

CONTRACT NO. 12451

**PROFESSIONAL
SERVICES AGREEMENT**

BETWEEN

CHICAGO HOUSING AUTHORITY

AND

TAG ASSOCIATES INC.

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CONTRACT NO. 12451**PROFESSIONAL SERVICES AGREEMENT**

THIS PROFESSIONAL SERVICES AGREEMENT (hereinafter, "Agreement") is entered into as of the 1st day of May, 2020 by and between the **CHICAGO HOUSING AUTHORITY** (the "CHA"), a municipal corporation organized under the Illinois Housing Authority Act 310 ILCS 10/1 et seq., with offices at 60 E. Van Buren St., Chicago, Illinois and TAG Associates, Inc. (the "Contractor"), a Massachusetts corporation with its offices at 511 Washington Street, Norwood, MA 02062-2237.

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 Proposal ("RFP") Event No. 2690 (2019) (the "RFP", attached and incorporated herein by reference as Exhibit A) on or about June 12, 2019 to secure the provision financial advisory and consulting services including, but not limited to assistance with development of financing advisory services, identification of improved accounting practices and development of strategies and tactics; and

WHEREAS, the Contractor submitted its Proposal on or about June 4, 2019 (as submitted and thereafter supplemented by the Contractor's best and final offer, the "Proposal", which is attached hereto as Exhibit A-1), to the CHA indicating it is ready, willing and able to provide the services as set forth in the RFP; and

WHEREAS, the CHA and the Contractor desire to enter into the Agreement for the provision of financial advisory and consulting services 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 the contract entered into between the CHA and the Contractor. It includes the Agreement, the General Conditions for Non-Construction Contracts (HUD Form 5370-C), the

Certifications and Representations of Offerors - Non-Construction Contracts (HUD Form 5369-C), the Contractor's Affidavit and any other exhibits which have been specifically incorporated by reference in the Agreement.

ARTICLE 2. CONTRACTOR'S DUTIES AND RESPONSIBILITIES

Section 2.01 Services to be Performed

A. Scope of Work

The services that the Contractor shall provide during the term of the Agreement shall include, but not be limited to, assisting in assessing and creating policies and systems to enhance methodologies to support CHA's mission, including: (a) support related to the identification and development of alternative revenue strategies; (b) assisting CHA with analysis of potential cost savings relating to refinancing or recapitalizing its properties; (c) support and guidance in connection with cash management programs; and (d) assistance with implementing best practices to enhance financial reporting, transparency, industry benchmarking and assist with the identification of non-traditional revenue sources and public private partnerships ("PPP") (hereinafter collectively referred to as the "Services").

B. Statement of Work

The Services to be performed by the Contractor during the term of the Agreement are more fully described in the Statement of Work set forth in Exhibit I, which is attached hereto and incorporated by reference herein. Work assignments shall be made by written task orders with an agreed scope, budget, schedule and completion time.

C. Deliverables

In performing the Services, the Contractor shall prepare and/or provide the deliverables required by the Agreement along with any other required work product that may consist of documents, data, studies, reports, findings or information in any form prepared or assembled either in hard copy or electronic media (hereinafter, collectively, "Deliverables"). The CHA reserves the right to reject Deliverables which in the reasonable judgment of the CHA do not adequately represent the intended level of completion or standard of performance, do not include relevant information or data, or do not include all documents specified in this Agreement, or reasonably necessary for the purposes for which the CHA made this Agreement with the Contractor. The CHA will notify the Contractor in writing of any deficiencies the CHA may identify involving a Deliverable.

Partial or incomplete Deliverables may be accepted for review only when required for a specific purpose and when consented to in advance by the CHA. Such Deliverables may not be considered as satisfying the requirements of this Agreement and partial or incomplete Deliverables shall in no way relieve the Contractor of its commitments hereunder.

Section 2.02 Performance Standards

The Contractor shall perform all Services required under this Agreement with the degree of skill, care and diligence normally shown by an entity performing services of a scope, purpose

and magnitude comparable with the nature of the Services to be provided under this Agreement. Furthermore, the Contractor shall perform or cause to be performed all Services required by the Agreement in accordance with the terms and conditions of this Agreement, in accordance with any federal, state and local laws, statutes, applicable to this Agreement, and to the satisfaction of the CHA. The Contractor must at all times act in the interests of the CHA consistent with the professional and any, if any, applicable fiduciary obligations assumed by it in entering into this Agreement and task orders hereunder and will timely and satisfactory render and complete its Services, including but not limited to Deliverables. Specifically, all services shall be performed in accordance with applicable professional due care standards, and in accordance with the terms and conditions of this Agreement.

The Contractor must assure that all Services which require the exercise of professional skills or judgment must be accomplished by professionals qualified and competent in the applicable discipline and appropriately licensed, if required by law. The Contractor covenants with the CHA to furnish its professional expertise and judgment in furthering the CHA's interests. The Contractor shall at all times use reasonable efforts to assure quality, timeliness, efficiency and creativity in rendering and completing the Services. The Contractor agrees that performance of the Services in a satisfactory manner shall include quick response to the CHA's needs. Accordingly, the Contractor shall return all telephone calls and respond to all electronic mail on a timely basis within one (1) business day.

Section 2.03 Key Personnel

Jeffrey Lines and Paul Galvn shall be responsible for supervising Contractor's personnel and directing the Services to be performed during the term of the Agreement. The Contractor retains the right to substitute key personnel with reasonable cause by giving written notice to the CHA, provided that the CHA shall have the right to approve such staff changes and said approval shall not be unreasonably withheld.

Section 2.04 Non-Discrimination

Contractor shall comply with all applicable federal, state and local non-discrimination laws, rules, regulations and ordinances including, but not limited to, The Civil Rights Act of 1964, 42 U.S.C. sec. 2000 et seq. (1989), as amended, and all regulations promulgated thereto. Contractor shall particularly remain in compliance at all times with: Exec. Order No. 11,246, 30 Fed. Reg. 12,319 (1965), reprinted in 42 U.S.C. 2000 (e) note, as amended by Exec. Order No. 11,375, 32 Fed. Reg. 14,303 (1967) and by Exec. Order No. 12,086, 43 Fed. Reg. 46,501 (1978); Age Discrimination Act, 42 U.S.C. sec. 6101-6106 (1989); Rehabilitation Act of 1973, 29 U.S.C. sec. 793-794 (1988); Fair Housing Amendments Act, 42 U.S.C. Sec. 3601 et seq., (1988); Americans with Disabilities Act of 1990, 42 U.S.C. 12101 and 41 C.F.R. Part 60 et seq., (1990). Illinois Human Rights Act, 775 ILCS 5/1-101 et seq., as amended, and regulations promulgated in accordance therewith, including but not limited to the Equal Employment Opportunity Clause, 111. Admin. Code Tit. 44 section 750 Appendix A, which is attached hereto as Exhibit II and incorporated by reference herein; Public Works Employment Discrimination Act, 775 ILCS 10/0.01 et seq., as amended. Chicago Human Rights ordinance, s2-160-010 et seq., of the Municipal Code of Chicago, as amended; and the Chicago Fair Housing Regulations, s5-8-010 et seq., of the Municipal Code of Chicago, as amended. In addition, Contractor must furnish such reports and information as requested by the Chicago Commission on Human Relations.

Section 2.05 Section 3 and MBE/WBE/DBE Participation and Requirements

- A. Section 3 – Compliance:** The CHA has determined that the contract awarded under this solicitation is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u, (Section 3), and Title 24 of Subchapter B, Part 135 – Economic Opportunities for Low- and Very Low-Income Persons, 24 CFR 135.3. Section 3 Compliance requires that any contract or subcontract entered into for the benefit of public housing residents shall require that, to the greatest extent feasible, economic opportunity in the form of training, employment, contracting, and other economic opportunities arising from the expenditure of public housing assistance for housing rehabilitation and housing construction be directed to low- and very low-income persons.

1. Section 3 - Clause

- i. The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- ii. The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
- iii. The Contractor agrees to send to each labor organization or representative of workers with which the Contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- iv. The Contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The Contractor will not subcontract with any subcontractor

where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.

- v. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the Contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 135.
- vi. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

2. Section 3 Compliance Goals

- i. Contractors and their subcontractors may demonstrate compliance by committing to employ section 3 residents and by subcontracting with section 3 business concerns in accordance with the requirements of 24 CFR Part 135.

