

**SERVICE AGREEMENT BETWEEN  
THE DAVEY TREE EXPERT COMPANY  
AND THE CITY OF ANN ARBOR  
FOR ROUTINE STREET TREE PRUNING**

The City of Ann Arbor, a Michigan municipal corporation, having its offices at 301 E. Huron St. Ann Arbor, Michigan 48104 ("City"), and The Davey Tree Expert Company, ("Contractor") a(n) Corporation of Ohio with its address at 1500 N. Mantua Street, Kent, OH 44240 agree as follows on this 2<sup>ND</sup> day of July 2018.

The Contractor agrees to provide services to the City under the following terms and conditions:

I. DEFINITIONS

Administering Service Area/Unit means Public Services Area, Public Works Unit.

Contract Administrator means Kerry Gray, Public Works Unit, acting personally or through any assistants authorized by the Administrator/Manager of the Administering Service Area/Unit.

Deliverables means all Plans, Specifications, Reports, Recommendations, and other materials developed for and delivered to City by Contractor under this Agreement.

Project means ***"The City of Ann Arbor Routine Street Tree Pruning Program"***.

II. DURATION

This Agreement shall become effective on July 2, 2018, and shall remain in effect until satisfactory completion of the Services specified below unless terminated as provided for in Article XI.

Subject to the availability of funding, the Contract may be extended for one one-year term subject to the same terms and conditions, including unit prices in the original Contract and subject to agreement by the City and the Contractor. Between February 1 and May 1, 2019, the City may provide a written request for the one year extension to the Contractor after which the Contractor shall have 30 days to respond in writing that it agrees to the one year extension. Failure to respond may result in the Contract being reissued for bid.

III. SERVICES

A. General Scope: The Contractor agrees to furnish all of the materials, equipment and labor necessary; and to abide by all the duties and responsibilities applicable to it for the Project in accordance with the requirements and provisions of the following documents, including all written modifications incorporated into any of the documents, which are incorporated as part of this Contract:

Contract and Exhibits  
Invitation to Bid No. 4507  
Bid Proposal of Contractor, dated July 28, 2017, and restated and attached as Exhibit A

The contract documents are complementary and what is called for by any one shall be binding. The intention of the documents is to include all labor and materials, equipment and transportation necessary for the proper execution of the Project. Materials or work described in words that so applied have a well-known technical or trade meaning have the meaning of those recognized standards.

In case of a conflict among the contract documents listed above in any requirement(s), the requirement(s) of the document listed first shall prevail over any conflicting requirement(s) of a document listed later.

- B. Quality of Services: The Contractor's standard of service under this Contract shall be of the level of quality performed by businesses regularly rendering this type of service. Determination of acceptable quality shall be made solely by the Contract Administrator.
- C. Compliance with Applicable Law: The Contractor shall perform its services under this Contract in compliance with all applicable laws, ordinances and regulations.
- D. Location: The Contractor shall provide all of these services at locations selected by Urban Forest & Natural Resource Planning Coordinator and/or Public Works Forestry Supervisor within the City of Ann Arbor, Michigan.

#### IV. RELATIONSHIP OF PARTIES

- A. The parties to this Contract agree that it is not a contract of employment but is a contract to accomplish a specific result. Contractor is an independent contractor performing services for the City. Nothing contained in this Contract shall be deemed to constitute any other relationship between the City and the Contractor.
- B. The Contractor certifies that it has no personal or financial interest in the project other than the fee it is to receive under this Contract. The Contractor further certifies that it shall not acquire any such interest, direct or indirect, which would conflict in any manner with the performance of services under this Contract. Further Contractor agrees and certifies that it does not and will not employ or engage any person with a personal or financial interest in this Contract.
- C. Contractor does not have any authority to execute any contract or agreement on behalf of the City, and is not granted any authority to assume or create any obligation or liability on the City's behalf, or to bind the City in any way.
- D. Contractor certifies that it is not, and shall not become, overdue or in default to the City for any contract, debt, or any other obligation to the City including real or personal property taxes. City shall have the right to set off any such debt against compensation awarded for services under this Contract.

#### V. COMPENSATION OF CONTRACTOR

- A. The Contractor shall be paid on the basis of the bid prices. The total fee to be paid the Contractor for the services shall not exceed **\$660,600.00**. The Contractor shall

submit each month, or at longer intervals, if it so desires, an invoice covering work performed for which it believes payment, under the Contract terms, is due. The submission shall be to the City's Finance Department - Accounting Division. The Contract Administrator will, within 21 days following submission of the invoice, prepare a certificate for payment for the work in an amount to be determined by the Contractor Administrator as fairly representing the acceptable work performed during the period covered by the Contractor's invoice. Following the receipt of the Contract Administrator's Certificate, and subject to the City retaining a percentage of the estimate as provided in this paragraph, the City will make payment to the Contractor as soon as feasible, which is anticipated will be within 15 days. To insure the proper performance of this Contract, the City will retain a percentage of the estimate in the same manner as is done for construction contracts under Act 524, Public Acts of 1980. If the City fails to retain a percentage from one or more of the estimates it pays, the City reserves the right to retain the amount from a subsequent payment.

- B. If the Contract Administrator decides it is inexpedient to correct work that has been damaged or that was not done in accordance with the Contract, an equitable deduction from the Contract price shall be made.
- C. The Contractor shall promptly remove from the premises all trees and materials determined by the Contract Administrator as failing to meet Contract requirements and the Contractor shall promptly replace and re-execute the work in accordance with the Contract and without expense to the City.
- D. The inspection or lack of inspection of any material or work pertaining to this Contract shall not relieve the Contractor of its obligation to fulfill this Contract and defective work shall be made good. Unsuitable materials may be rejected by the Contract Administrator notwithstanding that the work and/or materials have been previously overlooked by the Contract Administrator and accepted or estimated for payment or paid for. If the work or any part shall be found defective at any time before the final acceptance, the Contractor shall forthwith make good the defect in a manner satisfactory to the Contract Administrator. The judgment and the decision of the Contract Administrator as to whether the materials supplied and the work done under this Contract comply with the requirements of the Contract shall be conclusive and final.
- E. At the end of the guarantee period for each project (fall and spring) and within 14 days after receipt of written notice from the Contractor that the work is ready for final inspection and acceptance, the City shall inspect all guaranteed work for final acceptance. When the Contract Administrator finds the work acceptable under the Contract and the Contract fully performed, including completion and re-inspection of all repairs and replacements necessary in the judgment of the Contract Administrator, the Contract Administrator will promptly sign and issue a final certificate stating that the work required by this Contract has been completed and is accepted by the City under the terms and conditions of the Contract. Subject to the requirements below, the entire balance found to be due the Contractor, including the retained percentage shall be paid to the Contractor by the City within 30 days after the date of the final certificate.

