to be supplied by the Contractor, nor for the theft, disappearance, or other misappropriation of any supplies or any other property of the Contractor wherever located. **The equipment list including make, model, number at each location and value of equipment must be included in the Proposal. All equipment is to be purchased new or almost new for this contract.**
- YES NO 3.02.2 The Contractor will supply an up to date custodial supply and equipment inventory.
- YES NO 3.02.3 Failure by the Contractor to maintain quality, service, and/or cleanliness standards as determined by District management will be documented and may result in cancellation of part, or all, of the custodial contract.

- 3.02.4 The requirements in this scope of work are the minimum required for the District's Custodial Services program. Contractors are encouraged to be creative and propose improvements and enhancements for consideration.
- 3.02.5 This RFP will result in a single contract award.
- 3.02.6 OBJECTIVES: The District seeks to accomplish the following objectives for its Custodial Services. (This list is not in order of importance.)
- 3.02.7 Develop and establish service levels and operating hours that are responsive to the needs of students, faculty, staff, and guests.
- 3.02.8 Develop an innovative and effective custodial program.
- 3.02.9 Develop reporting systems that meet the needs and expectations of the District.
- 3.02.10 Maximize productivity through strong Custodial Services.
- 3.02.11 Instill flexibility into all aspects of the Custodial Services to enhance responsiveness to demand.

3.03 **GENERAL POLICIES AND REQUIREMENTS APPLYING TO ALL AREAS.**

YES NO 3.03.1 All Custodial Services shall be performed in District Facilities. The Contractor will not be authorized to utilize the Facilities for any other custodial service or purpose not specifically defined in the RFP.

YES NO 3.03.2 The Contractor will provide the Custodial Services at the times requested.

YES NO 3.03.3 The policies and activities of the Contractor shall be subject to the approval of the District; said policies and activities shall include, but not be limited to, the quality of the services by the award Contractor. The Contractor shall follow all applicable policies and procedures of the District.

YES NO 3.03.4 The Contractor shall meet monthly with authorized members of the District to effect adjustments in operations and cooperate at all times to maintain maximum efficiency, cleanliness, and good public relations with students, faculty, staff and guests or clients. The Contractor's On-Site Management will meet weekly with each site principal and other authorized members of the District to maintain cleanliness, event coordination and good public relations.

3.04 **FACILITIES AND EQUIPMENT:** The Contractor agrees to keep energy consumption at a minimum and will comply with energy conservation practices and policies in keeping with the District's efforts.

YES NO 3.04.1 The Contractor will be responsible for the payment of cellular telephone, communication, and service.

The Contractor will maintain e-mail service for our contract and cell phone connection at all times. Each facility will have two-way communication (Nextel or Equivalent) to ensure communication during cleaning hours.

YES NO 3.04.2 The Contractor will be responsible for advising the District of the need for and the District or its designee will make all necessary repairs and replacements to, its facilities and facilities equipment, except in those instances where the necessity for repair or replacement is due to negligence on the part of the Contractor or employees. If any such incidents occur, repair and/or replacement costs are the sole responsibility of the Contractor. No equipment of any type shall be removed from the facilities except to be repaired and only then with the approval of the District.

YES NO 3.04.3 Equipment list should be provided by the Contractor including value of equipment in the RFP.

YES NO 3.04.4 The Contractor is responsible for control of the keys (maintained in key boxes with listings) obtained from the District, for the areas provided for the operation of Custodial Services. The Contractor shall be responsible for reimbursing the District for the replacement of lost keys and cost of re-keying and replacement of lock cylinders required as a result of negligence and/or lost keys by its employees.

3.05 **CUSTODIAL SUPPLIES:** The Contractor may be required to purchase any usable inventory of consumable cleaning supplies/materials that may be on hand at the commencement of the contract. Such inventory is to be purchased at cost.

The Contractor will be responsible to supply all necessary cleaning supplies (chemical, solution, wax, etc.) during the Contract Term. During the first year of the Contract Term, the Contractor will be responsible for the procurement of any paper products, toilet tissue, paper towel, soap, trash can liners, air fresheners, toilet seat covers, etc. reasonably necessary for the performance of the Custodial Services (the "Supplies"). The Contractor shall advise, and timely notify, the District of the necessary quantities of Supplies so that such Supplies are procured in a timely manner. The Contractor shall be responsible to manage the inventory and shall submit to the District a monthly report detailing consumption of Supplies (including type and quantity) for each District Facility. At the District's option, the District may elect to have the contractor procure the necessary Supplies beginning in the second year of the Contract Term. If the District so elects, upon Contractor's receipt of written approval from the District, beginning in the second year of the Contract Term, the Contractor shall procure the necessary Supplies, in the amounts and quantities deemed appropriate by the contractor, and reasonably consistent with amounts and quantities of prior years, to perform the Services and agreed to by the District in writing. The Contractor shall use only those Supplies that meet or exceed the District's current specifications, and the Contractor shall only use those which conform to the manufacturer's specifications. Prior to any such changes in Supplies, the Contractor must receive the District's prior written approval. The Contractor must manage the inventory/use of Supplies consumed by each Facility and have an order process system that will provide the District with a monthly report which details each Facility's consumption. The report must detail quantity, product name, and cost of all Supplies. The Contractor will be required to keep an adequate inventory of Supplies at each Facility. Additionally, any and all procurements by the Contractor must be in compliance with all applicable laws, rules, regulation, policies and procedures, including, but no limited to, compliance with MCL 380.1274 and applicable District policy and procedure. The parties agree to convene at least ninety (90) days prior to the end of the first year of the Contract Term to discuss the pricing for Supplies if the School District elects to have the Contractor procure the same.

