

“GENERAL CONDITIONS FOR PURCHASE ORDERS”

1. **NON-DISCRIMINATION**: In connection with the performance of the work, the Contractor agrees not to discriminate against any employee or applicant for employment because of race, religion, color or national origin.
2. **WAGE RATES, SALARIES, CERTIFICATION**: The Contractor and each sub-Contractor shall pay all laborers and mechanics employed in the performance of the contract on or about the site of the housing development not less than the wages prevailing in the locality as determined by the Secretary of Labor pursuant to the Davis-Bacon Act (Title 40, U.S.C., Sec. 276a-5) or not less than the wages prevailing in the locality of said housing development as determined pursuant to applicable state laws, whichever are higher.
3. **NON-REBATE OF WAGES**: The Contractor agrees to comply with the regulations, ruling, and interpretations of the Secretary of Labor of the United States pursuant to the Anti-Kickback Act (Title 18, U.S.C., Sec. 874 and Title 40, U.S.C., Sec. 276c) which makes it unlawful to induce any person employed in the construction or repair of public buildings or public works to give up any part of compensation to which he is entitled under his contract of employment; and the Contractor agrees to insert a like provision in all subcontractors hereunder.
4. **INSURANCE**: The Contractor shall furnish the CHA with satisfactory evidence (subject to approval to the CHA) that he has the following insurance coverage:
 - (a) Workman’s Compensation – Statutory – IF APPLICABLE
 - (b) Commercial General Liability Insurance in the amount of \$_____ per occurrence with an aggregate of not less than \$_____.
 - (c) Automobile Liability insurance including owned unowned and hired vehicles, in the amount of \$1,000,000 per occurrence CSL, for Bodily Injury and Property Damage. IF APPLICABLE

Insurance Certificate is to be returned to the attention of the Department of Procurement and Contracts referencing Purchase Order Number, Buyer and Project. Insurance certificates shall name the Chicago Housing Authority as an additional insured.

5. **BID SECURITY AND PERFORMANCE AND PAYMENT BOND**: Not required
6. **MBE/WBE/DBE PARTICIPATION**: All Service Contracts/Purchase orders including any modifications to the Contract or Purchase Order in excess of \$25,000.00 requires 20% MBE/WBE/DBE participation.

The Contractor shall comply with the CHA’s Minority, Women and Disadvantaged Business Participation requirements through the Prime Contractor being a certified MBE/WBE/DBE firm or through direct or Indirect subcontracting with certified MBE/WBE/DBE businesses.

- If the Prime Contractor is a certified MBE/WBE/DBE firm, complete the top portion only of page one and all of page four including notarization of the Schedule A and submit it along with a current Letter of Certification.
- Direct participation – requires a completed Schedule A from the Prime Contractor and the Schedule B along with a current Letter of Certification from the MBE/WBE/DBE participants. All Schedules must be notarized.
- Indirect participation – complete the top portion only of page one, page three, and page four including notarizing the Schedule A and submit it along with canceled check copies (from front and back) that total the MBE/WBE/DBE goal and the Letter of Certification that was current when the MBE/WBE/DBE services were provided.

