

CONTRACT NO. 13169

**LAUNDRY EQUIPMENT AND
SERVICES AGREEMENT**

BETWEEN

THE CHICAGO HOUSING AUTHORITY

AND

MIDWEST LAUNDRIES, INC.

(FAMILY PORTFOLIO PROPERTIES)

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THIS LAUNDRY EQUIPMENT AND SERVICES AGREEMENT (hereinafter, "Agreement") is entered into as of this 1st day of August, 2024 (the "Effective Date") by and between the **CHICAGO HOUSING AUTHORITY** (the "CHA"), a municipal corporation organized under the Illinois Housing Authorities Act 310 ILCS 10/1 et seq., with offices at 60 E. Van Buren St., Chicago, Illinois and **MIDWEST LAUNDRIES, INC.** (the "Contractor"), an Illinois corporation with offices at 2910 W. 36th Street, Chicago, Illinois 60632.

RECITALS

WHEREAS, the CHA is engaged in the development and operation of safe, decent and sanitary housing throughout the City of Chicago for low income families in accordance with the United States Housing Act of 1937, 42 U.S.C. §1437 et seq.; regulations promulgated by the United States Department of Housing and Urban Development ("HUD"), and the Illinois Housing Authorities Act. 310 ILCS 10/1 et seq., as amended, and other applicable laws, regulations and ordinances; and

WHEREAS, the CHA released Request for Proposals No. 3236 ("RFP") on or about June 8, 2023 seeking proposals from qualified commercial laundry machine, maintenance and revenue collection firms to provide laundry equipment and services in Family properties and residential buildings within CHA's portfolio; and

WHEREAS, the Contractor submitted its initial proposal on or about July 5, 2023, and thereafter submitted a revised and negotiated best and final offer specific to the CHA's family portfolio locations following the initial proposal (as revised and updated, the "Proposal") to the CHA indicating it is ready, willing and able to provide the services as set forth in the RFP on a revenue-sharing commission structure basis with no direct costs, outlays or compensation payable from CHA to the Contractor; and

WHEREAS, the CHA and the Contractor desire to enter into this Agreement for the provision of laundry equipment, services and other integrally-related amenities to residents of the CHA Locations (defined below) as set forth herein.

NOW THEREFORE, in consideration of the mutual promises and the terms and conditions set forth herein, the CHA and the Contractor agree as follows:

ARTICLE 1. INCORPORATION OF RECITALS

Section 1.01 Incorporation of Recitals

The recitals set forth above are incorporated by reference as if fully set forth herein.

Section 1.02 Definitions

"Contract" means this contract entered into between the CHA and the Contractor. It includes this Agreement, the General Conditions for Non-Construction Contracts (HUD Form 5370-C), the exhibits attached hereto, and any other documents which have been specifically incorporated by reference in this Agreement.

ARTICLE 2. CONTRACTOR'S DUTIES AND RESPONSIBILITIES

Section 2.01 Services to be Performed

A. Scope of Services/Statement of Work

The services (the “Services”) that the Contractor shall provide during the term of this Agreement shall include, but not be limited to, the provision, supply, installation, maintenance and operation of ADA compliant, Energy Star certified washers and dryers with a connected laundry appliance operating system. Contractor must provide, at Contractor(s) own expense, all labor, tools, equipment, chemicals, materials, supplies (including encasements for furniture and interceptors) and transportation, as required to operate a comprehensive laundry equipment and maintenance program. Contractor’s services shall include and performance standards shall align with the following:

- Provide machine maintenance services to ensure all washers and dryers remain fully operable to residents as consistently as the unit capacity allows, and with the shortest amount of down time for necessary repairs as possible and no longer than 2 business days per machine.
- Provide a cloud-based software program to enable remote status and all hardware components such as the connecting cards to operate machines, card reader machines to check card amounts or to increase card amounts, for a fully operational system to monitor laundry appliance operations.
- A portion of each laundry space must be compliant with the Americans with Disabilities Act Accessibility Guidelines 2010, Section 504 – Uniform Federal Accessibility Standards, as well as any other applicable requirements.
- In each accessible space, a minimum of one accessible washer and one accessible dryer shall be provided. If there are more than 3 washers or 3 dryers, then two of each are required to be accessible.
- Coordinate with CHA’s Information Technology department to facilitate use of Wi-Fi or hard wired connection in each laundry room for remote monitoring.
- Monthly reporting submitted the CHA to detail the ongoing operation of laundry appliances at each family property from service requests submitted by property management or laundry room attendants as well as to provide detail on any non-functioning laundry appliances such as the dates the appliance went down, dates of service performed, and the date the appliance was returned to operations as well as the reason the appliance was down.
- Midwest Laundries will provide a monthly revenue report for each family property and for the family property portfolio as a whole as defined in Exhibit 1 within 14 days of the close of every month. Revenue funds due to the CHA will also be transferred via ACH within the same 14 day window.
- CHA shall employ or cause the Property Manager to employ at least one (1) laundry room attendant for each family property during laundry room operating hours. Midwest Laundries will assist in the development of a training manual and standards for laundry room attendants.