Before issuance of final certificates, the Contractor shall file with the City:

- (1) The consent of the surety to payment of the final estimate;
- (2) The Contractor's Affidavit

In case the Affidavit or consent is not furnished, the City may retain out of any amount due the Contractor, sums sufficient to cover all lienable claims.

The making and acceptance of the final payment shall constitute a waiver of all claims by the City except those arising from:

- (1) unsettled liens;
- (2) faulty work appearing within 12 months after final payment;

The making and acceptance of the final payment shall also constitute a waiver of all claims by the Contractor, except those previously made and still unsettled.

#### VI. INSURANCE; INDEMNIFICATION

- A. The Contractor shall procure and maintain during the life of this contract such insurance policies, including those set forth in Exhibit B, as will protect itself and the City from all claims for bodily injuries, death or property damage which may arise under this contract; whether the act(s) or omission(s) giving rise to the claim were made by the Contractor, any subcontractor or anyone employed by them directly or indirectly. In the case of all contracts involving on-site work, the Contractor shall provide to the City, before the commencement of any work under this contract, documentation satisfactory to the City demonstrating it has obtained the policies and endorsements required by Exhibit B. When requested, Contractor shall provide the same documentation for its subcontractor(s).
- B. Any insurance provider of Contractor shall be admitted and authorized to do business in the State of Michigan and shall carry and maintain a minimum rating assigned by A.M. Best & Company's Key Rating Guide of "A-" Overall and a minimum Financial Size Category of "V". Insurance policies and certificates issued by non-admitted insurance companies are not acceptable unless approved in writing by the City.
- C. To the fullest extent permitted by law, Contractor shall indemnify, defend and hold the City, its officers, employees and agents harmless from all suits, claims, judgments and expenses, including attorney's fees, resulting or alleged to result, from any acts or omissions by Contractor or its employees and agents occurring in the performance of or breach in this Contract, except to the extent that any suit, claim, judgment or expense are finally judicially determined to have resulted from the City's negligence or willful misconduct or its failure to comply with any of its material obligations set forth in this Contract.

VII. COMPLIANCE REQUIREMENTS

- A. Nondiscrimination. The Contractor agrees to comply, and to require its subcontractor(s) to comply, with the nondiscrimination provisions of MCL 37.2209. The Contractor further agrees to comply with the provisions of Section 9:158 of Chapter 112 of the Ann Arbor City Code and to assure that applicants are employed and that employees are treated during employment in a manner which provides equal employment opportunity.
- B. Living Wage. If the Contractor is a “covered employer” as defined in Chapter 23 of the Ann Arbor City Code, the Contractor agrees to comply with the living wage provisions of Chapter 23 of the Ann Arbor City Code. The Contractor agrees to pay those employees providing Services to the City under this Contract a “living wage,” as defined in Section 1:815 of the Ann Arbor City Code, as adjusted in accordance with Section 1:815(3); to post a notice approved by the City of the applicability of Chapter 23 in every location in which regular or contract employees providing services under this Contract are working; to maintain records of compliance; if requested by the City, to provide documentation to verify compliance; to take no action that would reduce the compensation, wages, fringe benefits, or leave available to any employee or person contracted for employment in order to pay the living wage required by Section 1:815; and otherwise to comply with the requirements of Chapter 23.

VIII. WARRANTIES BY CONTRACTOR

- A. The Contractor warrants that the quality of its services under this Contract shall conform to the level of quality performed by professionals regularly rendering this type of service. The Contractor warrants that the repairs shall be free of defects for a period of one year.
- B. The Contractor warrants that it has all the skills and experience necessary to perform the services it is to provide pursuant to this Contract. The Contractor may rely upon the accuracy of reports and surveys provided to it by the City except when defects should have been apparent to a reasonably competent contractor or when it has actual notice of any defects in the reports and surveys.

IX. SURETY BONDS

Before the commencement of any work under this Contract, Contractor shall provide to the City the following surety bond(s), issued by a surety company licensed to write surety bonds in the State of Michigan, executed on a form supplied by the City, and satisfactory to the City Attorney:

- A. Performance Bond

X. TERMINATION OF CONTRACT; RIGHTS ON TERMINATION

- A. This Contract may be terminated by either party in the case of a breach of this Contract by the other party, if the breaching party has not corrected the breach within 15 days after notice of termination is given in conformance with the terms of this Contract.
- B. If contracting services are terminated for reasons other than the breach of the Contract by the Contractor, the Contractor shall be compensated for reasonable time spent and reasonable quantities of materials used prior to notification of termination.

XI. OBLIGATIONS OF THE CITY

- A. The City agrees to give the Contractor access to staff and City owned properties as required to perform the necessary services under the Contract.
- B. The City shall notify the Contractor of any defects in the services of which the City has actual notice.

XII. ASSIGNMENT

- A. The Contractor shall not subcontract or assign any portion of the services without prior written consent to such action by the City.
- B. The Contractor shall retain the right to pledge payment(s) due and payable under the Contract to third parties.

XIII. NOTICE

All notices and submissions required under the Contract shall be by personal delivery or by first-class mail, postage prepaid, to the address stated in this Contract or such other address as either party may designate by prior written notice to the other. Notice shall be considered delivered under this Contract when personally delivered to the Contract Administrator or placed in the U.S. mail, postage prepaid to the Administering Service Area/Unit, care of the Contract Administrator.

XIV. EXTENT OF AGREEMENT

This Contract represents the entire understanding between the City and the Contractor and it supersedes all prior representations or agreements whether written or oral. Neither party has relied on any prior representations in entering into this agreement.

This Contract may be altered, amended or modified only by written amendment signed by the Contractor and the City.

