

**CHICAGO HOUSING AUTHORITY**  
**Department of Procurement & Contracts**

**GENERAL CONDITIONS FOR SERVICE CONTRACTS**

**1. Assignments, Subcontracts, and Joint Ventures:**

- A. The Contractor shall not assign the contract or subcontract or any part thereof to Any person, firm, corporation or association without prior written approval of the Authority. The Contractor shall insert in each and every subcontract all the provisions set forth in the Specifications which affect such subcontracts.
- B. To the greatest extent feasible, subcontracts shall be let to minority and women owned businesses.
- C. The Authority encourages bids from joint ventures especially those involving minority and women-owned businesses.
  - (1) The joint venture must submit the following forms in the quantity indicated in parenthesis. A principle of each joint venture business must sign each of these forms.
    - (a) Bid Submittal. Page BF4 (3)
    - (b) Subcontractor Information Submittal (1)
    - (c) If required for this procurement action. Employment and Training of Lowner – Income Area Residents. Schedule D (1)
    - (d) If required for this procurement action. M/WBE Schedules (1)
  - (2) Each joint venture business must submit all other required documents in the quantity required (See Index of Documents) for this procurement action. The information entered on these documents reflects only the joint venture business that submits them.

**2. Bribery, Bid Rigging, Price Fixing, or Fraud:**

No person or business entity shall be awarded a contract or subcontract for a period of five (5) years from the date of conviction or entry of a plea of admission of guilt, if that person or business entity:

- A. has been convicted of an act committed, within the State of Illinois, or bribery or attempting to bribe an officer or employee of a unit of state or local government or school district in the State of Illinois in that officer's or employee's official capacity, or
- B. has been convicted of an act committed, within the State of Illinois, of bid-rigging or attempting to rig bids as defined in the Sherman Anti-Trust Act and Clayton Act (15 U.S.C. Sec 1 et seq.), or has been convicted of bid-rigging or attempting to rig bids under the laws of the State of Illinois, or

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- C. has been convicted of an act committed, within the State of Illinois, or price fixing as defined by the Sherman Anti-Trust Act and Clayton Act (15 U.S.C. Sec. 1 et or has been convicted of price-fixing or attempting to fix prices under the laws of the State of Illinois, or
- D. has been convicted of defrauding or attempting to defraud any unit of state or local government or school district within the State of Illinois, or
- E. has made an admission of guilt of such conduct as set forth in subparagraph A through D above which admission is a matter of record, whether or not such person or business entity was subject to prosecution for the offense or offenses admitted to, or
- F. has entered into a plea of nolo contendere to charges of such conduct, as is set forth in said subparagraphs A through D above.

For purposes of this Paragraph “business entity” means a corporation, partnership, trust, association, unincorporated business or individually owned business. Where an official, agent, or employee of a business entity committed the acts as set forth in subparagraphs A through F above, on behalf of such an entity and pursuant to the direction or authorization of a responsible official thereof, the business entity shall be chargeable with the conduct and disqualified.

A business entity shall also be disqualified if it employs as an officer any individual who was an officer of another business entity at the time the latter committed a disqualifying act.

A business entity shall also be disqualified if any owner who controls directly or indirectly 20% or more of the business was an owner who directly or indirectly controlled 20% or another business entity at the time the latter committed a disqualifying act.

Any contract or subcontract found to have been awarded in violation of this Paragraph shall be voidable at the discretion of the Board of Commissioners. Payment for work completed at the time of any such voiding shall be at a quantum merit less a 10% penalty.

- 3. Taxes: The Authority will furnish certificates of exemption from federal excise taxes, transportation taxes and Illinois Retailer’s Occupational Expense (commonly known as “Sales Tax”), on all direct sales to the Authority and all materials incorporated into or becoming part of the work. The Contractor shall pay all other taxes. Regulations of the Bureau of Internal Revenue permit a Contractor ordering materials for a Housing Authority to have the shipment consigned to the Housing Authority, in care of the Contractor and thus obtain exemption from the transportation tax. These regulations apply to specified items. Shipping papers must clearly show that the consignment is to the Authority in care of the Contractor.

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4. Submittal of Documents: The Contractor shall within ten (10) days after notification of award and prior to entry on the work site, execute, deliver and/or furnish the bond and insurance certificates as required and specified.
5. Approval, Inspection, and Rejection of Materials, etc.: All work materials and devices are subject to inspection, examination and tests by the Authority at any and all times during the term of the Contract, and at any or all places where the performance of the Contract is carried on. Upon request of the Authority, the Contractor shall furnish sufficient samples of said materials and/or devices for reasonable tests to determine conformance with the requirements of the Specifications. The Authority may send any or all samples to a recognized testing laboratory, and if the report discloses non-conformance, the Authority shall deduct the laboratory charges for such tests the reports, from any monies due or to become due to the Contractor. The Authority shall have the right to reject defective items or work or items which do not conform to the requirements established by the Specifications and to require the replacement or correction thereof at the Contractor's expense. If the Contractor fails to do so, the Authority may, by contract or otherwise, have the defects or non-compliances remedied and the rejected items removed from the site and charge the cost against any monies due or to become due to the Contractor without prejudice of any of the rights or remedies of the Authority.
6. Changes: The Authority may propose changes in the contract requirements by pursuance of a written order from the Authority authorizing the addition or change, and no claim for an addition to the contract price shall be valid unless so ordered.
7. Delays – Extensions: Extensions of the contract time shall be allowed because of delays due to unforeseeable causes beyond the control to the extent of the absence of fault negligence of the Contractor, including, but not restricted to, acts of God or of the public enemy, or of the Authority, or acts of another Contractor in the performance of a contract with the Authority, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, unusually severe weather or delays of subcontractor due to such causes. However, any delay caused by failure to secure labor or to secure materials, Supplies, tools, equipment or any other items required by the Contractor for the performance of the contract, shall not, in itself, justify an extension of time at the earliest possible time when it appears that the performance of the contract cannot be completed within the contract time. The Authority shall ascertain and find the facts and the extent of the delay and shall extend the contract time for the reasons stated above, and its decision shall be final and conclusive on the parties.
8. Right to Terminate Contract: The Authority may, with at least (5) days prior written notice to the Contractor, without prejudice of any other rights or remedies of the Authority, terminate the Contractor's right to proceed with the work, if (1) the Contractor fails to execute, deliver and/or furnish the bond, and insurance certificates required and specified within ten (10) days after notification of contract award, or (2) the Contractor shall be adjudged a bankrupt, or (3) the Contractor should make a general assignment for the