B. Service Locations

The Contractor shall perform the Services at the locations described in Exhibit I, each, a “Service Location”. The Service Locations may be adjusted in accordance with CHA’s needs during the Contract term. CHA reserves the right to increase or decrease any property locations or the quantity of items as deemed necessary. Any adjustment to the Service Locations shall be by amendment to this Agreement.

C. Delivery of Equipment – Program Commencement and Rolling Transition

Contractor shall supply, deliver and deploy new commercial regular and large-capacity commercial laundry equipment at each of the ten (10) Locations set forth in Exhibit I on a rolling basis, beginning within one month of the effective date of this Agreement (generally to allow an efficient transition to the Contractor’s new Services at such Location(s)) and with the targeted completion of the full rollout to all of the Locations not later than November 30, 2024 (the “Target Implementation Date”). For purposes of aligning the timing of all Locations to run coterminously, the Base Term shall be construed to run through the seventh (7) year anniversary date of the Effective Date, notwithstanding the commencement of Services at any of the Location(s) at some time(s) on or after such Effective Date.

The Contractor shall also abide by the Deployment Schedule and Service Level Agreement commitments set forth respectively in Exhibit II and Exhibit II-A.

D. Maintenance and Routine Service

Contractor shall implement a routine maintenance program on all equipment provided to ensure that equipment remains in good working condition throughout the Agreement’s Term. All work must be performed by personnel that is properly licensed as required by the nature of the work, is professional in appearance or in uniform, and carries suitable identification to be presented upon request of CHA personnel or their designees. Contractor’s personnel shall be required to check in at the front desk of the Location in advance of commencing repair or preventive maintenance activities. All parts must be replaced prior to becoming worn. Bi-annual preventative maintenance checkups shall include, but not be limited to belts, connections, lid switches, displays, inlet and drain hoses, timers, equipment appearance and room amenities. Contractor will be responsible for providing monthly reports from the software program for each Location under contract. The monthly report must detail where a repair or maintenance service was completed.

Contractor shall provide service to all machines within two (2) business days of a repair ticket being opened by email or text-based service line. Service tickets must be opened by CHA, property management, or building staff by email or text-based service line. All repair parts needed shall be included in the Contractor’s servicing, maintenance and operation of its equipment and related facilities and amenities.

Section 2.02 Section 3 and CHA’s Diversity and Inclusion Contract Requirements

Contractor agrees to comply with CHA’s Diversity and Inclusion Contract Requirements, as set forth in the RFP. The Diversity and Inclusion Contract Requirements and Contractor’s Contract Compliance Certification are incorporated by reference into this Agreement.

Section 2.03 HUD's General Conditions for Non-Construction Contracts

HUD's General Conditions for Non-Construction Contracts (HUD form 5370-C) the "General Conditions", are attached hereto as Exhibit IV and incorporated by reference as if fully set forth herein. The Contractor agrees to fully comply with the General Conditions. In the event of a conflict between the terms and conditions of the General Conditions and the terms and conditions of this Agreement, the terms and conditions of this Agreement shall control.

Section 2.04 Audit Requirement

The CHA retains an irrevocable right to independently or, through a third party, audit the Contractor's books and records pertaining to this Agreement and disallow any inappropriate billings, if any, upon written notice to the Contractor. In the event of a disallowance, the Contractor shall refund the amount disallowed to the CHA.

Section 2.05 Subcontracts and Assignments

Unless otherwise provided for herein, the Contractor shall not subcontract, assign, delegate or otherwise transfer all or any part of its obligations under this Agreement or any part hereof without the prior written approval of the CHA. The absence of such prior written approval shall void the attempted subcontracting, assignment, delegation or transfer and shall have no legal effect on the Services or this Agreement.