XV. SEVERABILITY OF PROVISIONS

Whenever possible, each provision of this Contract will be interpreted in a manner as to be effective and valid under applicable law. However, if any provision of this Contract or the application of any provision to any party or circumstance will be prohibited by or invalid under applicable law, that provision will be ineffective to the extent of the prohibition or invalidity without invalidating the remainder of the provisions of this Contract or the application of the provision to other parties or other circumstances.

XVI. CHOICE OF LAW

This Contract shall be construed, governed, and enforced in accordance with the laws of the State of Michigan. By executing this Contract, the Contractor and the City agree to venue in a court of appropriate jurisdiction sitting within Washtenaw County for purposes of any action arising under this Contract

**FOR CONTRACTOR**

By \_\_\_\_\_  
Type Name  
Its

**FOR THE CITY OF ANN ARBOR**

By \_\_\_\_\_  
Christopher Taylor, Mayor

By \_\_\_\_\_  
Jacqueline Beaudry, City Clerk

**Approved as to substance**

\_\_\_\_\_  
Howard Lazarus, City Administrator

\_\_\_\_\_  
Craig Hupy,  
Public Services Area Administrator

**Approved as to form and content**

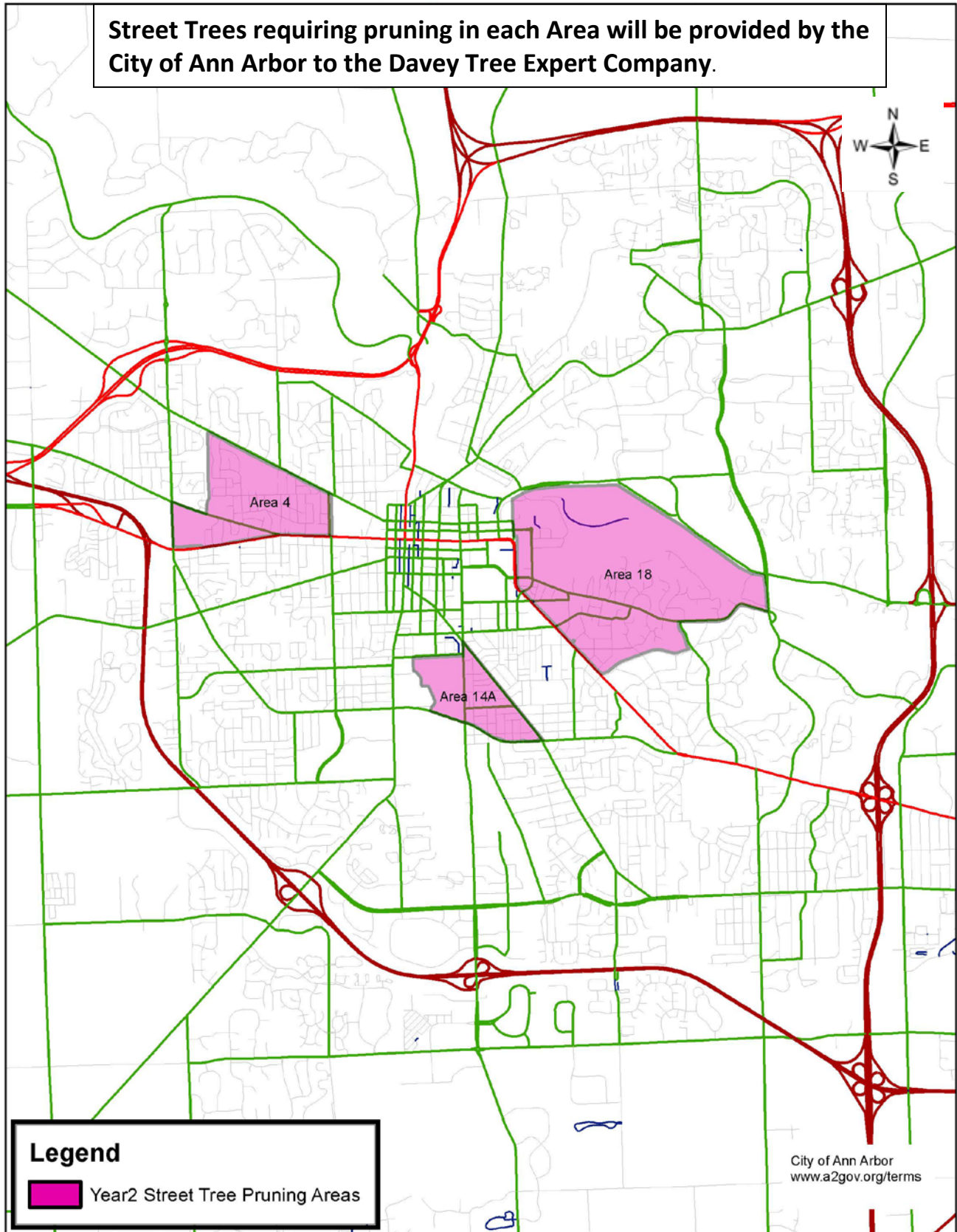
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Stephen K. Postema, City Attorney

## EXHIBIT A: TREE PRUNING BID PRICES

<b>Davey Tree Expert Company</b>	
<b>Diameter Class DBH (")</b>	<b>Per Tree Pruning Cost for each Diameter Class</b>
0 - 5	\$ 58.00
6 - 10	\$ 113.00
11 - 15	\$ 183.00
16 - 20	\$ 203.00
21 - 25	\$ 253.00
26 - 30	\$ 283.00
31 - 35	\$ 323.00
> 36	\$ 363.00



## EXHIBIT B: MAP OF PRUNING AREAS



# EXHIBIT C: DETAILED SPECIFICATIONS

## Section 1: General Information

The Contractor(s) will perform the work with due care taking precautions against injury to persons, damage to public/private property and interference with vehicular or pedestrian traffic. The Contractor(s) shall take necessary precautions to ensure the safety of all persons engaged in the work of this Contract. All equipment to be used and all work to be performed must be in full compliance with provisions outlined in all applicable industry standards and regulations.

Equipment and tools must not be left unsecured at any time. All equipment and tools must be stored in such manner to ensure that residents and the public do not have access to them.

The Contractor shall provide notification to the City Representative and personnel directly affected by the work of any potentially dangerous situations. In the event of an emergency affecting the safety of persons or property, the Contractor shall act immediately to prevent threatened loss or damage. The Contractor shall immediately stop any activity or operation affecting safety until the situation(s) is corrected.