A Section 3 Business concern is a business concern under HUD Regulations:

- (a) 51 percent or more owned by section 3 residents; or
 - (b) Whose permanent, full-time employees include persons, at least 30 percent of whom are currently section 3 residents, or within three years of the date of first employment with the business concern were section 3 residents; or
 - (c) That provides evidence of a commitment to subcontract in excess of 25 percent of the dollar award of all subcontracts to be awarded to business concerns that meet the qualifications set forth in paragraphs (1) or (2) in this definition of "section 3 business concern."
- ii. Contractor and sub-contractors may demonstrate compliance with the requirements for contracting with Section 3 Business Concerns by committing to award to Section 3 Business Concerns at least 10 percent of the total dollar amount of the contract awarded to the contractor for building trades work for maintenance, repair modernization or development of public housing, or for building trades work arising in connection with housing rehabilitation, housing construction and other public construction and at least 3 percent of the total dollar amount of all other Section 3 covered contracts.
- iii. In evaluating compliance with 24 CFR Part 135, contractors and their subcontractors have the burden of demonstrating to the greatest extent feasible their ability or inability to meet the goals set forth in 24 CFR Part 135 for providing training, employment and contracting opportunities to section 3 residents and section 3 business concerns.
- iv. Contractors and their subcontractors are also encouraged to provide other economic opportunities to train and employ section 3 residents including, but not

limited to, use of “upward mobility”, “bridge” and trainee positions to fill vacancies, and hiring section 3 residents in part-time positions (24 CFR 135.40).

v. **Section 3 Hiring**

The Section 3 Regulations provide that contractors and their subcontractors demonstrate compliance by employing Section 3 Residents as 30 percent of the aggregate number of New Hires. A contractor or subcontractor is required to hire only when a New Hire is needed to perform the work.

(a) **CHA Preferences**

The hiring efforts of the CHA’s contractors and subcontractors, shall be directed to provide training and employment opportunities to Section 3 Residents in the following order of priority:

1. Residents of the housing development or developments for which the Section 3 Covered Assistance is expended;
2. Residents of other housing developments managed by the CHA;
3. CHA Housing Choice Voucher Participants;
4. Participants in HUD Youthbuild Programs being carried out in the Chicago Metropolitan Area;
5. Other Section 3 Residents.

3. **Documenting and Reporting**

- i. Contractor agrees to comply with the above Section 3 requirements in accordance with the Contractor’s Section 3 Utilization Plan, which shall be prepared by the Contractor and agreed to by CHA. CHA shall not be required to agree to the Contractor’s Utilization Plan until the Contractor meets its burden to establish that it will comply with 24 CFR Part 135 and otherwise comply with CHA’s Section 3 Policy (see http://www.thecha.org/pages/section_3/65.php or the copy included in the solicitation) as may be required. Contractor’s Section 3 Utilization Plan is attached hereto as Exhibit III and is incorporated by reference herein.
- iii. The Contractor and its subcontractors shall provide all required compliance data with respect to Contractor’s Section 3 requirements to the CHA via CHA’s electronic system available at <https://cha.diversitycompliance.com/>. The Contractor and its subcontractors shall be responsible for responding to any requests for data or information by the noted response due dates, and shall check the electronic system on a regular basis to manage contact information and contract records. The Contractor shall also be responsible for ensuring that all subcontractors have completed all requested items with complete and accurate information and that their contact information is current.

4. This Section 3 Contract Provision shall flow down to each subcontract at every tier.

- B. **MBE/WBE/DBE Compliance.** Contractor agrees to comply with the CHA’s Minority and Women Disadvantaged Business Enterprise (“MBE/WBE/DBE”) requirements in

accordance with the Contractor's MBE/WBE/DBE Utilization Plan, which is attached hereto as Exhibit IV and incorporated by reference herein, and otherwise comply with the CHA's MBE/WBE Policy (see http://www.thecha.org/pages/mbe_wbe_dbe/36.php or the copy included in the RFP),.

Documenting and Reporting. The Contractor and its subcontractors shall provide all required compliance data with respect to Contractor's MBE/WBE/DBE to the CHA via CHA's electronic system available at <https://cha.diversitycompliance.com/>. The Contractor and its subcontractors shall be responsible for responding to any requests for data or information by the noted response due dates, and shall check the electronic system on a regular basis to manage contact information and contract records. The Contractor shall also be responsible for ensuring that all subcontractors have completed all requested items with complete and accurate information and that their contact information is current.

Section 2.06 HUD's General Conditions for Non-Construction Contracts

HUD's General Conditions for Non-Construction Contracts (HUD form 5370-C (10/2006)) ("General Conditions"), are attached hereto as Exhibit V 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 the Agreement, the terms and conditions of the Agreement shall control.

Section 2.07 Ownership of Work Product, Documents, Records and Reports

- A. Contractor acknowledges that all Deliverables in any form including but not limited to, reports, spreadsheets, data, databases, documentation, training materials, drawings, photographs, film and all negatives, software, tapes and the masters thereof, prototypes, and other material, or other work product generated and assembled either in hard copy or by electronic media, or other work product generated and assembled either in hard copy or by electronic media, pursuant to the work contracted for by the CHA hereunder (hereinafter, "Work Product") will belong solely to the CHA and the Contractor will retain no rights therein. The Work Product is conclusively deemed by the parties as "works made for hire" within the meaning and purview of Section 101 of the United States Copyright Act, 17 U.S.C. §101 et seq. (hereinafter "the Act"), and the CHA will be the copyright owner thereof and of all aspects, elements and components thereof in which copyright can subsist.

To the extent the Work Product does not qualify as "work made for hire," Contractor hereby irrevocably grants, conveys, bargains, sells, assigns, transfers and delivers to the CHA, its successors and assigns, all right, title and interest in and to the copyrights and all U.S. and foreign copyright registrations, copyright applications and copyright renewals therefor, and other intangible, intellectual property embodied in or pertaining to the Work contracted for under this Agreement, free and clear of any liens, claims or other encumbrances, to the fullest extent permitted by law. Contractor will execute assignments in the forms attached if requested by the CHA, without additional compensation. Contractor will document all work performed for the CHA and will turn such documentation over to the CHA on completion of the Contractor's services hereunder or earlier, if requested by the CHA. Contractor will make no use of the Work Product generated during the course of its work for the CHA during or after the term of this Agreement except to perform the work requested by the CHA.

To the extent the CHA is unable to effectively or economically use the Work Product without also using rights which are the subject of patent applications, patents, copyrights or other statutory protection owned by Contractor, Contractor grants to the CHA, a royalty-free, irrevocable, worldwide, nonexclusive license to make, have made, sell, use, reproduce, disclose, and publish such rights as necessary to fully utilize the Work Product.

In addition, Contractor agrees that it will not do anything contrary to the CHA's ownership in the Work Product or which might impair the value of such ownership. Contractor agrees to cooperate with the CHA in executing all documentation requested by the CHA to enable the CHA to perfect its right in and to the Work Product.

- B. All Work Product and CHA Documents provided to, or prepared or assembled by the Contractor in connection with the performance of the Contractor's Services under this Agreement shall be the property of the CHA. The Contractor shall establish precautions against the destruction of all such CHA Documents and shall be responsible for any loss or damage to the CHA Documents while in the Contractor's possession or use and the Contractor shall be responsible for restoring such CHA Documents at its sole expense. Except as provided above, if any CHA Documents destroyed while in the Contractor's possession are not restorable, the Contractor shall be responsible for any loss suffered by the CHA on account of such loss or damage.
- C. The Contractor shall deliver or cause to be delivered all Work Product and/or CHA Documents, including, but not limited to, all Deliverables prepared for the CHA under the Agreement, to the CHA promptly in accordance with the time limits prescribed in the Agreement, or if no time limit is specified, then upon reasonable demand thereof or upon termination or completion of the Contractor's Services or expiration of the Agreement hereunder. In the event of the failure by Contractor to make such delivery, then and in that event, the Contractor shall pay to the CHA any damages the CHA may sustain by reason thereof. The Contractor shall maintain all CHA Documents not previously delivered to the CHA for a period of three (3) years after final payment made in connection with the Agreement.
- D. Notwithstanding the foregoing Contractor's work papers related to the services hereunder shall be and remain the Contractor's property. Notwithstanding any other provisions herein, the Contractor retains all ownership rights in any proprietary methodologies, methods, processes, or procedures of the Contractor that pre-exist or were developed outside the scope of this Agreement. If any such property of Contractor is contained in any of the Deliverables hereunder, the Contractor grants to CHA a royalty-free, paid-up, non-exclusive, perpetual license to use such Contractor intellectual property in connection with CHA's use of the Deliverables.
- E. The Contractor shall maintain its books, records, documents, and other materials related to the performance of the Agreement for a period of three (3) years following the expiration or termination of the Agreement and after final payment has been made and all other pending matters are closed, and adopt accounting procedures and practices sufficient to reflect properly all costs of whatever nature claimed to have been incurred or anticipated to be incurred for or in connection with the performance of the Contractor's Services under the Agreement. The Contractor shall maintain its accounting system, books and records in a manner that complies with industry practices.