The Contractor shall not transfer or assign, in whole or in part, any funds or claims due or which may become due under this Agreement without the prior written approval of the CHA. Any attempted transfer or assignments of any contract funds, either in whole or in part, or any interest therein, which shall be due or become due to the Contractor, without the prior written approval of CHA shall be void and of no legal effect. The CHA expressly reserves the right to assign or otherwise transfer all or any part of its rights or interests hereunder.

Section 2.06 Patents and Copyrights

The CHA reserves an exclusive, perpetual and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use for CHA or HUD purposes, including, but not limited to, commercial exploitation: (a) the copyright or patent in any work developed or discovered in the performance of the Services under this Agreement, and (b) any rights of copyright or patent of which the Contractor purchases ownership with funds awarded pursuant to this Agreement for the purpose of meeting the objectives of this Agreement.

Section 2.07 Force Majeure

Notwithstanding any other provision in this Agreement, the Contractor shall not be liable or held responsible for any failure to perform or for delays in performing its obligations under this Agreement, including but not limited to, the Services set forth hereunder, which result from circumstances or causes beyond Contractor's reasonable control, including without limitation, fire or casualty, acts of God, strikes or labor disputes, unavailability of parts or materials, war or violence, or any law, order or requirement of any government agency or authority.

Section 2.08 HUD and CHA Inspectors General

It is the duty of the Contractor and its subcontractors to cooperate with the CHA or HUD Inspectors General in any investigation or hearing undertaken. All of the Contractor's subcontracts must include this provision and require agreement and compliance with the same.

Section 2.09 Compliance with CHA Policies

The Contractor shall comply with the applicable provisions of all CHA policies in effect during the term of this Agreement including, but not limited to CHA's Ethics Policy and Language Access Policy.

Section 2.10 Minimum Wage

The Contractor shall pay its employees no less than the current applicable City of Chicago minimum wage requirement. Notwithstanding the foregoing, applicable Federal wage determinations (either Davis-Bacon or HUD-Determined Wage Rates) shall preempt any conflicting State prevailing wage rate or the Minimum Wage Requirement when the State prevailing wage rate or the Minimum Wage Requirement is higher than the Federally-imposed wage rate (24 CFR 965.101).

ARTICLE 3. TERM OF AGREEMENT

Section 3.01 Term of Agreement

The base term of this Agreement (the "Base Term") is for the seven (7) year period from the Effective Date of August 1, 2024, or until the Agreement is terminated in accordance with its terms, whichever occurs first.

Section 3.02 Contract Extension Option(s)

The CHA and Contractor may extend this Agreement for up to two (2) additional 1-year option periods (each an "Option Year"), subject to the agreement of the parties and CHA Board approval, if required. Any extension shall be under the same terms and conditions as this Agreement, unless otherwise modified expressly in a writing satisfying the amendment requirements and procedures of this Agreement. This Agreement shall be modified to reflect the time extension in accordance with the provisions of Section 9.03 of this Agreement. The Base Term and any exercised Option Year shall collectively be deemed the "Term".

ARTICLE 4. COMPENSATION

Section 4.01 Charges, Revenue Sharing & Contribution.

In its provision of the Services, Contractor shall establish and maintain charges for specified laundry services in accordance with Exhibit I, which is incorporated in its entirety by reference, as if fully and originally set forth herein. Contractor shall be responsible to collect,

report and account for all revenues generated from the Services (“Revenues”), and in its capacity as the collector of such Revenues, shall scrupulously observe and maintain its responsibilities to properly and equitably account for all Revenues for the joint benefit of Contractor and CHA. Contractor acknowledges and consents to its fiduciary role in this capacity. Contractor shall report Revenues to Licensor in writing for the respective Locations periodically, but in no event shall Contractor’s reports be provided to CHA less frequently than monthly. Contractor shall additionally provide generalized (not personally identifiable) monthly reports of the amounts of and frequency of users’ smart card payment activity, applicable both to prepayments and actual usage for laundry services. This arrangement shall not create, constitute or be construed as a joint venture, partnership, or other form of agency or affiliation between the parties.