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benefit of his creditors, or (4) a receiver should be appointed for the Contractor on account of his insolvency, or (5) the Contractor should violate any material provision of the contract documents, as the term is defined in the contract. In the event of such termination, the Authority may without prejudice to any other rights or remedies, take over the performance of the contract and prosecute it to completion, by contract or otherwise, and the contractor shall be liable for any reasonably incurred excess cost caused proximately thereby.

The CHA may terminate all or any portion of the work to be performed under this Agreement for convenience, at any time by giving 15 days advance notice in writing from the CHA, to Contractor when the Agreement may be deemed to be no longer in the best interests of the CHA. No costs incurred by the Contractor after the effective date of the termination shall be allowed.

In any such case, the Authority may take possession of and utilize any of the Contractor's materials, appliances, equipment and/or plant as are on the site, as may be necessary to properly complete the contract if it is determined that delay in completion of the performance thereof, whether or not for reasons beyond the control of the Contractor or any subcontractor, is detrimental to the interest of the Authority. The foregoing provisions are in addition to, and not in limitation of the rights of the Authority under any of the provisions of the contract.

9. Non-Interest: No member, officer, or employee of the Authority or former member, officer or employee of the Authority who ceased to be a member, officer, or employee within one (1) year shall voluntarily acquire any interest, direct or indirect, in the housing development or in the contract or a subcontract relating to the housing development. If any such person involuntarily acquired any such interest or had acquired any such interest prior to appointment or employment as such member, officer, or employee, then such person shall immediately disclose any such interest in writing to the Authority. Upon any such disclosure, a member, officer, or employee shall not participate in any action of the Authority relating to the property or the contract in which he may have any such interest. No member of or delegate to the Congress of the United States of America, or Resident Commissioner, or member of the Legislature of State of Illinois, or member of the City Council of the City of Chicago, Illinois, shall be admitted to any share or part of the contract or to any benefit to arise there from: provided that this provision shall not be construed to extend to the contract if made with a corporation for its general benefit.
  
10. Equal Employment Opportunity: During the performance of the contract, Contractor agrees to the following:
  - A. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, disability, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are

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treated during employment without regard to their race, color, religion, sex, disability or national origin. Such action shall include, but not be limited to the following:

employment, upgrading, demotion or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this non-discrimination clause.

The Contractor further agrees to insert the foregoing provision of this paragraph into all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

- B. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants, will receive consideration for employment without regard to race, color, religion, sex, disability or national origin.
- C. The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer advising the labor union or workers' representative of the Contractor's commitments under Section 2020 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment
- D. The Contractor will comply with all provisions of Executive Order 11246, of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.
- E. The Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations and order of the Secretary of Labor, or pursuant thereto and will permit access to his books, the records and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.
- F. In the event of the Contractor's noncompliance with the discrimination clauses of the contract or with any of such rules, regulations or orders, this contract may be canceled, terminated or suspended in whole or in part and the Contractor may be declared ineligible for further Government Contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulations or order of the Secretary of Labor, or as otherwise provided by law.
- G. The Contractor will include the provisions of paragraph (A) through (F) in every subcontract or purchase order unless exempted by rules, regulations or orders of

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Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontractor or purchase order

as may be directed by the Secretary of Labor as a means of enforcing such provisions, including sanctions for noncompliance; provided however, that in the event the contractor becomes involved in, or is threatened with, litigation with subcontractor or vendor as a result of such directions, the Contractor may request the United States to enter into such litigation to protect the interest of the United States.

In addition to the above, the Contractor will be required to comply with all requirements of Title 41-Public Contract and Property Management, Chapter 60, as published in the Federal Register on October 20, 1978 and with the requirements of Section 3 of the Housing and Urban Development Act of 1968, which documents are hereby made a part of the Contract the same as if incorporated verbatim herein.

The provisions of an Act of the General Assembly of the State of Illinois entitled "An Act to Prohibit Discrimination and Intimidation on Account of Race or Color in the Employment under Contracts for Public Buildings or Public Works" approved July 8, 1933, as well as the Equal Employment Opportunity clause required by the Illinois Fair Employment Practices Commission, are hereby made a part of the Contract the same as if incorporated verbatim herein.