Where work is conducted in streets or other public thoroughfares, the Contractor(s) shall so plan and schedule work as to cause as little interference as possible with general public traffic, both vehicular and pedestrian. Street surfaces shall be maintained and kept clean. Access to Fire, Police, ambulance and other emergency vehicles shall be maintained at all times.

Work on State Trunklines (Washtenaw Ave., Huron St., Jackson Ave, and Main Street) and major roads (including, Geddes, Stadium and Packard) must occur between 9 a.m. and 3 p.m.; work is not permitted on these roads outside of these times. No work is to be conducted near the University of Michigan Football Stadium on football game Saturdays, or during other major stadium events.

Blocking of public streets shall not be permitted unless prior arrangements have been made by submitting an **Application for Traffic Detour or Lane Closure for each job**. The form is available online at the city website [www.a2gov.org](http://www.a2gov.org).

Whenever working in the street the Contractor must provide the **required traffic control signage and flaggers** as described in the Michigan Manual of Uniform Traffic Control Devices. **Bids should account for the cost of flagging personnel and traffic control devices as applicable.**

The City shall inspect work periodically to insure that all specifications are adhered to.

## Section 2: Tree Pruning Specifications

The purpose of this street tree pruning program is to prune to manage tree health, develop/improve structure, mitigate risk, provide clearance and improve aesthetics.

All pruning shall be performed in accordance with the latest revision of the ANSI A300 and Z133.1 standards, and the International Society of Arboriculture's Tree Pruning Best Management Practices.

## EXHIBIT C: DETAILED SPECIFICATIONS

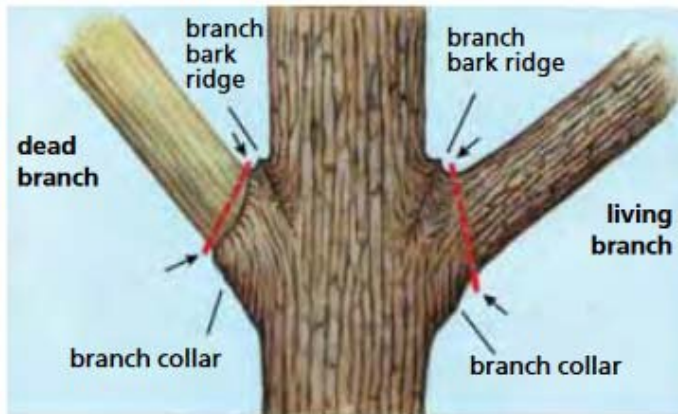
Unacceptable trimming practices include peeling or tearing of the bark, topping or pollarding, lion's tailing, rounding-over or shearing. Extreme care shall be taken so as to prevent limbs, and branches from falling and creating damage to adjacent homes, driveways, sidewalks, streets and other property, both public and private.

The following specifications shall be followed:

- A. A natural pruning system shall be utilized. Live branches shall be removed to maintain the natural form and appearance of the tree. Mutilation and loss of characteristic shape of the tree is prohibited.
  - i. Pruning activities should remove no more living material than is necessary to achieve the tree pruning objectives outlined in these specifications.
- B. Trees shall be pruned to remove all dead, diseased, broken and crossing branches that are 2" in diameter or larger.
- C. In raising lower branches for clearance, care should be given to symmetrical appearance and cuts shall not be made so large that it will prevent normal sap flow. Trim to allow for several years growth before smaller secondary and tertiary limbs will be below the required clearance height. Raise lower scaffold branches...
  - i. for a minimum of 10 feet of clearance to the ground under the dripline from the street curb to residence.
  - ii. Raise lower scaffold branches for a minimum of 14 feet of clearance to the ground under the dripline over the street.
- D. Trees shall be pruned to provide clear, unobstructed views of street signs, traffic signs and traffic signals.
- E. When street tree limbs are in conflict with private trees or are overhanging structures, trees shall be pruned to provide clearance.
- F. Remove old stubs leaving the branch collar intact.
- G. "Natural" or "Drop-crotch" technique shall be used when removing or shortening branches.
- H. No hanger shall be left in tree after trimming is complete.
- I. For young and medium trees (1-15" DBH) prune to develop/improve structure.
  - i. Develop dominate leader(s) and scaffold branches appropriate for the species and the site while maintaining the tree's natural shape.
  - ii. Subordinate or remove competing leader, branches or shoots (subordination is

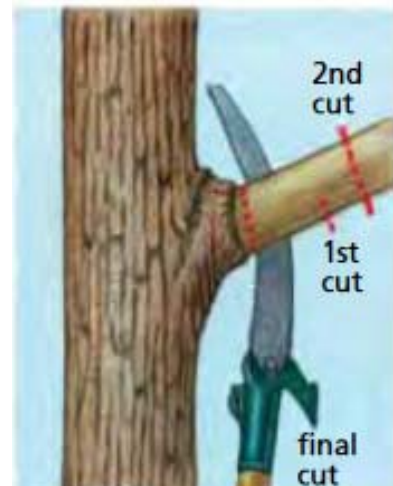
## EXHIBIT C: DETAILED SPECIFICATIONS

- preferred over removal) while maintaining the tree's natural shape.
- iii. Subordinate or remove branches that have poor branch angles, including branches with included bark.
  - iv. Remove suckers and stump sprouts
  - v. No more than 1/3 of the living branches shall be removed
- J. To allow for proper wound closure to occur, all cuts shall be made sufficiently close to the trunk or parent limb without cutting into the branch bark ridge or branch collar (Figure A) or leaving a protruding stub. Clean cuts shall be made at all times.
- K. Branches shall be pre-cut when necessary to prevent splitting or peeling of the bark (see Figure B)
- L. All necessary precautions should be taken to prevent unnecessary damage to the remaining tree.
- M. To avoid unnecessarily large cuts do not remove limbs that are greater than one-third (1/3) the diameter of the trunk unless directed by the City.
- N. Oak, Elm and Crabapple trees are only to be pruned between November and March 15 or as directed by the City, to prevent the spread of diseases. If, with City permission, an Oak/Elm must be pruned between April and October, wound/latex paint must be applied to the pruning cut to avoid the spread of diseases.
- O. For diseased trees, tools shall be sterilized between pruning cuts, to avoid spreading disease to unaffected branches.