YES NO 3.05.1 The Contractor shall maintain rigid procurement procedures throughout the entire process of purchasing, receiving, storage and inventory of all custodial Supplies.

YES NO 3.05.2 The District shall have free access to any and all records or receipts check lists, and product specifications for all Supplies to determine that sanitary specifications are complied with and that purchasing specifications are being met.

YES NO 3.05.3 All Supplies or other custodial cleaning products shall be delivered in proper transportation containers at District approved times and be accompanied by the proper MSDS for District files.

(Please circle yes or no)

4.0 SECTION IV – CONTRACT FORMATION AND PERIOD

- 4.01 This is a Request for Proposals only. Proposals will be treated as offers to enter into a Contract with the District. The written acceptance of the Contractor's Proposal by the District shall constitute a Contract, pending execution of a formal written Contract satisfactory to both the District and the Contractor.
- 4.02 **LENGTH OF CONTRACT:** The Contract Term shall be three (3) years. The Contract period shall begin No Later than July 1, 2013. The District plans to award a Contract to the Contractor, as a result of the RFP, a 3 year term, with the possibility of one-year extensions for up to two additional years beyond the initial 3-year term, in the District's sole and absolute discretion.
- 4.03 **TERMINATION:** In the event the Contractor fails, at any time, to comply with, fully perform and strictly adhere to any term, covenant, condition or representation contained in the Contract, all requirements contained in the RFP and the Contractor's Proposal, whether it be performed by the Contractor, its agents or employee, the District shall have the right to give written notice to Contractor of such failure. If such failure is not cured to the District's satisfaction within ten (10) business days from the time of receipt of such notice, the District shall have the right to terminate immediately without the requirement of a further notice. Notwithstanding the foregoing, the Contract may be terminated by the District without cause upon six (6) months advance written notice to the Contractor. If the Contractor is terminated in accordance with any of the provisions contained herein, all rights of the Contractor under the Contract shall cease.

5.0 SECTION V – SELECTION TIMELINE

The District's anticipated timeline for the selection process is:

February 1, 2013	RFP sent to prospective Bidders
February 11, 2013	Mandatory pre-bid meeting/building walkthrough – 9:30 a.m. at 208 Ward St. Rose City, Mi 48654
February 25, 2013	Deadline for submitting written requests for clarification & questions
March 4, 2013	Deadline for submitting proposals – 1:00 p.m. Bid Opening
March 11, 2013	Interviews and presentations
March 25, 2013	Board of Education consideration of contract
April 15, 2013	Announcement of contract award to Contractor, bidders notified of decision, Contract finalized
July 1, 2013	Custodial Service Operations Begin In Full

6.0 SECTION VI – PROPOSAL REQUIREMENTS AND FORMAT

- 6.01 This outlines the information that must be provided by Bidders and the required format for the Proposal. Any Proposal not providing the required information, or not conforming to the format specified, may be disqualified. Please refer also to the SUBMISSION DEADLINE

AND REQUIREMENTS section (reference Section I -1.0) of the RFP for additional requirements.

- 6.02 Attached to this RFP is a form of Contract under which the Custodial Services requested hereunder shall be provided by the successful Contractor (the "Contract"). The Contract contains details relative to the Custodial Services for the District, the additional terms and conditions under which the Custodial Services shall be provided by the successful Contractor, and should be reviewed carefully by each Contractor and be submitted as part of its Proposal, together with an explanation as to the reason such terms and conditions cannot be met or other special conditions or considerations.
- 6.03 Proposals must demonstrate an understanding of the scope of work and the ability to accomplish the tasks set forth and must include information that will enable the District to determine the Bidder's overall qualifications. Each Proposal shall also include any other information that the Bidder feels is significant in making an informed decision relative to the Proposal.
- 6.04 Any exceptions to the terms and conditions contained in this RFP or the form of Contract contained in this RFP, or any other special considerations or conditions requested or required by the Contractor MUST be specifically enumerated by the Contractor and be submitted as part of its Proposal, together with an explanation as to the reason such terms and conditions of the RFP or form of Contract cannot be met by, or in the Contractor's opinion should be not applicable to, the Contractor. The Contractor shall be required and expected to meet the specifications and requirements as set forth in the RFP and the form of Contract in their entirety, except to the extent exceptions or special considerations or conditions are expressly set forth in the Contractor's Proposal and those exceptions or special considerations or conditions are expressly accepted by the School District. All pricing factors must be clearly indicated in the Proposal Forms provided as part of the Contractor's Proposal.
- 6.05 Each Bidder shall submit its Proposal for a three (3) year contract term commencing on July 1, 2013 and ending June 30, 2016, the "Contract Term". Each Proposal shall include an implementation schedule, financial proforma (and assumptions) for each year of the proposal, labor schedule and the following:

6.05.1 Management Capability (If applicable to contract)

- YES NO 6.05.1.1 The Contractor must provide precise plans for each step in assuming management control and describe its ability to commit the staff personnel and resources required to develop a responsive management structure. A statement of the Contractor's management philosophy should be included.
- YES NO 6.05.1.2 The Proposal shall specify how the management personnel employed to fulfill the contract will operate organizationally. All management positions proposed by the Contractor should be listed with areas of responsibility clearly defined.
- YES NO 6.05.1.3 The Proposal should include profiles identifying specific management personnel (i.e., Directors, Production Managers, etc.) in your employ that will be assigned to District's Facilities. The profiles should describe the experience, education, background, specific professional accomplishments, and any special qualifications. Final selection of management personnel must be approved by the District. An On Site Manager is required for these Custodial Services.
- YES NO 6.05.1.4 An organizational chart of overall Contractor's management, showing special staff personnel, line supervision, and their relationships to school personnel should be included.
- YES NO 6.05.1.5 The Proposal shall include a description of training programs used for management personnel. The Contractor shall also describe training programs for other personnel and

include information on the staff conducting the training, their background and qualifications and available training resources. Staff will be required to be trained in Bio Hazard and Asbestos Safety.

6.05.2 Technical Quality

- YES NO 6.05.2.1 The Proposal should include a description of the Contractor's qualifications, experience and its capacity to provide the desired Custodial Services and the resources required to efficiently handle a Custodial Service of this size and scope.
- YES NO 6.05.2.2 The Contractor should list any equipment necessary to provide the Custodial Services specified in this RFP.
- YES NO 6.05.2.3 The Proposal will include a listing of all Contractor-owned equipment to be used at the Facilities.
- YES NO 6.05.2.4 The Proposal should include the Contractor's analysis of the school custodial service environment, including techniques for preventing common problems and coping with them if they do arise. The Contractor should explain and include examples of systems used to determine customer satisfaction.

6.05.3 Contractor's Experience and Capabilities

- YES NO 6.05.3.1 The Proposal must include a description of the general background, experience and qualification of the Contractor in college and school or similar Custodial Services. The Contractor must list at least three operations presently served that are similar in nature to that of the District's, within Michigan. A general description of the type of units (e.g., industry, office building, etc.) and the period of time Contractor has served that contract for each. This information shall include the names, titles, addresses, and telephone numbers of individuals who are in a position to evaluate the general quality of the operation at their facilities.
- YES NO 6.05.3.2 The Contractor shall supply a copy of the most current, certified year-end balance sheet, income statement and statement of changes in financial position for their company or certified letter of credit from a reputable financial institution in the amount of \$750,000.00 or more.
- YES NO 6.05.3.3 The Contractor must describe their capacity to provide assistance in short and long range planning of Facilities and Custodial services. Contractor must describe special additional personnel, if any, available to provide consulting services to local staff and to the District.
- YES NO 6.05.3.4 The Contractor must describe the procedures and capacity for replacing local personnel at the management level.

6.05.4 COST

- 6.06 Contractors shall provide hourly pay rates (or pay rate ranges). The pricing contained in a Contractor's Proposal must be based only on the wages and non-health related fringe benefits such as 401k plans, disability insurance, etc., offered to the Contractor's employees. Contractor's Proposal and pricing shall not include the cost of medical, vision, and/or dental insurance ("Health Benefits"). The Contractor will describe the resources, which are covered by administrative expenses if included.
- 6.07 Cover letter and/or executive summary prepared on company's business letterhead with authorized signatures. This should be limited to a brief narrative highlighting the Proposal and should be aimed at non-technical personnel. This item should not include commission/pricing quotations.

- 6.08 Company profile, support commitment and personnel responsible for carrying out the Contract.
- 6.09 Checklist of Proposal responses due.
- 6.10 Exceptions, including explanations, to Contract specifications, RFP requirements and signatures.
- 6.11 Any additional information considered necessary or helpful to the District in determining Bidder's qualifications/signatures.
- 6.12 Reference information for at least one (1) PK-12 institution or similar client with Custodial Service contract needs similar to West Branch-Rose City Area Schools. Include contact name, address, and telephone number and number of years servicing client.
- 6.13 Bidder's form of contract, if any, to encompass RFP and Proposal.
- 6.14 Signed copies of the addenda cover sheets, if applicable.
- 6.15 Include required security.
- 6.16 The signed original Proposal along with five (5) complete copies of signed original Proposal.