In consideration of the parties’ performance under this Agreement and their respective rights and obligations referenced herein, and in lieu of any advance payment or compensation relating to the Services, the parties covenant and agree to employ a revenue sharing formula, which shall divide and allocate the gross amount of Revenues received by Contractor in provision of the Services to the respective Location(s) in accordance with the formula(e) and percentage(s) set forth more specifically below and consistent with applicable pricing provisions set forth in Exhibit I. Revenues shall not be subject to offset, reduction or similar downward adjustment for any claims, costs, expenses, levies or other amounts which Contractor incurs or may become liable for in its performance of this Agreement, including, without limitation, any amounts claimed, due, paid or owing as a result of customer claims. CHA’s share of Revenues shall vest, accrue and become due and payable and receivable by CHA immediately upon collection by Contractor of such Revenues. Contractor shall deliver payments to CHA for its share of Revenues at the same time that Contractor provides its periodic reports of Revenues and other required information, which shall be within fifteen (15) calendar days from the closing date of the preceding month end. CHA’s right to payment shall not be contingent in any manner, and Contractor shall pay to CHA its share of Revenues without any requirement of notice, request or demand by CHA.

Contractor shall also make certain in-kind contribution(s) in the form of services, equipment, facilities and/or other form (or any combination thereof) during the term of this Agreement as set forth in Exhibit I, which is incorporated into the Agreement by reference, as if fully and originally set forth herein.

Section 4.02 Revenue Sharing Concession Formula and Rates

The revenue sharing commission formula and rates set forth for Revenues in the following table are the result of the parties’ joint and mutual agreement following the Contractor’s Proposal and subsequent negotiations between the parties, and shall govern the compensation structure of this Agreement. The Contractor shall account for, assess and promptly pay to CHA (or to such entities as the CHA may direct with written notice) all commissions due on the Contractor’s gross revenues (on a Location basis) on a monthly basis, payable in good funds in full, and without deduction or offset of any kind or nature, and the Contractor shall submit a verified statement of Revenues generated for each Location for each month in a written report that shall be provided with Contractor’s payment(s) for each such commission and revenue sharing amount(s).

<u>Gross Monthly Revenues</u>	<u>CHA %</u>	<u>Contractor %</u>
\$0 - \$65,000	35%	65%
\$65,001 - \$85,000	40%	60%

\$85,000 and up

45%

55%

Section 4.03 Non-Appropriation

Funding for this Agreement, to the extent any contemplated or actual payments, contributions or compensation provided by CHA, is subject to: (1) availability of federal funds from HUD, (2) the approval of funding by the CHA's Board of Commissioners, and (3) the Contractor's satisfactory performance of this Agreement. Furthermore, in the event that no funds or insufficient funds are appropriated and budgeted or appropriated funds are rescinded by Congress in any fiscal period of the term of this Agreement for payments to be made under this Agreement, then the CHA may notify the Contractor of such occurrence and this Agreement shall terminate on the earlier of the last day of the fiscal period for which sufficient appropriation was made or whenever the funds appropriated for payment under this Agreement are exhausted, and CHA shall pay to Contractor all unpaid amounts owed within thirty (30) days of termination.

ARTICLE 5. DISPUTES**Section 5.01 Disputes**

In the event of a dispute between the CHA and the Contractor involving this Agreement, both parties will attempt to negotiate a resolution. If the parties cannot resolve the dispute through negotiation within fourteen (14) days after a party is informed of a dispute, either party shall, unless otherwise set forth herein, submit the dispute in writing to CHA's Deputy Chief of Procurement in accordance with the provision set forth in Paragraph No. 7 of the HUD General Conditions for Non-Construction Contracts (Exhibit IV).

ARTICLE 6. RISK MANAGEMENT**Section 6.01 Insurance**

The Contractor agrees to comply with and meet or exceed all of CHA's insurance requirements that are set forth in Exhibit V, which is attached hereto and incorporated by reference herein as if fully set forth herein.