NON-COMPLIANCE SANCTIONS AND LIQUIDATED DAMAGES

- A. THE CHA SHALL HAVE THE DISCRETION TO APPLY SUITABLE SANCTIONS TO THE BIDDER/PROPOSER IF THE BIDDER/PROPOSER IS FOUND TO BE IN NON-COMPLIANCE WITH THE MBE/WBE/DBE REQUIREMENTS. FAILURE TO COMPLY WITH THE MBE/WBE/DBE TERMS OF COMMITMENT GOALS AS APPLICABLE TO AND IN THE CONTRACT OR FAILURE TO USE MBE/WBE/DBEs AS STATED IN THE BIDDER/PROPOSER'S SUBMITTED SCHEDULES, CONSTITUTES A MATERIAL BREACH OF THE CONTRACT AND MAY LEAD TO THE SUSPENSION AND/OR TERMINATION OF THE CONTRACT IN WHOLE OR IN PART; FURTHERMORE, CONTINUED ELIGIBILITY TO ENTER INTO FUTURE CONTRACTING ARRANGEMENTS WITH THE CHA MAY BE JEOPARDIZED AS A RESULT OF NON-COMPLIANCE IN APPROPRIATE CASES, PAYMENTS MAY BE WITHHELD UNTIL CORRECTIVE ACTION IS TAKEN.
- B. WHEN WORK IS COMPLETED, IN THE EVENT THAT THE CHA HAS DETERMINED THAT THE BIDDER/PROPOSER WAS NOT COMPLIANT IN THE FULFILLMENT OF THE REQUIRED MBE/WBE/DBE COMMITMENT GOAL AND A WAIVER WAS NOT OBTAINED, THE CHA WILL THEREBY BE DAMAGED IN THE FAILURE TO PROVIDE THE BENEFIT OF PARTICIPATION TO THE MBE/WBE/DBE TO THE DEGREE SET FORTH IN THIS MBE/WBE/DBE UTILIZATION PLAN.
- C. THEREFORE, IN THE EVENT OF SUCH NON-COMPLIANCE, THE BIDDER/PROPOSER AND CONTRACTOR AGREES THAT THE CHA WILL DEDUCT AS LIQUIDATED DAMAGES CUMULATIVE AMOUNTS COMPUTED AS FOLLOWS:
- FOR EACH ONE PERCENT (OR FRACTION THEREOF) OF SHORTFALL TOWARD THE MBE/WBE/DBE GOAL, ONE PERCENT OF THE BASE BID FOR THIS CONTRACT SHALL BE SURRENDERED BY THE BIDDER/PROPOSER TO THE CHA IN PAYMENT AS LIQUIDATED DAMAGES, IF SUCH DAMAGES ARE ASSESSED.
7. **SECTION 3 REQUIREMENT:** All Contract/Purchase Orders are Section 3 applicable with the exception of Supply and Delivery contracts and purchase orders. The three methods of participation are listed in order of preference:
- Direct hiring of CHA resident and/or low and very low-income person.
 - Subcontract with a CHA Resident-Owned Business.
 - Contribute to the CHA's Section 3 Education and Training Fund.

NON-COMPLIANCE SANCTIONS AND LIQUIDATED DAMAGES

THE CHA SHALL HAVE THE DISCRETION TO APPLY SUITABLE SANCTIONS TO THEIR BIDDER/PROPOSER IF FOUND TO BE IN NON-COMPLIANCE WITH THE SECTION 3 REQUIREMENTS. FAILURE TO COMPLY WITH THE SECTION 3 REGULATIONS WILL CAUSE THE SECTION 3 AMOUNT TO BE PLACED ON HOLD UNTIL COMPLIANCE IS MET. CONTINUING NON-COMPLIANCE BY THE CONTRACTOR TO COMPLY WITH THE SECTION 3 REGULATIONS MAY RESULT IN THE ASSESSMENT OF LIQUIDATED DAMAGES (TO BE DETERMINED BY CHA'S CHIEF EXECUTIVE OFFICER OR HIS DESIGNEE) OR THE SECTION 3 AMOUNT BEING FORTFEITED AND PLACED IN THE CHA'S SECTION 3 EDUCATION AND TRAINING FUND. DEBARMENT, SUSPENSION AND LIMITED DENIAL OF PARTICIPATION PURSUANT TO HUD'S REGULATION IN 24 CFR PART 24, WHERE APPROPRIATE, MAY BE APPLIED TO THE CONTRACTOR.

8. **WARRANTY:** The Contractor shall warrant all installed materials for a period of not less than one (1) year. If manufacturer's warranty is longer than one (1) year said warranty shall prevail.
9. **WARRANTY OF WORKMANSHIP:** The Contractor shall guarantee all labor for one (1) full year from the date of completion of all work.

10. **EQUAL EMPLOYMENT OPPORTUNITY:**
11. **A 10% RETENTION:** CHA is tax exempt and will furnish a Certificate of Exemption upon request. **DO NOT INCLUDE** sales tax in your bid.
12. **SALES TAX:** CHA is exempt and will furnish a certificate of exemption on request. **DO NOT INCLUDE** sales tax in bid.
13. **OWNERSHIP OF DOCUMENTS:** All documents and information generated, prepared, assembled or encountered by or provided under this agreement is the property of the CHA.
14. **THE SUCCESSFUL CONTRACTOR MUST COMPLETE ALL APPLICABLE DOCUMENTS FOR THIS PROCUREMENT IN ACCORDANCE WITH THE CHA'S POLICIES AND PROCEDURES AS SET FORTH BY THE DEPARTMENT OF PROCUREMENT AND CONTRACTS.**