7.0 SECTION VII – EVALUATION CRITERIA

- 7.01 Contract award, if any, will be based upon a comprehensive review and analysis of the Proposals that best meet the needs of West Branch-Rose City Area Schools. The specific evaluation criteria may include the following:
 - Past Experience in custodial service operations of a similar nature
 - Cost to provide service
 - New and innovative ideas
 - Creativity
 - Impressions from an unannounced site visit of an existing property observing staff, cleanliness, and service
 - Impressions from an announced site visit observing staff and service quality and cleanliness
 - Management depth and experience if applicable to contract
 - Training methods and procedures for hourly staff
 - Evidence of a "customer service" focus
- 7.02 **PRESENTATIONS:** To assist in the evaluation process, select bidders will be invited for an interview and opportunity to give an oral presentation of their Proposal to the District's Selection Committee. The presentation should be no longer than one (1) hour in length, with sufficient time allocated for questions and answers. The presentations will take place no later than March 11, 2013, at 5:30 p.m., EST. Specific appointments will be scheduled with the invited Bidders.

(Please circle yes or no)

8.0 SECTION VIII – CONTRACT SPECIFICATIONS

8.01 Health and Safety:

YES NO 8.01.1 It shall be the sole responsibility of the Contractor to require its employees to abide by all health and safety requirements imposed by law. Further, the Contractor and all of its employees shall abide by safety and health regulations set forth by the District.

8.01.2 Environment:

YES NO 8.01.3 The Contractor shall maintain sanitary working areas and shall comply with all federal, state, and local laws, rules, regulations and ordinances that apply to Custodial Service operations.

YES NO 8.01.4 The District reserves the right to inspect all cleaning areas, storage areas, offices and any other space under the Contractors control at any time with or without notice.

YES NO 8.01.5 The Contractor shall state their corporate commitment to recycling and be responsible for maintaining proactive energy conservation programs and, as a minimum, shall include the following:

- Waste reduction: The Contractor shall employ all reasonable measures to reduce and prevent waste.
- Recycling: The Contractor shall participate in any existing and/or future recycling programs established by the District. Any additional costs are to be at the school's expense.
- Safety: The Contractor shall use a proactive safety program for its employees and operations at the schools, as well as comply with all District safety rules that apply to custodial services operations.

8.02 Equipment and Facilities Maintenance and Sanitation:

YES NO 8.02.1 The equipment and Facilities shall be maintained in a condition satisfactory to the District and follow the specification frequencies without exception. The Contractor shall adhere to the highest standards of cleanliness and sanitary practices to insure continual sanitation in all functions and matters related to the Custodial Service.

YES NO 8.02.2 The Contractor will be responsible for specified stripping and sealing of floors, carpet cleaning, cleaning draperies and blinds, upholstered furniture, and cleaning walls and doors to the frequency listed in the specification without exception. All manufacturer specifications shall be followed.

YES NO 8.02.3 The Contractor will remove all trash, garbage, and debris from all Facilities occupied by the Contractor according to a schedule approved by the District.

YES NO 8.02.4 The District shall have the right at all times to determine by inspection that facility cleanliness, sanitation and maintenance are satisfactory and in accordance with specifications.

8.03 **Licenses:**

8.03.1 The Contractor shall obtain all required licenses and permits required by law for the operation of the Custodial Services. The Contractor shall pay all required fees, taxes, and other charges applicable.

YES NO 8.04 **Laws, rules and regulations:** The Contractor must comply with all District policies, county ordinances and/or state and federal laws that may be applicable to its performance under the contract.

Personnel:

YES NO 8.04.1 The Contractor shall maintain an adequate staff at all times to ensure a high quality custodial service operation, including expert personnel for administration, purchasing, equipment consulting, and supervision. The Contractor shall submit 30 days in advance of the next contract year, the organization and staffing plan for Custodial Service covered under each contract for review and approval by the District. A qualified supervisor shall be on duty throughout the time that Custodial Services are in operation.

YES NO 8.04.2 The District reserves the right to approve the Contractor's choice of its on-site managers. No assignment of such personnel shall be made without prior approval from the District.

YES NO 8.04.3 The Contractor's on-site managers shall continue serving only as long as their performance is acceptable to the District. Such consultation and approval shall be prior to announcing the transfer to the selected individual.

YES NO 8.04.4 The Contractor shall provide management staff, made known to the District by name, to routinely review and inspect operations, personally fill vacancies, consult with the District on current and future custodial service programs, and to act with full authority on the Contractor's behalf in any and all matters pertaining to the specifications of this contract.

YES NO 8.04.5 The Contractor will make provision for an On Site manager to be accessible each day. Such management should be clearly identifiable as the individual in charge of the operation and available to give assistance.

YES NO 8.04.6 At the Contractor's sole cost and expense, all employees of the Contractor assigned to jobs at the Facilities shall be attired in uniform and have prominently displayed ID badges. Uniforms and ID badge must be approved by the District.