Section 6.02 Indemnification

The Contractor agrees to protect, defend, indemnify, keep save, and hold the CHA, its officers, officials, employees, agents and contractors free and harmless from and against any and all liabilities, losses, penalties, damages, settlements, environmental liability, costs, charges, professional fees, including attorney fees, or other expenses or liabilities of every kind, nature and character arising out of or relating to any and all claims, liens, demands, obligations, actions, suits, judgments or settlements, proceedings or causes of action of every kind, nature and character (collectively, "Claims") in connection with or arising directly or indirectly out of the acts and omissions of the Contractor, its agents, employees, and subcontractors, including but not limited to, the enforcement of this indemnification provision. Without limiting the foregoing, any and all such Claims, relating to personal injury, death, damage to property, defects in material or workmanship, actual or alleged infringement of any patent, trademark, copyright or any other tangible or intangible personal or property right, or any actual or alleged violation of any applicable

statute, ordinance, order, rule or regulation, or decree of any court, shall be included in the indemnity hereunder. The Contractor further agrees to investigate, handle, respond to, provide defense for and defend all suits for any and all Claims at its sole expense and agrees to bear all the costs and expenses related thereto, even if the Claims are considered groundless, false or fraudulent. Anything in this paragraph to the contrary notwithstanding, Contractor shall have no duty to indemnify the CHA against any Claim to the extent it arose as a result of the negligence or willful misconduct of the CHA, its employees, agents or contractors.

To the extent permissible by law, Contractor waives any limits on Contractor's liability that it would otherwise have by virtue of the Workers Compensation Act or any other law or judicial decision (specifically Kotecki v. Cyclops Welding Corporation, 146 Ill.2d 155 (1991)).

The CHA shall have the right, at Contractor's expense, to participate in the defense of any suit, without relieving the Contractor of any of its obligations under this indemnity provision. The Contractor expressly understands and agrees that the requirements set forth in this indemnity to protect, defend, indemnify, keep, save and hold the CHA free and harmless are separate from and not limited by the Contractor's responsibility to obtain, procure and maintain insurance pursuant to any other section of this Agreement. Further, the indemnities contained in this section shall survive the expiration or termination of this Agreement.

ARTICLE 7. EVENTS OF DEFAULT, REMEDIES, TERMINATION, RIGHT TO OFFSET, SUSPENSION

Section 7.01 Events of Default Defined

Each of the following shall constitute an event of default:

- A. Any material misrepresentation, whether negligent or willful and whether in the inducement or in the performance, made by Contractor to the CHA.
- B. The Contractor's failure to perform any of its obligations under this Agreement including, but not limited to, the following:
 1. Failure to perform the Services with sufficient personnel or with sufficient material to ensure the performance of the Services due to a reason or circumstance within the Contractor's control;
 2. Failure to meet any of the performance standards specifically noted in Article 2 and otherwise set forth in this Agreement;
 3. Failure to maintain required licenses or certifications required for the performance of the Services.
 4. Failure to perform the Services in a manner reasonably satisfactory to the CHA, or inability to perform the Services satisfactorily as a result of insolvency, filing for bankruptcy or assignment for the benefit of creditors;
 5. Failure to promptly re-perform within a reasonable time Services or

Deliverables that were rejected as erroneous or unsatisfactory;

6. Discontinuance of the Services for reasons or circumstances within Contractor's control;
 7. Failure to comply with a material term of this Agreement, including, but not limited to, the provisions concerning compliance with HUD regulations, insurance and nondiscrimination;
 8. Any other acts specifically and expressly stated in this Agreement as constituting an event of default; and
 9. Failure to cooperate with the CHA or HUD Inspector General in any investigation, audit, review, inspection or hearing.
- C. Any change in majority ownership or majority control of the Contractor without the prior written approval of the CHA, which written approval shall not be unreasonably withheld, conditioned or delayed.
- D. The filing of a voluntary petition of bankruptcy or insolvency or a petition for reorganization under any bankruptcy law by Contractor;
- E. The consent to an involuntary petition in bankruptcy or the failure of Contractor to have vacated within ninety (90) days from the date of entry thereof any order approving an involuntary petition;
- F. The entering of an order, judgment or decree by any court of competent jurisdiction, on the application of a creditor, adjudicating Contractor bankrupt or insolvent or approving a petition seeking reorganization or appointing a receiver, trustee or liquidator of all or a substantial part of such party's assets, and such order, judgment or decree continuing unstayed and in effect for a period of one hundred twenty (120) consecutive days.
- G. Abusive or disruptive behavior on the part of Contractor or Contractor's employees or subcontractors directed at CHA's residents, property managers, or employees in the performance of the Services.
- H. The Contractor's default under any other agreement it may presently have or may enter into with the CHA during this Agreement. The Contractor acknowledges and agrees that in the event of a default under this Agreement the CHA may also declare a default under any such other agreements.