- F. The provisions of Section 2.07 shall survive the expiration or termination of the Agreement.
- G. The Contractor shall flow down the provisions of this Section 2.07 titled "Ownership of Work Product, Documents, Records and Reports" to its subcontractors at every tier.
- H. Notwithstanding anything to the contrary in this Section 2.07, Contractor and its subcontractors have developed and licensed the product and/or sold the services that are the subject of this Agreement to other Contractor clients. Contractor and its subcontractors shall continue to license and develop such products and/or sell such services to other Contractor and subcontractor clients on a continuing basis, and no transfer of intellectual property ownership from Contractor or subcontractors to CHA in the products or services or any underlying intellectual property is intended hereby. Therefore, notwithstanding anything to the contrary in this Agreement and for avoidance of doubt, CHA acknowledges and agrees that nothing in this Agreement is intended to prohibit or otherwise constrain Contractor and its subcontractors from continuing to license or modify the product and/or sell similar services to other Contractor or subcontractor clients so long as no CHA Confidential Information is incorporated into any such products or services and Contractor does not breach its confidentiality obligations under this Agreement. Contractor and its personnel shall be free to use and employ its and their general skills, know-how, and expertise, and to use, disclose, and employ any generalized ideas, concepts, know-how, methods, techniques, or skills gained or learned during the course of any assignment, so long as it or they acquire and apply such information without disclosure of any Confidential Information.

Section 2.08 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 upon written notice to the Contractor. Such access will be conducted in a manner so as not to interfere with or disrupt Contractor's business. In the event of a disallowance, the Contractor shall refund the amount disallowed to the CHA. Contractor's books and records shall not be used, duplicated or disclosed to any third party without the prior, express written permission of Contractor. Any audit shall be at the cost of CHA unless it is determined that any amount in excess of \$5,000 is disallowed then it shall be at the costs of the Contractor. To the extent not contrary to applicable auditing requirements Contractor shall have no obligation to disclose or make available any confidential or proprietary information of Contractor which is not directly related to the Services performed under this Agreement or any third parties and shall have the right to redact or provide summary level reports to protect the confidentiality and security of other clients and third parties.

Section 2.09 Confidentiality

The Contractor agrees that all Deliverables, reports, documents or other information prepared or assembled by, or received or encountered by the Contractor, its employees, agents and subcontractors pursuant to this Agreement are to remain confidential ("Confidential Information"). Further, the Contractor agrees that such Confidential Information shall not be made available to any individual or organization other than the CHA, HUD or courts of competent jurisdiction or

administrative agencies pursuant to a subpoena without the prior written approval of the CHA. In the event the Contractor is presented with a *subpoena* regarding such Confidential Information, which may be in the Contractor's possession by reason of this Agreement, the Contractor must immediately give notice to the CHA's Chief Executive Officer and General Counsel with the understanding that the CHA will have the opportunity to contest such process by any means available to it before the Confidential Information is submitted to a court or other third party. The Contractor, however, is not obligated to withhold the delivery of such Confidential Information beyond the time ordered by the court or administrative agency, unless the subpoena or request is quashed or the time to produce is otherwise extended. The Contractor agrees that Section 2.09 of the Agreement shall survive the termination of the Agreement.

Section 2.10 Subcontracts and Assignments

Unless otherwise provided for herein, the Contractor shall not subcontract, assign otherwise 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 to 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 2.11 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 2.12 Religious Activities

In connection with the Services to be provided under this Agreement, the Contractor agrees:

- A. That it shall not discriminate against any person on the basis of religion and shall not limit employment or give preference in employment to persons on the basis of religion; and
- B. That it shall not discriminate when rendering the Services hereunder against any person on the basis of religion and shall not limit such Services or give preference to persons on the basis of religion.

Section 2.13 Drug-Free Workplace

The Contractor shall establish procedures and policies to promote a "Drug-Free Workplace." Further, the Contractor shall notify all employees of its policy for maintaining a "Drug-Free Workplace," and the penalties that may be imposed for drug abuse violations occurring in the workplace. Further, the Contractor shall notify the CHA if any of its employees are convicted of a criminal drug offense in the workplace no later than ten (10) days after such conviction.

Section 2.14 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 obligation under the Agreement, including but not limited to, the scope of services set forth hereunder which result from circumstance or causes beyond Contractor's reasonable control, including without limitation, fire or casualty, acts of God, strikes or labor disputes, war or violence, or any law, order or requirement of any government agency or authority.

Section 2.15 CHA Inspector General

It is the duty of the Contractor and its subcontractors to cooperate with the CHA Inspector 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 2.16 Compliance with CHA Policies

The Contractor shall comply with the applicable provisions of all CHA policies including, but not limited to:

- Ethics Policy
- Local Transportation & Mileage Reimbursement Policy
- CHA Travel Guidelines
- General Business Expense Policy

ARTICLE 3. TERM OF AGREEMENT

Section 3.01 Term of Agreement

The initial term of this Agreement is for the two year period commencing and effective from May 1, 2020 through April 31, 2022 (the "Base Term") or until the Agreement is terminated in accordance with its terms, whichever occurs first.

Section 3.02 Contract Extension Options

The CHA, at its sole discretion, may extend this Agreement for up to three (3) additional 1-year option periods, subject to CHA Board approval, if required. Any extension shall be under the same terms and conditions as this original Agreement, except as may be modified or applicable in accordance with the B. The Agreement shall be modified to reflect the time extension in accordance with the provisions of Section 9.03 of this Agreement.

Section 3.03 Timeliness of Performance

The Contractor shall use commercially reasonable efforts to provide the Services and Deliverables within the time limits required under this Agreement, or from time to time as otherwise reasonably required by the CHA. The Contractor and the CHA acknowledge that deadlines for certain Services provided for in this Agreement may be dictated by the requirements of agencies or events outside the control of the CHA and the Contractor, and the failure by the Contractor to meet deadlines may result in economic or other significant losses to the CHA. Therefore, except to the extent that the Contractor's inability to meet its deadlines is caused by the delay due to the CHA, by acts of God or other events outside the control of the Contractor, TIME IS OF THE ESSENCE, so that failure to perform in a timely manner shall be considered a material breach of the Agreement.

ARTICLE 4. COMPENSATION AND PAYMENT

Section 4.01 Compensation

The maximum compensation payable to the Contractor under the Agreement during the two-year Base Term is an aggregate amount not-to-exceed Eighty Thousand Four Hundred and 00/100 Dollars (\$80,400.00) ("Maximum Amount") for the satisfactory performance of all Services performed pursuant to all task orders issued from time to time under this Agreement. Each task order shall specify the scope of work, the total costs, including all fees, schedule and completion date. Costs shall be determined by the hourly rates, staffing and time commitment for the task order. Task order costs shall not exceed the agreed upon total costs without the prior written approval of the CHA.

The Scope of Work and Task order fee amount for any Consultation Project Assignment shall be set forth in a Consultation Engagement Letter signed by the Contractor and agreed to by the CHA.

Hourly rates during the base term of the Agreement are as follows:

	Year One	Year Two
1. Principal/Partner	\$278.00	\$278.00
2. Senior Manager	\$236.00	236.00
3. Manager	\$160.00	160.00
4. Analyst/Associate	\$130.00	\$130.00

The Contractor agrees not to perform, and waives any and all claims of payment for work that would result in billings beyond the Maximum Amount without a written amendment to the Agreement authorizing said additional work or compensation. The Contractor recognizes an affirmative duty to monitor its performance and billings to insure that the scope of work is completed within this established fee structure.

No compensation or reimbursement will be paid to the Contractor for amounts incurred prior to the CHA's issuance of a Notice to Proceed, other than a specifically authorized by the CHA.