**Figure A**

Source: "How to Prune Trees,"  
USDA Forest Service



**Figure B**

Source: "How to Prune Trees,"  
USDA Forest Service

## **EXHIBIT C: DETAILED SPECIFICATIONS**

### **Section 3: Hazardous Trees**

Any dead/dying or hazardous trees, including trees that have structural weaknesses, decayed trunk/branches, and/or split crotches/branches should be reported to the City immediately. The City will evaluate trees and will notify Contractor if the tree should be pruned.

### **Section 4: Tree Pruning Practices**

All pruning must be performed in accordance with the latest revision of the ANSI A300 and Z133.1 standards, and the International Society of Arboriculture's Tree Pruning Best Management Practices. Contractor(s) should expect that it might be necessary to climb trees to perform the tree trimming for this specification. Tree climbing with spikes or any equipment that can damage the tree is prohibited.

Extreme care shall be taken so as to prevent limbs, branches, and trunks from falling and creating damage to adjacent homes, driveways, sidewalks, streets and other property, both public and private.

Limbs and branches larger than four (4) inches in diameter shall be lowered to the ground through the use of ropes or other mechanical devices.

### **Section 5: Public Interaction**

The Contractor will interact with the public in a professional and courteous manner. The City will notify residents of upcoming tree pruning. If Contractor or employee cannot satisfy a citizen they are to refer the citizen to the City of Ann Arbor. City staff contact information will be provided to the winning bidder(s).

### **Section 6: Work Logs**

Work logs, including street name and block numbers (i.e. 200 block for N. Main St.) and number of trees pruned, shall be provided to the City of Ann Arbor Contract Administrator on a daily basis for the first 10 days of the project. After the initial 10-day period, Work Logs shall be provided to the Contract Administrator on a weekly basis or as requested.

### **Section 7: No Parking**

It is the responsibility of the Contractor(s) to post temporary "No Parking" signs according to City regulations and permit requirements. Contractors may obtain signs from the City, but must provide their own posts. Note that Miss Dig must be called prior to digging post holes.

Information about the form and process to post temporary no parking signs is available online at [www.a2gov.org](http://www.a2gov.org); Departments; Engineering; Private Development; Work in the Right-of-Way.

## **EXHIBIT C: DETAILED SPECIFICATIONS**

### **Section 8: Noise and Traffic Control**

The Contractor is expected to follow City of Ann Arbor ordinances and laws including noise and traffic control. For City of Ann Arbor Ordinances visit <http://www.a2gov.org/departments/city-clerk/Pages/Ordinances-and-City-Code.aspx>.

### **Section 9: Property Damage**

It is the Contractors' responsibility to repair any damages to property including walks, roads, drives, structures, lawn, landscaping, trees, fencing and other improvements. Ruts, divots and holes in the lawn and landscape areas caused by tree care operations are to be repaired, including reseeding with turf grass.

### **Section 10: Property Access**

Access to residential and commercial driveways must be provided at all times.

### **Section 11: Wood Disposal**

The bidder will be responsible to pay for the disposal of all wood waste generated from tree pruning activities. The property owner shall have the first right to all wood accumulated. Any reasonable request to place wood at a convenient location shall be honored.

The City encourages Bidders to consider wood utilization options for some larger branches generated during tree pruning (e.g. woodworker/artisan use; local sawmills, etc.). Wood utilization options may be discussed with winning Bidder(s).

The Bidder can use the City of Ann Arbor's Material Recover Facility (MRF), 4150 Platt Rd, to dispose of the wood waste, if they choose. Contact the MRF Scale House at 734-971- 8600 for the current per ton cost or to arrange other payment options.

Ensure that the bid prices for tree pruning reflect the Bidders responsibility to pay for the cost of wood waste disposal.

No wood or debris may be left overnight on the extension, unless arrangements have been made with the City prior to each incidence

### **Section 12: Equipment Storage**

Equipment may be parked at designated City of Ann Arbor property during the contract period. There may not be facilities at the property, but it will be fenced with gate-card access. Location, hours the property will be open and accessible and possible issuance of a gate card will be provided to the winning Bidder(s).

## **EXHIBIT C: DETAILED SPECIFICATIONS**

### **Section 13: Electrical Hazards**

The Contractor(s) is expected to follow safety precautions as outlined in ANSI Z133 section 5 - Electrical Hazards, including but not limited to:

- i. If the minimal approach distance cannot be maintained during pruning operations, electrical system owner/operator shall be advised before any work is performed in proximity to energized electrical conductors. The Contractor(s) is also responsible for notifying the utility companies as to when service can be restored and to cooperate with the utility companies to ensure service is restored prior to night fall each day.
- ii. Only qualified line-clearance arborists or trainees shall be assigned to work where an electrical hazard exists.
- iii. If the utility company must remedy a hazard before tree work can commence, the Contractor shall notify the City to establish a work plan and scheduling.

## EXHIBIT D: CITY OF ANN ARBOR DECLARATION OF COMPLIANCE

The "wage and employment requirements" of Section 1:320 of Chapter 14 of Title I of the Ann Arbor City Code mandates that the city not enter any contract, understanding or other arrangement for a public improvement for or on behalf of the city unless the contract provides that all craftsmen, mechanics and laborers employed directly on the site in connection with said improvements, including said employees of subcontractors, shall receive the prevailing wage for the corresponding classes of craftsmen, mechanics and laborers, as determined by statistics for the Ann Arbor area compiled by the United States Department of Labor. Where the contract and the Ann Arbor City Code are silent as to definitions of terms required in determining contract compliance with regard to prevailing wages, the definitions provided in the Davis-Bacon Act as amended (40 U.S.C. 278-a to 276-a-7) for the terms shall be used. Further, to the extent that any employees of the contractor providing services under this contract are not part of the class of craftsmen, mechanics and laborers who receive a prevailing wage in conformance with section 1:320 of Chapter 14 of Title I of the Code of the City of Ann Arbor, employees shall be paid a prescribed minimum level of compensation (i.e. Living Wage) for the time those employees perform work on the contract in conformance with section 1:815 of Chapter 23 of Title I of the Code of the City of Ann Arbor.

At the request of the city, any contractor or subcontractor shall provide satisfactory proof of compliance with this provision.