YES NO 8.04.7 Additionally, the Contractor and all of its employees and agents providing custodial services for the District shall meet the requirements of the School Safety Initiative Legislation, being MCL 380.1230, 380.1230a, 380.1230c, 380.1230d and 380.1230g. The Contractor acknowledges and agrees that unless the District notifies the Contractor that it is not subject to the provisions of Michigan Public Act 84 of 2006, as amended, the Contractor will have any and all of its agents, employees or representatives who will be on any District Facility or property regularly and continuously to carry out the Custodial Services contemplated by the RFP specifications and the Contract, fingerprinted and subjected to criminal history and background checks through the Michigan State Police and Federal Bureau of Investigation as detailed in Public Act 84 of 2006, as amended, prior to commencing any work under the Contract by presenting themselves, or any of its agents, employees or representatives, for proper fingerprinting and criminal backgrounds checks, as directed by the District, or provide written notification to the District that Contractor or its employee(s) has previously completed fingerprinting and a criminal history and background check in connection with contracting or working for another Michigan school district, intermediate school district, public school academy or nonpublic school (each an "Agency") and consents to the sharing or transferring to the appropriate fingerprinting and criminal history background report from the other Agency. If Contractor wishes to receive a copy of any report, it shall have the employee provide written consent to the District acknowledging

its consent to provide Contractor with a copy of the report at the time fingerprinting and background checks are initiated. Additionally, unless notified it is not subject to Michigan Public Act 84 of 2006, as amended, the Contractor represents and warrants to the District that it will at all times during the Contract Term or any Renewal Term of the Contract be in compliance with the provisions of Michigan Public Act 84 of 2006, as amended, including, but not limited to, reporting to the District within 3 business days of when any of its agents, employees or representatives who will be on the District's Facilities or property regularly and continuously to carry out the Custodial Services contemplated by the RFP specifications and the Contract, is/are charged with a crime listed in Section 1535a(1) or 1539b(1) of the Revised School Code, being MCL 380.1535a(1) and 380-1539b(1), or a substantially similar law, and to immediately report to the District if that person is subsequently convicted, plead guilty or plead no contest to that crime. The Contract shall indemnify, defend and hold the District, its employees, Board of Education, and each member thereof, agents and consultants, harmless from and against any and all claims, counter-claims, suits, debts, demands, actions, judgments, liens, liabilities, costs, expenses, including actual attorneys fees and actual expert witness fees, arising out of or in connection with any violation of, or the Contractor's failure to comply with, the requirements of Michigan Public Act 84 of 2006, as amended, or this paragraph. The Contractor shall be responsible for all costs and expenses associated with the above-required fingerprinting and background checks. The Contractor shall supply all necessary data and information, as requested by the District, to enable the District to properly submit Contractor and its employees and agents for inclusion in the State of Michigan Department of Education's list of "registered educational personnel."

YES NO 8.04.8 Personnel or agents of the Contractor shall observe all school traffic and parking regulations. Drinking of alcoholic beverages or the use of illegal drugs or being under the influence of either on the job by the Contractor's employees will not be permitted. Smoking is prohibited inside all facilities owned, leased or operated by the District, including, but not limited to such space as classrooms, halls, lavatories, studios, opened and private offices, corridors, dining areas, restrooms, and common areas. Smoking is also prohibited on school grounds as outlined by law.

YES NO 8.04.9 The Contractor shall have the resources and staff for providing comprehensive training and staff development programs including the management of a diverse work force for employees at all levels of the organization.

8.05 **Inspection:**

YES NO 8.05.1 The District shall have the right to access all Facilities to inspect the operation thereof and the work of the Contractor with respect to the quality of procedures, sanitary and safety standards, cleanliness, appearance and conduct of the Contractor's employees, operating hours, and general housekeeping and upkeep of premises. The District shall have the right to make reasonable regulations with regard to all such matters and the Contractor agrees to comply with such regulations by mutual agreement.

8.06 **Accounting Statements and Audits:**

YES NO 8.06.1 The District reserves the right to audit or cause to be audited the Contractor's books and accounts with the District at any time during the term of this contract and for five (5) years thereafter.

8.07 **ADVERTISING:**

YES NO 8.07.1 The Contractor agrees not to use this Proposal or any subsequent agreement as part of any commercial advertising without prior approval of West Branch-Rose City Area Schools.