Section 7.02 Remedies

Within five (5) business days after Contractor has been provided written notice from CHA of the occurrence of each default, Contractor shall provide a statement setting forth the actions that Contractor has taken and/or proposes to take with respect to curing the default, and an estimated time period within which Contractor anticipates being able to cure the default.

Absent an agreed-upon time frame to cure an event of default, Contractor shall be given thirty (30) calendar days to cure each event of default following CHA's notice; provided, however, if the nature of Contractor's default is such that more than thirty (30) days are reasonably required for its cure, then Contractor shall not be deemed to be in default if Contractor commenced such cure within said 30-day period and thereafter diligently pursues the cure. If Contractor fails to cure such default within thirty (30) calendar days after receipt of written notice, or the Contractor has failed to commence and continue diligent efforts to cure such default within thirty (30) days in the event such default cannot be reasonably cured within thirty (30) calendar days after notice, the CHA may, at its sole option, declare the Contractor in default. Whether to declare the Contractor in default is within the sole discretion of the CHA and neither that decision nor the factual basis for it is subject to review or challenge under the disputes provision of this Agreement. Written notification of the default, and any intention of the CHA to terminate the Agreement, shall be provided to the Contractor and such decision shall be final and effective upon the Contractor's receipt of such notice pursuant to Article 10. Upon the giving of such notice, the CHA may invoke any or all of the following remedies:

- A. The right to terminate this Agreement as to any or all of the Services yet to be performed effective at a time specified by the CHA.
- B. The right to pursue any and all remedies, legal and/or equitable, available to the CHA.
- C. The right to withhold all or any part of Contractor's compensation hereunder with respect to Services not completed in accordance with the terms hereof prior to the termination of this Agreement.
- D. The right to deem Contractor non-responsible in future contracts to be awarded by the CHA.
- E. The right to take over and complete the Services or any part thereof, either directly or through others.

If the CHA considers it to be in its best interests, it may elect not to declare default or to terminate the Agreement hereunder. The parties acknowledge that this provision is solely for the benefit of the CHA and that if the CHA permits Contractor to continue to provide the Services despite one or more events of default, the Contractor shall in no way be relieved of any of its responsibilities, duties or obligations under this Agreement nor shall the CHA waive or relinquish any of its rights.

The remedies under the terms of this Agreement are not intended to be exclusive of any other remedies provided, but each and every such remedy shall be cumulative and shall be in addition to any other remedies, existing now or hereafter, at law, in equity or by statute. No delay or failure to exercise any right or power accruing upon any event of default or acquiescence therein shall be deemed as a waiver of such right or power, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

In the event CHA terminates this Agreement, CHA shall be given the option to repurchase the laundry equipment at the Service Locations.

Section 7.03 Termination for Convenience

The CHA may terminate this Agreement, or all or any portion of the Services to be performed under it, at any time by written notice from the CHA to Contractor when the Agreement may be deemed to be no longer in the best interests of the CHA. If the CHA elects to terminate the Agreement in full, all Services to be performed hereunder shall cease effective ten (10) calendar days after the date written notice has been provided unless such other date is specified in the notice of termination. The Contractor shall continue to render the services until the effective date of termination. No costs incurred by the Contractor after the effective date of termination shall be allowed. This Section 7.03 is not subject to Article 5 of this Agreement.

ARTICLE 8. WARRANTIES, REPRESENTATIONS AND SPECIAL CONDITIONS

Section 8.01 Business Documents and Contractor's Affidavit

Contractor shall provide to the CHA evidence of its authority to conduct business in the State of Illinois upon request, including without limitation, registrations of assumed names or limited partnerships and certifications of good standing with the Office of the Secretary of the State of Illinois. The Contractor's Affidavit and Contractor's Economic Disclosure Statement submitted with Contractor's Proposal are incorporated by reference as if fully set forth herein. Contractor shall disclose any changes to the accuracy of the representations made therein.

Section 8.02 Conflict of Interest

- A. No member of the governing body of the CHA or other units of government and no other officer, employee, or agent of the CHA or other unit of government who exercises any functions or responsibilities in connection with the Services to which this Agreement pertains, shall have any personal interest, direct, or indirect, in this Agreement. No member of or delegate to the Congress of the United States or the Illinois General Assembly or CHA employee shall be entitled to any share or part of this Agreement or to any financial benefit to arise from it.
- B. Furthermore, the Contractor represents that it currently is and will remain in compliance with federal restrictions on lobbying set forth in Section 319 of the Department of the Interior and Related Agencies Appropriations Act for Fiscal year 1990, 31 U.S.C. §1352, and related rules and regulations set forth at 54 Fed. Reg. 52,309 ff. (1989), as amended.