The Contractor agrees:

- (a) To pay each of its employees whose wage level is required to comply with federal, state or local prevailing wage law, for work covered or funded by this contract with the City,
- (b) To require each subcontractor performing work covered or funded by this contract with the City to pay each of its employees the applicable prescribed wage level under the conditions stated in subsection (a) or (b) above.
- (c) To provide to the City payroll records or other documentation within ten (10) business days from the receipt of a request by the City.
- (d) To permit access to work sites to City representatives for the purposes of monitoring compliance, and investigating complaints or non-compliance.

The undersigned states that he/she has the requisite authority to act on behalf of his/her employer in these matters and has offered to provide the services in accordance with the terms of the wage and employment provisions of the Chapter 14 of the Ann Arbor City Code. The undersigned certifies that he/she has read and is familiar with the terms of Section 1:320 of Chapter 14 of the Ann Arbor City Code and by executing this Declaration of Compliance obligates his/her employer and any subcontractor employed by it to perform work on the contract to the wage and employment requirements stated herein. The undersigned further acknowledges and agrees that if it is found to be in violation of the wage and employment requirements of Section 1:320 of the Chapter 14 of the Ann Arbor City Code it shall be deemed a material breach of the terms of the contract and grounds for termination of same by the City.

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name and Title

\_\_\_\_\_  
Address, City, State, Zip

\_\_\_\_\_  
Phone/Email address

Questions about this form? Contact Procurement Office City of Ann Arbor Phone: 734/794-6500 9/25/15 Rev 0

PW



## EXHIBIT E: CITY OF ANN ARBOR LIVING WAGE ORDINANCE DECLARATION OF COMPLIANCE

The Ann Arbor Living Wage Ordinance (Section 1:811-1:821 of Chapter 23 of Title I of the Code) requires that an employer who is (a) a contractor providing services to or for the City for a value greater than \$10,000 for any twelve-month contract term, or (b) a recipient of federal, state, or local grant funding administered by the City for a value greater than \$10,000, or (c) a recipient of financial assistance awarded by the City for a value greater than \$10,000, shall pay its employees a prescribed minimum level of compensation (i.e., Living Wage) for the time those employees perform work on the contract or in connection with the grant or financial assistance. The Living Wage must be paid to these employees for the length of the contract/program.

*Companies employing fewer than 5 persons and non-profits employing fewer than 10 persons are exempt from compliance with the Living Wage Ordinance. If this exemption applies to your company/non-profit agency please check here  No. of employees*

The Contractor or Grantee agrees:

- (a) To pay each of its employees whose wage level is not required to comply with federal, state or local prevailing wage law, for work covered or funded by a contract with or grant from the City, no less than the Living Wage. The current Living Wage is defined as \$13.22/hour for those employers that provide employee health care (as defined in the Ordinance at Section 1:815 Sec. 1 (a)), or no less than \$14.75/hour for those employers that do not provide health care. The Contractor or Grantor understands that the Living Wage is adjusted and established annually on April 30 in accordance with the Ordinance and covered employers shall be required to pay the adjusted amount thereafter to be in compliance (Section 1:815(3)).

**Check the applicable box below which applies to your workforce**

Employees who are assigned to any covered City contract/grant will be paid at or above the applicable living wage without health benefits

Employees who are assigned to any covered City contract/grant will be paid at or above the applicable living wage with health benefits

- (b) To post a notice approved by the City regarding the applicability of the Living Wage Ordinance in every work place or other location in which employees or other persons contracting for employment are working.
- (c) To provide to the City payroll records or other documentation within ten (10) business days from the receipt of a request by the City.
- (d) To permit access to work sites to City representatives for the purposes of monitoring compliance, and investigating complaints or non-compliance.
- (e) To take no action that would reduce the compensation, wages, fringe benefits, or leave available to any employee covered by the Living Wage Ordinance or any person contracted for employment and covered by the Living Wage Ordinance in order to pay the living wage required by the Living Wage Ordinance.

The undersigned states that he/she has the requisite authority to act on behalf of his/her employer in these matters and has offered to provide the services or agrees to accept financial assistance in accordance with the terms of the Living Wage Ordinance. The undersigned certifies that he/she has read and is familiar with the terms of the Living Wage Ordinance, obligates the Employer/Grantee to those terms and acknowledges that if his/her employer is found to be in violation of Ordinance it may be subject to civil penalties and termination of the awarded contract or grant of financial assistance.

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
City, State, Zip

\_\_\_\_\_  
Print Name and Title

\_\_\_\_\_  
Phone/Email address

# CITY OF ANN ARBOR LIVING WAGE ORDINANCE

**RATE EFFECTIVE APRIL 30, 2018 - ENDING APRIL 29, 2019**

**\$13.22** per hour

If the employer provides health care benefits\*

**\$14.75** per hour

If the employer does **NOT** provide health care benefits\*

Employers providing services to or for the City of Ann Arbor or recipients of grants or financial assistance from the City of Ann Arbor for a value of more than \$10,000 in a twelve-month period of time must pay those employees performing work on a City of Ann Arbor contract or grant, the above living wage.

## **ENFORCEMENT**

The City of Ann Arbor may recover back wages either administratively or through court action for the employees that have been underpaid in violation of the law. Persons denied payment of the living wage have the right to bring a civil action for damages in addition to any action taken by the City.

Violation of this Ordinance is punishable by fines of not more than \$500/violation plus costs, with each day being considered a separate violation. Additionally, the City of Ann Arbor has the right to modify, terminate, cancel or suspend a contract in the event of a violation of the Ordinance.

\* Health Care benefits include those paid for by the employer or making an employer contribution toward the purchase of health care. The employee contribution must not exceed \$.50 an hour for an average work week; and the employer cost or contribution must equal no less than \$1/hr for the average work week.

**The Law Requires Employers to Display This Poster Where Employees Can Readily See It.**

**For Additional Information or to File a Complaint Contact:  
Colin Spencer at 734/794-6500 or [cspencer@a2gov.org](mailto:cspencer@a2gov.org)**



## EXHIBIT F: Vendor Conflict of Interest Disclosure Form

All vendors interested in conducting business with the City of Ann Arbor must complete and return the Vendor Conflict of Interest Disclosure Form in order to be eligible to be awarded a contract. Please note that all vendors are subject to comply with the City of Ann Arbor's conflict of interest policies as stated within the certification section below.