9.0 SECTION IX – GENERAL TERMS AND CONDITIONS

- 9.01 **FEDERAL, STATE AND LOCAL LAW COMPLIANCE:** West Branch-Rose City Area Schools shall use its best efforts as reasonably requested by the Contractor to assist the Contractor in complying with any applicable federal, state or local laws, rules and regulations. The Contractor shall, in the exclusive provision of Custodial Service and in the performance of services pursuant to the RFP and Contract, fully comply with all applicable federal, state, or local laws, rules and regulations, and shall hold the District, its officers, employees, agents and assignees harmless from any liability from failure of such compliance. This Contract indemnification from Contractor to the District shall include Contractor representations and warranties that the Contract is in compliance with all applicable federal and state law.
- 9.02 **FEDERAL, STATE AND LOCAL LICENSES, PERMITS AND FEES:** Contractor shall give all notices and secure and pay for all licenses, permits and fees required by law for the proper completion of the Contract. Contractor shall comply with all laws, ordinances and codes applicable to the Contract, and to policies and procedures promulgated by the District, including but not limited to parking and traffic, no smoking, and safety and security. The contractor, including all employees and agents shall perform the Custodial Services in accordance with all State Licensing laws including: the Electrical Administrative Act, PA 217 of 1956, as amended; the Forbes mechanical Contractors Act, PA 192 of 1984, as amended; the State Plumbing Act, PA 733 of 2002; the Boiler Act, PA 290 of 1965, as amended; and the Elevator Safety Act, PA 227 of 1967. The Contractor, including its employees and agents, shall be responsible for knowing the District's policies concerning appropriate behavior of persons in its Facilities and, on its properties, including for example, the prohibitions of sexual harassment and smoking, and shall comply with all such policies. The District shall use its best efforts as reasonably requested by the contractor, to assist the Contractor to comply with any and all applicable federal, state or local laws, rules and regulations. The contractor by providing its Proposal to the District represents and warrants that it shall at all times be in compliance with any and all federal and state laws, rules, ordinances, policies and regulations and licensing and permitting requirement applicable to providing Custodial Services pursuant to this RFP, its Proposal and the Contract, fully comply with any and all applicable federal, state or local laws, rules and regulations, and shall indemnify, defend and hold the District harmless from any liability from its failure to so comply.
- 9.03 **TAXES:** Contractor is responsible for personal property taxes and other applicable taxes related to the Custodial Services provided under the Contract.
- 9.04 **EQUAL EMPLOYMENT OPPORTUNITY REQUIREMENTS:** The Contractor will comply with all laws and all published rules, regulations, reporting requirements, directives and orders of the Michigan Civil Rights Commission relevant to 1976 PA 453, as amended which may be in effect prior to the taking of bids for any individual project. This may include providing information as to the practices, policies, and employment statistics of the Contractor and each subcontractor, and will permit access to any books, records and accounts by the District and/or its designee and its agents, for purposes of investigating compliance with this Contract and with rules, regulations, and orders of the School and Michigan Civil Rights Commission. A finding by the District or Michigan Civil Right Commission that Contractor has not complied with the contractual obligations under this agreement may result in the cancellation of the Contract or ineligibility for future contracts with the District. The Contractor will include, or incorporate by reference, these provisions in every subcontract or purchase order and will be binding upon each subcontractor. Breach of this covenant may be regarded as a material breach of the Contract.
- 9.05 **DISCRIMINATION:** The Contractor will not discriminate against any individual because of race, religion, color, national origin, age, or sex. The Contractor will take affirmative action to insure that applicants for employment and employees during employment are treated without regard to their race, religion, color, national origin, age, or sex. Such action shall include, but not be limited to, employment, upgrading, demotion or transfer; recruitment advertising, solicitations or advertisements for employees; layoff or termination; rates of pay or other forms of compensation; and selection for training and apprenticeship.

- 9.06 **WARRANTY:** Unless otherwise specified, all materials and equipment shall be new, and all work shall be of good quality and in conformance with the Contract documents. West Branch-Rose City Area Schools endeavors to buy products made in the United States of America whenever an American-made* product is available that meets or exceeds the specifications requested and the price is equal to or lower than a foreign-made product. Bidders are requested to bid American-made products and/or services whenever available. Bidders may bid foreign-made products or services when:
- They are specified.
 - They are identified as an alternate by the Bidder as long as they are technically acceptable.
 - More than 50% of the product is manufactured or assembled in the United States.
- 9.07 **OSHA COMPLIANCE:** All goods or services to be furnished by the Contractor shall meet all applicable State and Federal requirements of the Occupational Safety and Health Act. Alleged violations or deviations from said State and Federal requirements pertaining to any goods or services to be furnished by the Contractor or the Contractor's working conditions or employment practices, must be corrected and penalties levied by OSHA paid by the Contractor.
- 9.08 **BUSINESS RELATIONSHIP AFFIDAVIT:** The Contractor certifies that no elected or appointed official or employee of the District has benefited or will benefit financially or materially from any consideration of its Proposal, the selection of the Contractor, or the Contract.
- 9.09 **REPAIRS TO PROPERTY DAMAGE:** Any damage to District properties caused by the Contractor, its agents or employees shall be repaired so that the properties, or Facilities are in as good condition as found. All repairs shall be accomplished at no cost to the District and with the District's approval.
- 9.10 **CONTRACT ASSIGNMENT OR SUB-CONTRACT:** The resulting Contract shall not be assigned, transferred, or subcontracted in whole or in part without the prior written approval of the District. The Contractor shall not subcontract with any entity or person with whom the District has a reasonable objection. The Contractor shall not change subcontractors without the consent of the District. The Contractor shall ensure that each subcontractor be bound to the Contractor, to the Contract, and to the terms and rights of these documents, including all General and Supplementary Conditions.
- 9.11 **INDEMNIFICATION:** Contractor shall indemnify, defend and hold harmless the District, its Board of Education, its Board members, in their official or individual capacities, its administrators, employees, agents, contractors, successors and assignees from and against any and all claims, counter-claims, suits, debts, demands, actions, judgments, liens, costs, expenses, damages, and liabilities, including actual attorney's fees and actual expert witness fees arising out of or in connection with Contractor's performance of the Custodial Services pursuant to the Contract and/or from Contractor's violation of any of the terms of the Contract, including, but not limited to: (i) the negligent acts or willful misconduct of the Contractor, its officers, directors, employees, successors, assignees, contractors and agents; (ii) any breach of the terms of the Contract by the contractor its officers, directors, employees, successors, assignees, contractors and agents; (iii) any violation or breach of any applicable federal, state or local law, rule, regulation, ordinance, policy and/or licensing and permitting requirements applicable to providing the services; of (iv) any breach of any representation or warranty by the Contractor, its officers, directors, employees, successors, assignees, contractors and agents under the Contract. The contractor shall notify the District by certified mail, return receipt requested, immediately upon actual knowledge of any claim, suit, action or proceeding for which the District may be entitled to indemnification under the Contract. Such indemnification obligation shall not be limited in any way by any limitation on the amount or type of damages, compensation or