Section 8.03 Non-Liability of Public Officials

No official, employee or agent of the CHA shall be personally liable to the Contractor or the Contractor's successor in interest for: (i) any default or breach by the CHA under this Agreement, (ii) any fee due to the Contractor or the Contractor's successor in interest or (iii) any other obligation arising under this Agreement.

Section 8.04 Independent Contractor

The Contractor and the CHA recognize that Contractor is an independent contractor and not an employee, agent, partner, joint venturer, covenantor, or representative of the CHA and that CHA will not incur any liability as the result of Contractor's actions. Contractor and its employees,

representatives, and agents shall at all times represent and disclose that they are independent contractors of the CHA and shall not represent to any third party that they are an employee, agent, covenantor, or representative of the CHA. The CHA shall not be obligated to withhold any funds from Contractor for tax or other governmental purposes, with respect to its employees, agents, representatives or subcontractors. Contractor and its employees, representatives, and agents shall not be entitled to receive any employment benefits offered to employees of the CHA including workers' compensation insurance coverage.

ARTICLE 9. GENERAL CONDITIONS

Section 9.01 Entire Agreement

This Agreement and the Exhibits attached hereto shall constitute the entire agreement between the parties hereto relating to the subject matter hereof and no other warranties, inducements, considerations, covenants, conditions, promises or interpretations shall be implied between the parties that are not set forth herein. In the event of a conflict between the Agreement and any Exhibits that have been incorporated by reference, the terms of the Agreement shall control.

Section 9.02 Counterparts

This Agreement may be executed in several identical counterparts, each of which shall be deemed an original and constitute one Agreement binding on the parties hereto. Return of this document by electronic transmission bearing the signature of a party hereto constitutes the execution and acceptance of such party. This agreement may be executed via DocuSign or other electronic signature software, which shall be deemed an original.

Section 9.03 Amendments

No changes, amendments, modifications, or discharge of this Agreement, or any part thereof, shall be valid unless in writing and signed by the authorized agent of the Contractor and by the CEO of the CHA or his/her respective designees. The CHA shall incur no liability for additional Services without a written amendment to this Agreement pursuant to this Section.

Whenever in this Agreement the Contractor is required to obtain prior written approval, the effect of any approval which may be granted pursuant to the Contractor's request shall be prospective only from the later of the date approval was requested or the date on which the action for which the approval was sought is to begin. In no event may approval apply retroactively to a date before the approval was granted.

Section 9.04 Deemed Inclusion

Provisions required by applicable federal, state, county or municipal law, statutes, ordinances, rules, regulations or executive orders to be included in this Agreement are deemed inserted in this Agreement whether or not they appear in the Agreement or, upon application of either party, the Agreement shall be amended to make this insertion; however, in no event shall the failure to insert the required provisions before or after the Agreement is signed prevent their enforcement.

Section 9.05 Severability

If any provisions of this Agreement shall be held or deemed to be or shall in fact be inoperative or unenforceable as applied in any particular case in any jurisdiction or in all cases because it conflicts with any other provision or provisions hereof or of any constitution, statute, ordinance, rule of law or public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstances, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses or sections contained in this Agreement shall not affect the remaining portions of this Agreement or any part thereof.

Section 9.06 Jurisdiction

This Agreement shall be governed as to performance and interpretation in accordance with the laws of the State of Illinois. The Contractor hereby irrevocably submits itself to the original jurisdiction of those courts located within the County of Cook, State of Illinois, with regard to any controversy arising out of, relating to, or in any way concerning the execution or performance of this Agreement. The Contractor agrees that service of process on the Contractor may be made, at the option of the CHA, either by registered or certified mail addressed to the applicable office as provided for in this Agreement and to the office actually maintained by the Contractor, or by personal delivery on any managing partner, partners and principals of the Contractor. If the Contractor brings any action against the CHA concerning this Agreement, the action shall only be brought in those courts located within the County of Cook, State of Illinois.