Section 4.02 Payment

The CHA will make commercially reasonable efforts to make payment for services rendered under this Agreement within thirty (30) days after receipt and approval of invoices, which are to be submitted to the Chief Financial Officer detailing separately for each task order.

- (1) the Services performed by the Contractor and any subcontractors during the invoice time period;
- (2) the names of individuals responsible for the work;
- (3) the amount of hours of work by each individual;
- (4) the hourly rate charged for each individual performing Services; and,
- (5) the year to date hours and corresponding fees.

All invoices shall be subject to CHA's review and approval. The Contractor shall furnish such supporting documents and information as may be required to approve each invoice. The Contractor shall not be entitled to receive payment unless an invoice relating to such payment is first submitted to and approved by the CHA. If the CHA objects to all or any portion of any invoice, it shall notify the Contractor of its objection in writing and both parties shall make every effort to settle the disputed portion of the invoice. Notwithstanding the foregoing, the CHA may, at its option, pay the undisputed portion of any invoice without being deemed to have accepted the disputed portion.

Section 4.03 Non-Appropriation

Section 4.03 Non-Appropriation funding for this Agreement 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.

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, either party shall, unless otherwise set forth herein, submit the dispute in writing to CHA's Director of Procurement and Contracts in accordance with the provision set forth in Paragraph No. 7 of the HUD General Conditions for Non-Construction Contracts (Exhibit V).

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 VI, 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 and 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 bodily injuries or death, real or tangible personal property damage arising directly or indirectly out of Contractor's acts, omissions or performance of services under this Agreement and/or the enforcement of this indemnification provision. Only claims, relating to: personal injury, death, or damage to real or tangible personal property; or any 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 such 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.

Contractor hereby agrees to defend, indemnify and hold CHA harmless from and against any and all claims, liabilities, losses, expenses (including reasonable attorneys' fees), fines, penalties, taxes or damages (collectively "Liabilities") asserted by a third party against CHA to the extent such Liabilities result from the infringement by the Deliverables (excluding any third party software) of such third party's U.S. patents issued as of the date of the Agreement, trademarks or copyrights. The preceding indemnification shall not apply to any infringement to the extent arising out of (a) use of the Deliverables other than in accordance with applicable documentation or instructions if any supplied by Contractor and only to the extent and in the event that CHA has agreed to such in writing; (b) any alteration, modification or revision of the Deliverables not expressly agreed to in writing by Contractor; (c) any aspect performed according to CHA's specifications or incorporating CHA's Intellectual Property in the creation of the Deliverable; or (d) the combination of the Deliverables with materials not supplied or approved by Contractor. In case any of the Deliverables or any portion thereof is held, or in Contractor's reasonable opinion is likely to be held, to constitute infringement, Contractor may, within a reasonable time, at its option either: (i) secure for CHA the right to continue the use of such infringing item; or (ii) replace, at Contractor's sole expense, such item with a substantially equivalent non-infringing item or modify such item so that it becomes non-infringing; or (iii) require CHA to cease use of and return such Deliverable for a refund of fees paid for such Deliverable. In the event Contractor is, in its reasonable discretion, unable to perform either of the options described in clauses (i) or (ii) above, CHA shall return the allegedly infringing item to Contractor.

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 , 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 or due to a reason or circumstance within the Contractor's control;
 - 2. Failure to meet any of the performance standards set forth in this Agreement;
 - 3. 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;
 - 4. Failure to promptly re-perform within a reasonable time Services or Deliverables that were rejected as erroneous or unsatisfactory;
 - 5. Discontinuance of the Services for reasons or circumstances not beyond the Contractor's control;
 - 6. 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; and
 - 7. Any other acts specifically and expressly stated in this Agreement as constituting an event of default.

- 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.
- D. 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

The occurrence of any event of default which the Contractor fails to cure within thirty (30) calendar days after receipt of written notice given in accordance with the terms of this Agreement and specifying the event of default or, if such event of default cannot be reasonably cured within thirty (30) calendar days after notice, or if the Contractor has failed to commence and continue diligent efforts to cure such default within thirty (30) days, 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. Except where doing so may cause Contractor to potentially violate professional standards, the right to take over and complete the Services or any part thereof as agent for and at the cost of contractor, 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, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

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. The Contractor shall continue to render the services until the effective date of termination. No cost incurred by the Contractor after the effective date of termination shall be allowed. Subject to performance within the requisite performance standards and audits of invoices as set forth above, the CHA shall pay to Contractor on a pro-rata basis, costs incurred for Services rendered through the date of termination. This Section 7.03 is not subject to Article 5 of this Agreement.

The Contractor shall flow down the provisions of Section 7.03 in all of its contracts with its subcontractors, if any.

Section 7.04 Suspension

The CHA may at any time request that the Contractor suspend its Services, or any part thereof, by giving ten (10) days prior written notice to the Contractor or upon no notice in the event of an emergency. No costs incurred after the effective date of such suspension shall be allowed. The Contractor shall promptly resume its performance of such Services under the same terms and conditions as stated herein upon written notice by the CHA (Director of Procurement and Contracts).

Section 7.05 No Damages for Delay

The Contractor agrees that it shall make no claims against the CHA for damages, charges, interest, additional costs or fees incurred by reason of delays or suspension of work caused by the CHA in the performance of its obligations under this Agreement. The Contractor's sole and exclusive remedy for delays or suspension of work caused by the CHA is an extension of time equal to the duration of delay or suspension to allow the Contractor to perform its obligation under this Agreement.

Notwithstanding the provisions of this paragraph, Contractor in the event that CHA caused delay or suspension exceeds four months in duration may apply for contractual amendments or change orders to address any CHA caused by such delay or suspension exceeding four months changes to the cost or time for Contractor work, and CHA shall not unreasonably withhold such consideration of such amendment.

Section 7.06 Right to Offset

To the extent permitted by applicable law:

- A. In connection with performance under the Agreement, the CHA may offset any incremental costs and other damages the CHA incurs in any and all of the following circumstances:
 - i. If the CHA terminates the Agreement for default or any other reason resulting from the Contractor's performance or non-performance;
 - ii. If the CHA exercises any of its remedies under Section 7.02 of the Agreement;
 - iii. If the CHA has any credits due or has made any overpayments under the Agreement.

The CHA may offset these incremental costs and any other damages by use of any payment due for Services completed before the CHA terminated the Agreement or before the CHA exercised any remedies. If the amount offset is insufficient to cover those incremental costs and other damages, the Contractor shall be liable for and must promptly remit to the CHA the balance upon written demand for it. The right to offset is in addition to and not a limitation of any other remedies available to the CHA.

- B. Without breaching this Agreement, the CHA may set off a portion of the compensation due under this Agreement in an amount equal to the amount of any liquidated or un-liquidated damages or claims that the CHA has against the Contractor arising out of any other agreements between the CHA and the Contractor or otherwise unrelated to this Agreement.
- C. If and when the CHA's claims against the Contractor are finally adjudicated in a court of competent jurisdiction or otherwise resolved, the CHA will reimburse the Contractor to the extent of the amount the CHA has offset against this Agreement inconsistently with the determination or resolution.

Section 7.07 Waiver of Consequential Damages and Limitation of Liability

Contractor and CHA will not be liable for any special, indirect, consequential, incidental, exemplary or punitive damages, or for any lost profits, lost savings, or lost business opportunity of the other party even if other party had reason to be aware of the possibility of such damages. Except where Contractor acted with recklessness or willful misconduct, Contractor's liability and any liability of its personnel will not exceed three times the fees actually paid to Contractor under the applicable Statement of Work. The limitations of liability in this Section shall apply to the fullest extent allowed by law for any claim relating to or arising from allegations that any of the Services or Deliverable(s) do not meet requirements, are deficient, or are otherwise inadequate in any manner, including without limitation to claims for negligence or other tort, breach of contract, breach of warranty, breach of fiduciary duty, or similar claims under statute or common law. This provision will survive termination of this Agreement, in whole or in part. Notwithstanding the foregoing provisions of this Section 7.07, the limitation of liability provisions immediately above shall not apply to or be construed to limit or modify the Contractor's obligations to indemnify the CHA for bodily injuries or death, or real or tangible personal property damage, or infringement by Deliverables, as described in Section 6.02. Nor shall the foregoing provisions of this Section 7.07 be construed to limit Contractor's liability for damages to third parties.