If a vendor has a relationship with a City of Ann Arbor official or employee, an immediate family member of a City of Ann Arbor official or employee, the vendor shall disclose the information required below.

1. No City official or employee or City employee's immediate family member has an ownership interest in vendor's company or is deriving personal financial gain from this contract.
2. No retired or separated City official or employee who has been retired or separated from the City for less than one (1) year has an ownership interest in vendor's Company.
3. No City employee is contemporaneously employed or prospectively to be employed with the vendor.
4. Vendor hereby declares it has not and will not provide gifts or hospitality of any dollar value or any other gratuities to any City employee or elected official to obtain or maintain a contract.
5. Please note any exceptions below:

Conflict of Interest Disclosure*	
Name of City of Ann Arbor employees, elected officials or immediate family members with whom there may be a potential conflict of interest.	<input type="checkbox"/> Relationship to employee
	<input type="checkbox"/> Interest in vendor's company
	<input type="checkbox"/> Other (please describe in box below)

\*Disclosing a potential conflict of interest does not disqualify vendors. In the event vendors do not disclose potential conflicts of interest and they are detected by the City, vendor will be exempt from doing business with the City.

I certify that this Conflict of Interest Disclosure has been examined by me and that its contents are true and correct to my knowledge and belief and I have the authority to so certify on behalf of the Vendor by my signature below:		
Vendor Name		Vendor Phone Number
Signature of Vendor Authorized Representative	Date	Printed Name of Vendor Authorized Representative

Questions about this form? Contact Procurement Office City of Ann Arbor Phone: 734/794-6500, procurement@a2gov.org

# EXHIBIT G: City of Ann Arbor Non-Discrimination Declaration of Compliance

## Non-Discrimination Ordinance

The “non discrimination by city contractors” provision of the City of Ann Arbor Non-Discrimination Ordinance (Ann Arbor City Code Chapter 112, Section 9:158) requires all contractors proposing to do business with the City to treat employees in a manner which provides equal employment opportunity and does not discriminate against any of their employees, any City employee working with them, or any applicant for employment on the basis of actual or perceived age, arrest record, color, disability, educational association, familial status, family responsibilities, gender expression, gender identity, genetic information, height, HIV status, marital status, national origin, political beliefs, race, religion, sex, sexual orientation, source of income, veteran status, victim of domestic violence or stalking, or weight. It also requires that the contractors include a similar provision in all subcontracts that they execute for City work or programs.

In addition the City Non-Discrimination Ordinance requires that all contractors proposing to do business with the City of Ann Arbor must satisfy the contract compliance administrative policy adopted by the City Administrator. A copy of that policy may be obtained from the Purchasing Manager

The Contractor agrees:

- (a) To comply with the terms of the City of Ann Arbor’s Non-Discrimination Ordinance and contract compliance administrative policy, including but not limited to an acceptable affirmative action program if applicable.
- (b) To post the City of Ann Arbor’s Non-Discrimination Ordinance Notice in every work place or other location in which employees or other persons are contracted to provide services under a contract with the City.
- (c) To provide documentation within the specified time frame in connection with any workforce verification, compliance review or complaint investigation.
- (d) To permit access to employees and work sites to City representatives for the purposes of monitoring compliance, or investigating complaints of non-compliance.

The undersigned states that he/she has the requisite authority to act on behalf of his/her employer in these matters and has offered to provide the services in accordance with the terms of the Ann Arbor Non-Discrimination Ordinance. The undersigned certifies that he/she has read and is familiar with the terms of the Non-Discrimination Ordinance, obligates the Contractor to those terms and acknowledges that if his/her employer is found to be in violation of Ordinance it may be subject to civil penalties and termination of the awarded contract.

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name and Title

\_\_\_\_\_  
Address, City, State, Zip

\_\_\_\_\_  
Phone/Email Address

**Questions about the Notice or the City Administrative Policy, Please contact:**  
Procurement Office of the City of Ann Arbor (734) 794-6500

## CITY OF ANN ARBOR NON-DISCRIMINATION ORDINANCE

Relevant provisions of Chapter 112, Nondiscrimination, of the Ann Arbor City Code are included below. You can review the entire ordinance at [www.a2gov.org/departments/city-clerk](http://www.a2gov.org/departments/city-clerk)

**Intent:** It is the intent of the city that no individual be denied equal protection of the laws; nor shall any individual be denied the enjoyment of his or her civil or political rights or be discriminated against because of actual or perceived age, arrest record, color, disability, educational association, familial status, family responsibilities, gender expression, gender identity, genetic information, height, HIV status, marital status, national origin, political beliefs, race, religion, sex, sexual orientation, source of income, veteran status, victim of domestic violence or stalking, or weight.

**Discriminatory Employment Practices:** No person shall discriminate in the hire, employment, compensation, work classifications, conditions or terms, promotion or demotion, or termination of employment of any individual. No person shall discriminate in limiting membership, conditions of membership or termination of membership in any labor union or apprenticeship program.

**Discriminatory Effects:** No person shall adopt, enforce or employ any policy or requirement which has the effect of creating unequal opportunities according to actual or perceived age, arrest record, color, disability, educational association, familial status, family responsibilities, gender expression, gender identity, genetic information, height, HIV status, marital status, national origin, political beliefs, race, religion, sex, sexual orientation, source of income, veteran status, victim of domestic violence or stalking, or weight for an individual to obtain housing, employment or public accommodation, except for a bona fide business necessity. Such a necessity does not arise due to a mere inconvenience or because of suspected objection to such a person by neighbors, customers or other persons.

**Nondiscrimination by City Contractors:** All contractors proposing to do business with the City of Ann Arbor shall satisfy the contract compliance administrative policy adopted by the City Administrator in accordance with the guidelines of this section. All city contractors shall ensure that applicants are employed and that employees are treated during employment in a manner which provides equal employment opportunity and tends to eliminate inequality based upon any classification protected by this chapter. All contractors shall agree not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of any applicable protected classification. All contractors shall be required to post a copy of Ann Arbor's Non-Discrimination Ordinance at all work locations where its employees provide services under a contract with the city.