benefits payable by or for the Contractor or any subcontractor under workmen's compensation acts, disability benefit acts or other employee benefit acts.

9.12 Throughout the Contract Term, or any Renewal Term of the Contract, Contractor shall not permit itself or any third party to use, generate, handle, store or dispose of any Hazardous Substances in, on, under, upon or affecting any District Facility in violation of any applicable law or regulation. Without limiting any other provisions of the RFP specifications or the Contract, Contractor shall indemnify, defend and hold harmless the District, its Board of Education, its Board Members, in their official and individual capacities, administrators, employees, agents, contractors, successors and assignees, from and against all liabilities, claims, losses, costs and expenses (specifically including, without limitation, attorneys', engineers', consultants' and experts' fees, costs and expenses) arising from (i) any breach of any representation or warranty made in this paragraph and/or (ii) environmental conditions or noncompliance with any applicable law or regulation that result, in the case of the Contractor, from operations or the Custodial Services in or about any District Facility or property by Contractor or its agents or employees. As used herein, the term "Hazardous Substances" shall mean (i) any hazardous or regulated substance as defined by all federal, state and local environmental laws, including, but not limited to, Federal Water Pollution Control Act (33 U.S.C. §§ 1251 et seq.) ("Clean Water Act"), the Resource Conservation & Recovery Act (42 U.S.C. §§ 6901 et seq.) ("RCRA"), Safe Drinking Water Act (42 U.S.C. §§ 300f-j-26), Toxic Substance Control Act (15 U.S.C. §§ 2601 et seq.), Clean Air Act (42 U.S.C. §§ 7401 et seq.), the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. §§ 9601 et seq.) ("CERCLA"), the Emergency Planning and Community Right to Know Act, 42 U.S.C. §§ 11001 et seq. ("EPCRA"), the Michigan Natural Resources and Environmental Protection Act (MCL § 324.101 et seq.) the administrative rules and regulations promulgated under such statutes, or any other similar federal, state or local law or administrative rule or regulation of similar effect, each as amended and as in effect and as adopted as of the date of execution of this Lease, (ii) any other pollutant, contaminant, hazardous substance, solid waste, hazardous material, radioactive substance, toxic substance, noxious substance, hazardous waste, particulate matter, airborne or otherwise, chemical waste, medical waste, crude oil or any fraction thereof, radioactive waste, petroleum or petroleum-derived substance or waste, asbestos, PCBs, radon gas, all forms of natural gas, or any hazardous or toxic constituent of any of the foregoing, whether such substance is in liquid, solid or gaseous form, or (iii) any such substance the release, discharge or spill of which requires activity to achieve compliance with applicable law. This paragraph shall survive the expiration or earlier termination of the Contract.

9.13 **INSURANCE REQUIREMENTS:** Contractor shall purchase and maintain for the life of the Contract insurance with limits of liability as required by law or as set forth below, whichever is greater.