ARTICLE 8. WARRANTIES, REPRESENTATIONS AND SPECIAL CONDITIONS

Section 8.01 Warranties, Representations and Covenants

In connection with the execution of this Agreement, the Contractor warrants and represents to CHA:

- A. That it is financially solvent; and that it and each of its employees or agents of any tier are competent to perform the Services required under this Agreement; and that Contractor is legally authorized to execute and perform or cause to be performed this Agreement under the terms and conditions stated herein.
- B. That no officer, agent or employee of the CHA is employed by the Contractor or has a financial interest directly or indirectly in this Agreement or the compensation to be paid hereunder, except as may be permitted in writing by the CHA and HUD, and that no payment, gratuity or offer of employment shall be made in connection with this Agreement by or on behalf of the Contractor to any employee of the CHA; and the Contractor further acknowledges that any agreement entered into, negotiated or performed in violation of any of the provisions set forth herein shall be voidable as to the CHA.
- C. That Contractor and its subcontractors, if any, are not in default at the time of the execution of this Agreement, or deemed by the CHA's Director of Procurement and Contracts to have, within the last five (5) years, been found to be in default on any contract awarded by the CHA.
- D. That, except only for those representations, statements, or promises expressly contained in this Agreement, and any exhibits attached hereto and incorporated by reference herein, no representation, statement or promise, oral or in writing, or of any kind whatsoever, by the CHA, its officials, officers, agents, or employees, has induced the Contractor to enter into this Agreement or has been relied upon by the Contractor.
- E. That the Contractor has carefully examined and analyzed the provisions and requirements of this Agreement and that it understands the nature of the Services required;
- F. That the Contractor acknowledges that the CHA, in its selection of the Contractor to perform the Services hereunder, materially relied upon the Contractor's Proposal, that the Proposal was accurate at the time it was made and that no material changes in it have been nor will be made without the express consent of the CHA;
- G. That except only for those representations, statements, or promises expressly contained in this Agreement, and any exhibits attached hereto and incorporated by reference herein, no representation, statement or promise, oral or in writing, or of any kind whatsoever, by the CHA, its officials, officers, agents, or employees, has induced Contractor to enter into this Agreement or has been relied upon by Contractor.
- H. That the Contractor and, to the best of its knowledge, its subcontractors are not in violation of the provisions of 18 U.S.C. § 666 (a)(2) and other Federal criminal laws applicable to public contracts funded with federal government funds, the Illinois Criminal Code, 720

ILCS 5/33E-1 et seq. (1989), as amended; and the CHA's Ethics Policy, as amended (see http://www.thecha.org/pages/forms_documents/66.php) and during the term of the Agreement will not violate the provisions of such laws and policies.

- I. That the Contractor has disclosed any and all relevant information to the CHA and the Contractor understands and agrees that any certification, affidavit or acknowledgment made under oath or failure to disclose in connection with this Agreement is made under penalty of perjury and, if false, is also cause for termination of this Agreement.
- J. That the Contractor is a duly organized and validly existing corporation under the laws of the State of Illinois and has and will continue to have at all times during the term of this Agreement, all licenses necessary to render the Services required hereunder.
- K. That the Contractor has the power and authority to enter into and perform all of its obligations under this Agreement, and that this Agreement, when executed will constitute the duly authorized, valid and legally binding obligation of the Contractor.

Section 8.02 Joint and Several Liability

In the event that the Contractor, or its successors or assigns, if any, is comprised of more than one individual or other legal entity (or a combination thereof), then and in that event, each and every obligation or undertaking herein stated to be fulfilled or performed by the Contractor shall be the joint and several obligation or undertaking of each individual or other legal entity.

Section 8.03 Business Documents and Contractor's Affidavit

The Contractor shall provide to the CHA evidence of its authority to conduct business in the State of Illinois, 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, Contractor's Certifications and Representations of Offerors – Non-Construction Contracts (HUD Form 5369-C) and Equal Opportunity Certificate are attached hereto as Exhibit VII and incorporated by reference as if fully set forth herein. The Contractor shall at all times comply with, and be in compliance with the Contractor's Affidavit, Contractor's Certifications and Representations of Offerors – Non-Construction Contracts (HUD Form 5369-C) and Equal Opportunity Certificate.

Section 8.04 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. The Contractor covenants that it and its employees, or sub-contractors, presently have no interest and shall acquire no interest, direct or indirect, in this Agreement which would conflict in any manner or degree with the performance of the Services hereunder. The

Contractor further covenants that during the performance of this Agreement, no person having any such interest shall be employed. Contractor agrees that if the CHA determines that any of Contractor's services for others conflict with the Services that the Contractor is to render for the CHA under this Agreement, Contractor shall terminate such other services immediately upon request of the CHA.

- C. Additionally, pursuant to the conflict of interest requirements in OMB Circular A-102 and 24 C.F.R. §85.36(b)(3), no person who is an employee, agent, consultant, officer, or appointed official of the CHA and who exercises or has exercised any functions or responsibilities with respect to HUD assisted activities, or who is in a position to participate in a decision making process or gain inside information with regard to HUD activities, may obtain a financial interest or benefit from the activity, or have an interest in any contract, subcontract, or agreement with respect thereto, or the proceeds hereunder, either for himself or herself or for those whom he or she has family or business ties, during his or her tenure or for one year thereafter.
- D. 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. Subsection 1352, and related rules and regulations set forth at 54 Fed. Reg. 52,309 ff. (1989), as amended.

Section 8.05 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 8.06 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, representative 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, covenant, 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, except with respect to a statement of work of a task order, in which event the statement of work shall control for that task order only.

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.

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 Compliance with All Laws and Regulations

- A. The Contractor shall at all times observe and comply with all applicable laws, ordinances, rules, regulation and executive orders of the federal, state and local government, now existing or hereinafter in effect, which may in any manner affect the performance of this Agreement, including but not limited to Section 6 of the Housing Act of 1937, 42 U.S.C. §1437, the Privacy Act of 1974, 5 U.S.C. §552(a), The Freedom of Information Act ("FOIA"), 5 U.S.C. §552, and Section 208 of the E-Government Act, and 24 CFR Part 5, all other applicable HUD regulations, the Uniform Administrative Requirements contained in 24 C.F.R. Section 85.1 et seq., (1993), as amended; Title VI of the Civil Rights Act of 1967 (42 U.S.C. 2000d et seq.); Fair Housing Act (42 U.S.C. 3601-20 et seq.); Executive Order 11063, as amended by Executive Order 12259; Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.); Rehabilitation Act of 1973 (29 U.S.C. 794); Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-5); Contract Work Hours and Safety Standards Act (40 U.S.C. 327 et seq.); National Environmental Policy Act of 1969 (24 C.F.R. Part 58); Clean Air Act (42 U.S.C. § 7401/et seq.); Federal Water Pollution Control Act (33 U.S.C. §1251 et seq.), as amended; Executive Order 11246, as amended by Executive Orders 12086 and 11375; Executive Order 12372; Copeland "Anti-Kickback" Act (18 U.S.C. § 874 and 40 U.S.C. § 276); Byrd "Anti-Lobbying" Amendment (31 U.S.C. § 1352); and Debarment and Suspension (Executive Orders 12549 and 12689). Additionally, the Contractor shall comply with the applicable provisions of OMB Circulars A-133, A-102, A-122, A-110 and A-87, as amended, succeeded or revised; and the Mandatory Standards and Policies relating to energy efficiency which are contained in the State Energy Conservation Plan issued in compliance with Energy Policy and Conservation Act (Pub. L 94-163, 89 Stat. 871).

- B. The Contractor shall take such actions as may be necessary to comply promptly with any and all governmental orders imposed by any duly constituted government authority whether imposed by Federal, state, county or municipal authority.

Section 9.05 Deemed Inclusion

Provisions required by law, 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 its enforcement.

Section 9.06 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 9.07 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 9.08 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 9.09 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 9.10 Cooperation

The Contractor agrees at all times 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 assure an orderly transition to another vendor, 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 9.11 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.

Section 9.12 Flow - Down Provisions

The Contractor shall flow down the following provisions of the Agreement and General Conditions to its contracts with subcontractors: Section 2.04, Section 2.05, Section 2.06, Section 2.07, Section 2.08, Section 2.09, Section 2.10, Section 2.11, Section 2.12, Section 2.13, Section 2.14, Section 2.15, Section 2.16, Section 7.03, Section 7.03, Section 7.04, and Section 9.04 of the Agreement and paragraph numbers 2, 3, 4, 5, 6, 10, 11, 12, 13, 14, 15, 16, 17, 20, 21 and 22 of the General Conditions.