**Complaint Procedure:** If any individual has a grievance alleging a violation of this chapter, he/she has 180 calendar days from the date of the individual's knowledge of the allegedly discriminatory action or 180 calendar days from the date when the individual should have known of the alleged discriminatory action to file a complaint with the city's Human Rights Commission. If an individual fails to file a complaint alleging a violation of this chapter within the specified time frame, the complaint will not be considered by the Human Rights Commission. The complaint should be made in writing to the Human Rights Commission. The complaint may be filed in person with the City Clerk, by e-mail ([hrc@a2gov.org](mailto:hrc@a2gov.org)), by phone (734-794-6141) or by mail (Ann Arbor Human Rights Commission, PO Box 8647, Ann Arbor, MI 48107). The complaint must contain information about the alleged discrimination, such as name, address, phone number of the complainant and location, date and description of the alleged violation of this chapter.

**Private Actions For Damages or Injunctive Relief:** To the extent allowed by law, an individual who is the victim of discriminatory action in violation of this chapter may bring a civil action for appropriate injunctive relief or damages or both against the person(s) who acted in violation of this chapter

## EXHIBIT H: INSURANCE REQUIREMENTS

Effective the date of this Agreement, and continuing without interruption during the term of this Agreement, Contractor shall have, at a minimum, the following insurance, including all endorsements necessary for Contractor to have or provide the required coverage.

A. The Contractor shall have insurance that meets the following minimum requirements:

1. Professional Liability Insurance or Errors and Omissions Insurance protecting the Contractor and its employees in an amount not less than \$1,000,000.
2. Worker's Compensation Insurance in accordance with all applicable state and federal statutes. Further, Employers Liability Coverage shall be obtained in the following minimum amounts:

Bodily Injury by Accident - \$500,000 each accident  
Bodily Injury by Disease - \$500,000 each employee  
Bodily Injury by Disease - \$500,000 each policy limit

3. Commercial General Liability Insurance equivalent to, as a minimum, Insurance Services Office form CG 00 01 07 98 or current equivalent. The City of Ann Arbor shall be an additional insured. There shall be no added exclusions or limiting endorsements which diminish the City's protections as an additional insured under the policy. Further, the following minimum limits of liability are required:

\$1,000,000	Each occurrence as respect Bodily Injury Liability or Property Damage Liability, or both combined
\$2,000,000	Per Job General Aggregate
\$1,000,000	Personal and Advertising Injury

4. Motor Vehicle Liability Insurance, including Michigan No-Fault Coverages, equivalent to, as a minimum, Insurance Services Office form CA 00 01 07 97 or current equivalent. Coverage shall include all owned vehicles, all non-owned vehicles and all hired vehicles. The City of Ann Arbor shall be an additional insured. There shall be no added exclusions or limiting endorsements which diminish the City's protections as an additional insured under the policy. Further, the limits of liability shall be \$1,000,000 for each occurrence as respects Bodily Injury Liability or Property Damage Liability, or both combined.
5. Umbrella/Excess Liability Insurance shall be provided to apply in excess of the Commercial General Liability, Employers Liability and the Motor Vehicle coverage enumerated above, for each occurrence and for aggregate in the amount of \$1,000,000.

B. Insurance required under A.3 and A.4 above shall be considered primary as respects any other valid or collectible insurance that the City may possess, including any self-insured retentions the City may have; and any other insurance the City does possess shall be considered excess insurance only and shall not be required to contribute with this

insurance. Further, the Contractor agrees to waive any right of recovery by its insurer against the City.

- C. Insurance companies and policy forms are subject to approval of the City Attorney, which approval shall not be unreasonably withheld. Documentation must provide and demonstrate an unconditional 30 day written notice of cancellation in favor of the City of Ann Arbor. Further, the documentation must explicitly state the following: (a) the policy number; name of insurance company; name and address of the agent or authorized representative; name and address of insured; project name; policy expiration date; and specific coverage amounts; (b) any deductibles or self-insured retentions which shall be approved by the City, in its sole discretion; (c) that the policy conforms to the requirements specified. Contractor shall furnish the City with satisfactory certificates of insurance and endorsements prior to commencement of any work. Upon request, the Contractor shall provide within 30 days a copy of the policy(ies) to the City. If any of the above coverages expire by their terms during the term of this contract, the Contractor shall deliver proof of renewal and/or new policies and endorsements to the Administering Service Area/Unit at least ten days prior to the expiration date.

# PERFORMANCE BOND

- (1) \_\_\_\_\_ of \_\_\_\_\_ (referred to as "Principal"), and \_\_\_\_\_, a corporation duly authorized to issue performance bonds in the State of Michigan (referred to as "Surety"), are bound to the City of Ann Arbor, Michigan municipal corporation (referred to as "City"), for \$ \_\_\_\_\_, the payment of which Principal and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, by this bond.
- (2) The Principal has entered a written Contract with the City dated \_\_\_\_\_, 201\_, for: \_\_\_\_\_ and this bond is given for that Contract.
- (3) Whenever the Principal is declared by the City to be in default under the Contract, the Surety may promptly remedy the default or shall promptly:
- (a) complete the Contract in accordance with its terms and conditions; or
  - (b) obtain a bid or bids for submission to the City for completing the Contract in accordance with its terms and conditions, and upon determination by Surety of the lowest responsible bidder, arrange for a Contract between such bidder and the City, and make available, as work progresses, sufficient funds to pay the cost of completion less the balance of the Contract price; but not exceeding, including other costs and damages for which Surety may be liable hereunder, the amount set forth in paragraph 1.
- (4) Surety shall have no obligation to the City if the Principal fully and promptly performs under the Contract.
- (5) Surety agrees that no change, extension of time, alteration or addition to the terms of the Contract or to the work to be performed thereunder, or the specifications accompanying it shall in any way affect its obligations on this bond, and waives notice of any such change, extension of time, alteration or addition to the terms of the Contract or to the work, or to the specifications.

**SIGNED AND SEALED** this \_\_\_\_\_ day of \_\_\_\_\_, 201\_.

\_\_\_\_\_  
(Name of Surety Company)

\_\_\_\_\_  
(Name of Principal)

By \_\_\_\_\_  
(Signature)

By \_\_\_\_\_  
(Signature)

Its \_\_\_\_\_  
(Title of Office)

Its \_\_\_\_\_  
(Title of Office)

Approved as to form:

\_\_\_\_\_  
Stephen K. Postema, City Attorney

Name and address of agent:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_