- Worker's Compensation and Employer's liability at a minimum of \$1,000,000 or at statutory limits if greater.
- Commercial General Liability made on an Occurrence Form basis which includes at minimum the following types of coverage:
- Contractual liability, advertising and personal injury, products and completed operations, and an installation floater, showing limits of \$1,000,000 per occurrence, and a general aggregate limit of \$2,000,000.
- Comprehensive Automobile Liability, which includes coverage for any auto, hired autos, and non-owned autos with a combined single limit of \$1,000,000.
- Bodily and personal injury of \$1,000,000 per accident and \$500,000 per person
- Property damage of \$500,000
- Combined single limit of \$1,000,000
- West Branch-Rose City Area Schools shall be identified as an additional insured under the coverage. Certificates of insurance shall be on standard format acceptable to the District and shall be filed with the District before commencing the Contract. These certificates shall contain a provision that coverage provided

under the policies will not be canceled until at least thirty days prior written notice has been given to the District. The Contractor shall require its subcontractors to maintain equivalent coverage.

- 9.14 **FERPA COMPLIANCE:** The Contractor and its employees and agents agree to comply with the requirements of the Family Education Rights and Privacy Act (FERPA), 20 USC 1232g with respect to the confidentiality of student records and personally identifiable student information, including but not limited to the requirement not to disclose any student record or personally identifiable student information to any other party without the prior written consent of the student's parent or legal guardian or from an eligible student who has reached majority age.
- 9.15 **INDEPENDENT CONTRACTOR:** It is expressly agreed between Contractor and the District that Contractor will act as an independent contractor in the performance of its duties under the Contract and under no circumstances shall any of the employees of one party be deemed the employees of the other for any purpose. Accordingly, Contractor shall meet all of its obligations and responsibilities for payment of all taxes including Federal, State and Local taxes arising out of Contractor's activities in accordance with the Contract, including by way of illustration but not limitation, Federal and State income tax, Social Security tax, Unemployment Insurance taxes, Workers' Compensation Insurance and any other taxes or business license fees as required. The Contract shall not be construed as authority for either party to act for the other party in any agency or other capacity or to make commitments of any kind for the account of, or on behalf of, the other party, except to the extent, and for the purposes, expressly provided for and set forth herein, and no partnership or joint venture is created hereby. Contractor is retained and engaged by the District only for the purposes and to the extent set forth herein. Contractor shall not be considered an employee of the District, nor is Contractor entitled to participate in any plans, arrangements, or distributions by the District pertaining to or in connection with any fringe, pension, bonus, profit sharing, or similar benefits, or any medical, dental, life or disability insurance plans. Further, the District will not withhold or pay any State, Federal or Local taxes, FICA, FUTA, MESC Insurance or Worker's Compensation Insurance and Contractor will indemnify, defend and hold the District harmless for the payment of such sums, interest, penalties, or cost of collection of same, including reasonable attorney fees. Nothing in the Contract shall be construed to interfere with or otherwise affect the rendering of services by the Contractor in accordance with its independent and professional judgment. The Contract shall be subject to Contractor's performance of the Services substantially in accordance with generally accepted practices and principals. No tenure or other rights/benefits typically arising out of an employee-employer relationship shall arise out of the Contract on behalf of Contractor.
- 9.16 **FORCE MAJEURE.** In the event Contractor is unable to provide the Services herein specified because of any act of God (excluding inclement weather), civil disturbance, fire, flood, riot, war, picketing, strike, lockout, labor dispute, oil or fuel shortage or embargo, governmental action or any condition or cause beyond the Contractor's control, the School District shall excuse the Contractor from performance under this Contract. A change in market condition does not constitute force majeure.

The District shall have the right to take over the Services if the Contractor is prevented from operating for the reasons described above, and may provide such Services with school employees or other persons, as the School District may deem appropriate until Contractor is able to resume its regular operations and the School District shall receive a credit from Contractor for the days the Contractor failed to provide such Services on a pro-rata basis. Notwithstanding the foregoing, in the event of a strike, the Contractor shall procure replacement personnel necessary to perform the Services. If the Contractor does not procure such replacement personnel, the School District may procure the same and deduct the associated costs and expenses from any amounts owed to the Contractor, or terminate the Contract immediately.

- 9.17 Compensation for the Custodial Services described in this RFP **MUST** be fixed for years one (1), two (2), and three (3) of the Contract. Moreover, the Contractor, by submitting its Proposal, agrees to convene bi-annually with representatives of the District, for the purpose of evaluating the efficiency of the performance of the Contract, so that further efficiencies may be uncovered and implemented into the Contract. As part of this process, and by submitting their Proposal, the Contractor agrees to pass along any savings to the District.

Any extensions shall be negotiated by the parties. If the Contractor seeks to have the Contract extended beyond the Contract Term, the Contractor must provide the upcoming fiscal year's fee schedule at least ninety (90) days before the expiration of the Contract Term. Notwithstanding the foregoing, compensation for each Renewal Term or extension of the Contract shall be adjusted by the percentage increase or decrease, if any, between the index number, as established by the Consumer Price Index, published by the United States Department of Labor, Bureau of Labor Statistics. Any such increase, however, shall not exceed three percent (3%) in any subsequent Renewal Term or extension of the said Contract.

- 9.18 The Contract shall be governed by and construed in accordance with the laws of the State of Michigan. The parties hereby agree to the exclusive jurisdiction and venue of courts sitting in Newaygo County, Michigan.