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 Chief Investment Officer, 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:

TAG Associates, Inc.
511 Washington Street
Norwood, MA 02062-2237
Attention: _____

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., 12th Floor
Chicago, Illinois 60605
Attention: Chief Executive Officer

Copy to Chicago Housing Authority
60 E. Van Buren St., 12th Floor
Chicago, Illinois 60605
Attention: Chief Legal Officer

ARTICLE 11. AUTHORITYSection 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 02DBAECFF536465...
Deputy Chief Procurement Officer

Approved as to Form and Legality

TAG ASSOCIATES INC.

By: Deffray K. Liles
Print Name Deffray K. Liles
Title President

By: Cheryl Colston
Cheryl Colston 70109FE74721409...
Chief Legal Officer

EXHIBIT I

STATEMENT OF WORK

The Contractor will provide and perform the Services below including, but not limited to the following:

1. Assist in analyzing grant opportunities, as well as nontraditional revenue sources, and seeking public private partnerships (PPP).
2. Assist and provide technical support to CHA staff to facilitate select development transactions, including property refinancing and deal structuring involving tax credits, conventional loans, grant funding and tax-exempt bonds. Advisory services would focus upon best practice strategies that can be applied at the property level to improve operational cash flow and reduce CHA debt.
3. Assist the CHA in structuring and closing alternative transactions, including preparing and reviewing cash flow analysis, project operating pro formas, development budgets, construction period draw schedules and any other project financial projections as needed.
4. Prepare all necessary federal, state and local tax returns for the limited partnership or limited liability company through the first full year of operations.
5. Prepare any other financing documents required by investors, lenders, or programs as needed.
6. Assist the Finance Division with incorporating industry best practices to increase effectiveness and transparency in cash management and related financial reporting.
7. Develop a management reporting process for enhanced financial stewardship of public housing resources.
8. Provide financial benchmarking services and comparative analysis between the CHA and its peer group, including objective and empirical comparative data.
9. Provide advice regarding the development and implementation of new and existing financing techniques and other funding options available.
10. Provide information, advice and assistance to the CHA from time to time in its general operations concerning matters that may affect the interests of the CHA including state, local or federal rules and regulations affecting housing, funding options, tax law changes and investment of available funds.
11. Provide updates and implementation strategies on changes in federal and HUD requirements and regulations.
12. Perform financial consulting services on special projects as defined by the CHA.

13. Assist with the development of financial strategic initiatives, planning and implementation.
14. Assess current business practices and systems by researching current processes and identifying areas to be remedied, enhanced or refined.
15. Provide other financial analysis, studies, and consultations as requested by CHA.

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EXHIBIT II

ILLINOIS EQUAL OPPORTUNITY CLAUSE

TITLE 44: GOVERNMENT CONTRACTS, PROCUREMENT AND PROPERTY MANAGEMENT

SUBTITLE B: SUPPLEMENTAL PROCUREMENT RULES

CHAPTER X: DEPARTMENT OF HUMAN RIGHTS

PART 750 PROCEDURES APPLICABLE TO ALL AGENCIES

SECTION 750.APPENDIX A EQUAL EMPLOYMENT OPPORTUNITY CLAUSE

Section 750.APPENDIX A Equal Employment Opportunity Clause **EQUAL EMPLOYMENT OPPORTUNITY**

In the event of the contractor's non-compliance with the provisions of this Equal Employment Opportunity Clause or the Act, the contractor may be declared ineligible for future contracts or subcontracts with the State of Illinois or any of its political subdivisions or municipal corporations, and the contract may be cancelled or voided in whole or in part, and other sanctions or penalties may be imposed or remedies invoked as provided by statute or regulation. During the performance of this contract, the contractor agrees as follows:

- 1) That he or she will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, marital status, order of protection status, national origin or ancestry, citizenship status, age, physical or mental disability unrelated to ability, military status or an unfavorable discharge from military service; and, further, that he or she will examine all job classifications to determine if minority persons or women are underutilized and will take appropriate affirmative action to rectify any underutilization.
- 2) That, if he or she hires additional employees in order to perform this contract or any portion of this contract, he or she will determine the availability (in accordance with this Part) of minorities and women in the areas from which he or she may reasonably recruit and he or she will hire for each job classification for which employees are hired in a way that minorities and women are not underutilized.
- 3) That, in all solicitations or advertisements for employees placed by him or her or on his or her behalf, he or she will state that all applicants will be afforded equal opportunity without discrimination because of race, color, religion, sex, sexual orientation, marital status, order of protection status, national origin or ancestry, citizenship status, age, physical or mental disability unrelated to ability, military status or an unfavorable discharge from military service.
- 4) That he or she will send to each labor organization or representative of workers with which he or she has or is bound by a collective bargaining or other agreement or understanding, a notice advising the labor organization or representative of the contractor's obligations under the Act and this Part. If any labor organization or representative fails or refuses to cooperate with the contractor in his or her efforts to comply with the Act and this Part, the contractor will promptly notify the Department and the contracting agency and will recruit employees from other sources when necessary to fulfill its obligations under the contract.

- 5) That he or she will submit reports as required by this Part, furnish all relevant information as may from time to time be requested by the Department or the contracting agency, and in all respects comply with the Act and this Part.
- 6) That he or she will permit access to all relevant books, records, accounts and work sites by personnel of the contracting agency and the Department for purposes of investigation to ascertain compliance with the Act and the Department's Rules and Regulations.
- 7) That he or she will include verbatim or by reference the provisions of this clause in every subcontract awarded under which any portion of the contract obligations are undertaken or assumed, so that the provisions will be binding upon the subcontractor. In the same manner as with other provisions of this contract, the contractor will be liable for compliance with applicable provisions of this clause by subcontractors; and further it will promptly notify the contracting agency and the Department in the event any subcontractor fails or refuses to comply with the provisions. In addition, the contractor will not utilize any subcontractor declared by the Illinois Human Rights Commission to be ineligible for contracts or subcontracts with the State of Illinois or any of its political subdivisions or municipal corporations.

(Source: Amended at 35 Ill. Reg. 3695, effective February 18, 2011)

EXHIBIT III
SECTION 3 UTILIZATION PLAN

CHICAGO HOUSING AUTHORITY (CHA)
Department of Procurement and Contracts- Compliance Division

SCHEDULE B - SECTION 3 UTILIZATION PLAN
(To Be Completed by Prime Contractor)

PRIME/GENERAL CONTRACTOR'S NAME: _____

RFP/IFB/RFQ/CONTRACT or PO NUMBER: _____ DATE FORM COMPLETED: _____

PROJECT TITLE: _____

CONTACT NAME/TITLE: _____

E-MAIL ADDRESS: _____ CONTRACT AMOUNT: _____

**PLEASE READ CAREFULLY AND SIGN THE ACKNOWLEDGMENT ON PAGE 4
 PRIOR TO COMPLETING AND SUBMITTING SCHEDULE B**

Overview:

The contractor hereby agrees to comply with all the provisions of Section 3 as set forth in 24 CFR 135 and the CHA's Section 3 Policy. The Contractor hereby submits Schedule B to identify employment, subcontracting, and other opportunities for Chicago Housing Authority residents and low income Chicago area residents during the term of the contract between the Contractor and CHA. Any changes to this Utilization Plan must be approved by the Contract Compliance Specialist, via an amended Schedule B and Section 3 Change Form, when requested.