Section 9.07 Interpretation

Any headings of this Agreement are for convenience of reference only and do not define or limit the provisions thereof. Words of any gender shall be deemed and construed to include correlative words of the other genders. Words importing the singular number shall include the plural number and vice versa, unless the context shall otherwise indicate. All references to any exhibit or document shall be deemed to include all supplements and/or amendments to any such exhibits or documents entered into in accordance with the terms and conditions hereof and thereof. All references to any person or entity shall be deemed to include any person or entity succeeding to the rights, duties, and obligations of such persons or entities in accordance with the terms and conditions of this Agreement.

Section 9.08 Assigns

All of the terms and conditions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors, transferees and assigns.

Section 9.09 Cooperation and Duties Upon Termination

The Contractor agrees to cooperate fully with the CHA and to act in the CHA's best interests. If this Agreement is terminated for any reason, or if it is to expire on its own terms, the Contractor shall make every effort to ensure an orderly transition to another Contractor, the

uninterrupted provision of Services during any transition period and shall otherwise comply with the reasonable requests and requirements of the CHA in connection with the termination or expiration of this Agreement.

Section 9.10 Waiver

Whenever under this Agreement the CHA, by a proper authority, expressly waives the Contractor's performance in any respect or expressly waives a requirement or condition to either the CHA's or the Contractor's performance, the waiver so granted, shall only apply to the particular instance and shall not be deemed a waiver forever or for subsequent instances of the performance, requirement or condition. No such waiver shall be construed as a modification of the Agreement regardless of the number of times the CHA may have waived the performance of a requirement or condition.

ARTICLE 10. COMMUNICATION AND NOTICES

Section 10.01 Communication Between the Parties

All verbal and written communication, including required reports and submissions between the Contractor and the CHA shall be through CHA's Property and Asset Management division, 60 E. Van Buren St., Chicago, IL 60605 when required. No verbal communication between the parties shall change any of the terms and conditions of this Agreement. Nothing stated herein shall be construed as a waiver or modification of the requirements for notice or service of process of litigation, as set forth in the Illinois Code of Civil Procedure, the Federal Rules of Civil Procedure, the local rules of the Circuit Court of Cook County, and the local rules governing the U.S. District Court for the Northern District of Illinois.

Section 10.02 Notices

Any notices sent to the Contractor shall be mailed by certified mail, return receipt requested, postage prepaid to:

Midwest Laundries, Inc.
2910 W. 36th Street
Chicago, IL 60602
Attn: Jim Schultz,
jims@midwestlaundries.com

Copy To:
Marcus & Boxerman
Attn: Michael Boxerman
20 N. Clark St, Suite 3300
Chicago, IL 60602
mboxerman@marcusboxerman.com

Notices sent to the CHA shall be mailed by certified mail, return receipt requested, postage prepaid to:

Chicago Housing Authority
60 E. Van Buren St.
Chicago, Illinois 60605
Attention: Chief Executive Officer

Copy to Chicago Housing Authority
60 E. Van Buren St.
Chicago, Illinois 60605
Attention: Chief Legal Officer

ARTICLE 11. AUTHORITY

Section 11.01 CHA's Authority

Execution of this Agreement by the CHA is pursuant to the United States Housing Act of 1937, 42 U.S.C. §1437 et seq.; regulations promulgated by HUD, and the State Housing Authorities Act, 310 ILCS 10/1 et seq., as amended, and other applicable laws, regulations and ordinances.

Section 11.02 Contractor's Authority

The signature of the person signing on behalf of the Contractor has been made with complete and full authority to commit the Contractor to all terms and conditions of this Agreement, including each and every representation, certification and warranty contained herein, including without limitation such representations, certifications and warranties collectively attached hereto and incorporated by reference herein.

IN WITNESS WHEREOF, the CHA and the Contractor have executed this Agreement as of the date first written above.

CHICAGO HOUSING AUTHORITY

By: Sheila Johnson
Sheila Johnson
Deputy Chief Procurement Officer

MIDWEST LAUNDRIES, INC.

DocuSigned by:
By: Frank Schultz
8EABD89EA28141F8Schultz
President

8/6/2024

Approved as to Form and Legality
Chicago Housing Authority
Office of the Chief Legal Counsel

By: Elizabeth M. Silas
Elizabeth M. Silas (Aug 19, 2024 10:42 CDT)

~~XXXXXXXXXX~~
~~Chief Legal Officer~~
Elizabeth M. Silas
Deputy General Counsel