Type of Contract	Contract Amount	Section 3 Requirements		
		Hiring	Contracting	Other Economic Opportunities
Construction	All Contract Values	30% <i>Of all new hires</i>	10% <i>Of total contract value subcontracted</i>	See instructions
Other Contracts <i>(Including Professional Service)</i>	All Contract Values	30% <i>Of all new hires</i>	3% <i>Of total contract value subcontracted</i>	See instructions

CHICAGO HOUSING AUTHORITY (CHA)
Department of Procurement and Contracts- Compliance Division

SCHEDULE B - SECTION 3 UTILIZATION PLAN
(To Be Completed by Prime Contractor)

Instructions:

Part I: Hiring

- Per 24 CFR 135.30, Section 3 requires at least 30% of the contractor's new hires be Section 3 residents.
- The prime contractor is **required** to fill out the **Table I.b Hiring Chart- ENTIRE WORKFORCE for both Prime and all Subcontractors** in **Part I: Hiring**. This chart includes Section 3 hires, **AS WELL AS** all other non-section 3 hires for the scope of work.
- **Table I.a SAMPLE Hiring Chart Entire Workforce for both Prime and all Subcontractors** is provided to you as a sample.
- **Table I.b Hiring Chart Entire Workforce for both Prime and all Subcontractors** will require you to indicate the total workforce that you and your subcontractors already have in place and those you need to hire. You will need to list their (1) Job Titles, (2) Total Employees Needed at each Job Title, (3) Total Number of Employees Currently Employed at each Job Title, (4) Total New Hires Needed for each Job Title, (5) Total Section 3 Hires for each Job Title, (6) Anticipated Hiring Date Section 3 Hires for Each Job Title, (7) Total Columns (1) through (5) individually, and (8) Total New Section 3 Hires Required and (9) Percentage of New Hires that are Section 3.
- By filling out the hiring chart, the Contractor affirms that the jobs identified for Section 3 residents shall be for meaningful employment.
- A Prime Contractor may satisfy the CHA Resident Hiring Requirements through the hiring of Section 3 residents through his/her subcontractors.
- The Hiring Chart must be completed in its entirety, including a response for each column, in addition to proper calculations in each field where totals are required.
- If any proposed Section 3 positions cannot be filled, a Section 3 Change Form is required under the Section 3 Policy.
- Prime Contractors and Subcontractors are required to use CHA's Section 3 Job Opportunities website to fill all Section 3 positions.

Part II: Contracting

- Per 24 CFR 135.30, Section 3 requires Construction contracts to subcontract at least 10% of the work to Section 3 Business Concerns and 3% of the work for all Other Contracts.
- ***The definition of 'Section 3 Business Concern' under HUD Regulations is:***
 - (1) 51 percent or more owned by section 3 residents; or
 - (2) Whose permanent, full-time employees include persons, at least 30 percent of whom are currently section 3 residents, or within three years of the date of first employment with the business concern were section 3 residents; or
 - (3) That provides evidence of a commitment to subcontract in excess of 25 percent of the dollar award of all subcontracts to be awarded to business concerns that meet the qualifications set forth in paragraphs (1) or (2) in this definition of "section 3 business concern."
- Section 3 subcontracting refers to **direct participation** (only subcontracts for work that is included in the scope of the project).
- Contractors shall direct their efforts to award Section 3 covered contracts, to the greatest extent feasible, to Section 3 Business Concerns in the order of priority provided in 24 CFR 135.36.
- The Prime Contractor is required to fill out the contracting information in Table II: Contracting Commitments, Table II.a: Section 3 Business Concern Contracts, Table II.b.: Contracting Shortfall (if necessary), and/or Table II.c: Outreach Efforts (if necessary) of Part II.
- **Table II: Contracting Commitments** requires you to indicate the Total Dollar Value being subcontracted to Section 3 Business Concerns **and** the percentage of the total contract value, to which the total of all Section 3 Business Concern subcontracts is equivalent.

CHICAGO HOUSING AUTHORITY (CHA)
Department of Procurement and Contracts- Compliance Division

SCHEDULE B - SECTION 3 UTILIZATION PLAN
(To Be Completed by Prime Contractor)

- **Table II.a. Section 3 Business Concern Contracts** requires you to identify each Section 3 Business Concern that will hold a subcontract under this Contract. The Company's Name, Contract Value, and Scope of Work to be Performed must be identified in order for the plan to be considered complete. A corresponding Schedule C must be submitted with the Schedule B.
- **Table II.b. Contracting Shortfall or Table II.c. Outreach Efforts** must be completed when the Prime Contractor is unable to meet the full minimum subcontracting requirements under 24 CFR 135.
 - When there is no plan or need to subcontract, please outline the reason(s) why in Table II.b. Contracting Shortfall
 - If the prime contractor is unable to contract to a Section 3 Business Concern, all outreach efforts must be documented in Table II.c. Outreach Efforts You must document all of the companies that have been contacted for subcontracting opportunities. If there are limited companies available who perform the necessary duties under this scope of work, please indicate in the 'reasons for not subcontracting'.
 - This is required before Other Economic Opportunities are proposed.
- **PRIME CONTRACTOR MUST USE CHA'S SECTION 3 JOB OPPORTUNITIES WEBSITE TO IDENTIFY AND HIRE ANY AND ALL SECTION 3 EMPLOYEES. CHA WILL NOT CONSIDER OR AUTHORIZE ANY ALTERNATE PROPOSALS TO IDENTIFY SUCH EMPLOYEES.**

Part III: Other Economic Opportunities

- In the event that a Prime Contractor has demonstrated no plan or need to hire and/or subcontract or is unable to meet the hiring and/or subcontracting requirements in Part I and Part II, the Prime Contractor is required to provide other economic opportunities by completing the **Table III: Other Economic Opportunities Plan(s)**.
- **PLEASE NOTE THAT THE INABILITY TO MEET THE HIRING AND/OR SUBCONTRACTING REQUIREMENT MUST BE DOCUMENTED COMPLETELY IN PART I: HIRING AND PART II: CONTRACTING BEFORE COMPLETING PART III: OTHER ECONOMIC OPPORTUNITIES.**
- Other Economic Opportunities could include indirect subcontracting with a Section 3 Business Concern (subcontracting for work not included in the scope of work), training programs, mentorship program participation, or other economic opportunities directed towards section 3 residents and businesses. Any Other Economic Opportunities must be proposed on pages 10 through 12 in Part III: OTHER ECONOMIC OPPORTUNITIES.
- If the other forms of Other Economic Opportunities are not feasible, the Prime Contract may propose a contribution to the Section 3 Fund. Guidance on how to contribute to the Section 3 Fund is outlined below:
 - **Hiring Requirements Contribution:** If a Prime Contractor chooses to contribute to the Section 3 Fund as its Other Economic Opportunity, because they cannot meet the full hiring requirements (30% of new hires), and cannot provide other economic opportunities outlined above, then the contractor must pay 5% of the total dollar amount of the contract for building, trade work or 1.5% for all other contracts will be paid to the Section 3 fund. **NOTE: The amount shall not exceed \$100,000 for any one contract.**
 - **Contracting Requirements Contribution:** If a Prime Contractor chooses to contribute to the Section 3 Fund as its Other Economic Opportunity, because they cannot meet the full Section 3 Business Concern subcontracting requirements, and cannot provide other economic opportunities outlined above, the difference between 10% of the covered contract (building, trade work) or 3% (non-construction) and the actual amount provided to Section 3 Business Concerns must be paid to the Section 3 Fund. **NOTE: The amount shall not exceed \$500,000 for any one contract.**
 - A Prime Contractor may also pay the entire 10% of the covered contract (building, trade work) or 3% (non-construction) if they have documented the infeasibility of offering any Other Economic Opportunities. **NOTE: The amount shall not exceed \$500,000 for any one contract.**

CHICAGO HOUSING AUTHORITY (CHA)
Department of Procurement and Contracts- Compliance Division

SCHEDULE B - SECTION 3 UTILIZATION PLAN
(To Be Completed by Prime Contractor)

- Charts have been provided for each category accepted under Other Economic Opportunities. You must outline the actual proposed opportunity, how you will measure the success of this opportunity, and the anticipated results. You will only need to complete the tables that apply to your Section 3 Plan.
- Please reference the Section 3 Policy for more details.
- **NOTE:** The Chicago Housing Authority (CHA) observes a \$13 per hour Minimum Wage Requirement on solicitations advertised by the CHA on or after January 2, 2015. A copy of the CHA Minimum Wage Requirement may be downloaded from the CHA website at: http://www.thecha.org/assets/1/22/CHA_Minimum_Wage_Requirement.pdf. Please note that Federal wage determinations (either Davis-Bacon or HUD-Determined Wage Rates) 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).

PLEASE NOTE:

(a). **COUNTING M/W/DBE AND SECTION 3 BUSINESS CONCERN (S3BC) CREDIT:** A business who is self-identified as a Section 3 Business Concern and also certified as an M/W/DBE may be used towards subcontracting goals for both the M/W/DBE and Section 3 requirements, once the initial goals for Section 3 and M/W/DBE have been satisfied separately.

Example: If the minimum M/W/DBE participation percentage requirement is 40, and the minimum Section 3 contracting participation percentage requirement is 10, and Vendor A is self-certified as a Section 3 Business Concern and also certified as M/W/DBE, and a prime elects to use Vendor A in both categories, the overall minimum total M/W/DBE and Section 3 participation percentage must be 50%; i.e. 40% M/W/DBE + 10% S3BC, in order to satisfy the contracting requirements in both categories.

(b). **SECTION 3 BUSINESS CONTRACTING TIER ORDER:** Prime contractors on CHA/HUD funded contracts must ensure that Section 3 Business Concerns (S3BCs) are contracted in a tier preference order as required by CHA/HUD policies and regulations. This means that S3BCs that reside at or within the project site should be considered for contracting opportunities first. It is the duty of the prime contractor to conduct appropriate outreach activities that specifically target resident owned S3BCs at the project location in a bid to find and subcontract with them.

(c). **SUBSTITUTION/REMOVAL OF SUBCONTRACTOR:** A prime contractor that needs to remove or substitute a subcontractor on its approved utilization plan must submit a written request for the removal or substitution of the subcontractor concerned. Only when DPC Compliance approves such a request in writing can the removal or substitution of the subcontractor be done by the prime contractor. Under no circumstance should a prime contractor unilaterally remove or substitute a subcontractor on its CHA/HUD funded contract without prior approval by DPC Compliance.

This page (page 4) must be signed by a Principal of the Contractor. The last page (page 12) must be signed and notarized. This document is subject to change, by the CHA, at any time.

Prime Contractor Acknowledgement of Section 3 Requirements:

Signature of Principal of Contractor

Date

Print Name

CHICAGO HOUSING AUTHORITY (CHA)
Department of Procurement and Contracts- Compliance Division

SCHEDULE B - SECTION 3 UTILIZATION PLAN
(To Be Completed by Prime Contractor)

Part I: Hiring

SAMPLE HIRING CHART

Table I.a: SAMPLE Hiring Chart- ENTIRE WORKFORCE for both Prime and all Subcontractors

(1)	(2)	(3)	(4)	(5)	(6)
Job Titles	Total Number of Employees Needed at each Job Title	Total Number of Employees Currently Employed at each Job Title	Total New Hires Needed for each Job Title	Total Section 3 Hires for Each Job Title	Anticipated Hiring Date Section 3 Hires for Each Job Title
<i>List the Job Titles that are needed to complete your scope of work- including the entire workforce for the Prime and any Subcontractors. This includes all Section 3 and non-Section 3 job titles.</i>	<i>List how many employees are needed to complete the Scope of Work for each Job Title.</i>	<i>List how many employees are currently employed at this position.</i>	<i>List how many of these positions are currently open.</i>	<i>List the number of Section 3 hires you will commit to for each position.</i>	<i>List the anticipated hiring date of Section 3 hires you will commit to for each position.</i>
Painters	10	8	2	0	n/a
Laborers	20	19	1	1	10/01/2017
Carpenters	15	15	0	0	n/a
Bricklayers	4	4	0	0	n/a
Sprinkler Fitter	3	3	0	0	n/a
Marble Mason	1	1	0	0	n/a
Electrician	6	5	1	0	n/a
Power Equipment Operator	2	2	0	0	n/a
Iron Worker	5	5	0	0	n/a
Cement Mason	2	2	0	0	n/a
Plumber	4	4	0	0	n/a
Roofer	10	10	0	0	n/a
Administrative Assistant	2	1	1	1	08/01/2017
Superintendent	1	1	0	0	n/a
Payroll Coordinator	1	0	1	1	08/01/2017
(7) Totals:	86	80	6	3	

(8) Total New Section 3 Hires Required:

(Total of column (4) x 0.3) round up to the nearest whole number

2

(9) Percentage of New Hires that are Section 3:

(Total of column (5) ÷ Total of column (4)) x 100= % of New Hires

50%

CHICAGO HOUSING AUTHORITY (CHA)
Department of Procurement and Contracts- Compliance Division

SCHEDULE B - SECTION 3 UTILIZATION PLAN
(To Be Completed by Prime Contractor)

In the Section below, complete the hiring chart in accordance with the instructions on page 2. Please reference the Sample Hiring Chart.

Table I.b: Hiring Chart- ENTIRE WORKFORCE for both Prime and all Subcontractors

(1)	(2)	(3)	(4)	(5)	(6)
Job Titles	Total Number of Employees Needed at each Job Title	Total Number of Employees Currently Employed at each Job Title	Total New Hires Needed for each Job Title	Total Section 3 Hires for Each Job Title	Anticipated Hiring Date Section 3 Hires for Each Job Title
List the Job Titles that are needed to complete your scope of work-including the entire workforce for the Prime and any Subcontractors. This includes all Section 3 and non-Section 3 job titles.	List how many employees are needed to complete the Scope of Work for each Job Title.	List how many employees are currently employed at this position.	List how many of these positions are currently open.	List the number of Section 3 hires you will commit to for each position.	List the anticipated hiring date of Section 3 hires you will commit to for each position.
(7) Totals:					

(8) Total New Section 3 Hires Required:
(Total of column (4) x 0.3) round up to the nearest whole number

(9) Percentage of New Hires that are Section 3:
(Total of column (5) ÷ Total of column (4)) × 100 = % of New Hires

NOTE: Effective January 2, 2015, the Chicago Housing Authority (CHA) observes a \$13 per hour Minimum Wage Requirement to be paid to employees of CHA Contractors, and of any subcontractors of such CHA Contractors, performing work on CHA contracts.

CHICAGO HOUSING AUTHORITY (CHA)
Department of Procurement and Contracts- Compliance Division

SCHEDULE B - SECTION 3 UTILIZATION PLAN
(To Be Completed by Prime Contractor)

Part II: CONTRACTING

Table II: Contracting Commitments

In the section below, outline the total dollar value and percentage of the total contract value that will be subcontracted with Section 3 Business Concerns.

Total Dollar Value of Section 3 Business Concern Contracts:	\$
Total Percentage of Section 3 Business Concern Contracts:	%

Table II.a.- Section 3 Business Concern Contracts: In the table on the next page, outline the Section 3 Business Concerns that will be working on this contract. *(Note: Each subcontractor listed below must submit a corresponding Schedule C)*

Contracts to Section 3 Business Concerns
<p>COMPANY NAME: _____</p> <p>ADDRESS: _____</p> <p>CONTACT PERSON: _____ TELEPHONE: _____</p> <p>E-MAIL ADDRESS: _____</p> <p>ORIGINAL CONTRACT DOLLAR VALUE: _____</p> <p>AMENDED CONTRACT DOLLAR VALUE: _____</p> <p><i>NOTE: Amended Dollar Value only used when changes are made and approved by Compliance during a contract.</i></p> <p>WORK TO BE PERFORMED/MATERIALS SUPPLIED: _____</p> <p>**Anticipated Performance Timeframe (When will the contractor be onsite performing the work and for how long):</p> <p>Anticipated Start Date: _____ Anticipated End Date: _____</p>
<p>COMPANY NAME: _____</p> <p>ADDRESS: _____</p> <p>CONTACT PERSON: _____ TELEPHONE: _____</p> <p>E-MAIL ADDRESS: _____</p> <p>ORIGINAL CONTRACT DOLLAR VALUE: _____</p> <p>AMENDED CONTRACT DOLLAR VALUE: _____</p> <p><i>NOTE: Amended Dollar Value only used when changes are made and approved by Compliance during a contract.</i></p> <p>WORK TO BE PERFORMED/MATERIALS SUPPLIED: _____</p> <p>**Anticipated Performance Timeframe (When will the contractor be onsite performing the work and for how long):</p> <p>Anticipated Start Date: _____ Anticipated End Date: _____</p>

(If more space is needed, you can use page 8 multiple times)

CHICAGO HOUSING AUTHORITY (CHA)
Department of Procurement and Contracts- Compliance Division

SCHEDULE B - SECTION 3 UTILIZATION PLAN
(To Be Completed by Prime Contractor)

Contracts to Section 3 Business Concerns (continued)

COMPANY NAME: _____

ADDRESS: _____

CONTACT PERSON: _____ TELEPHONE: _____

E-MAIL ADDRESS: _____

ORIGINAL CONTRACT DOLLAR VALUE: _____

AMENDED CONTRACT DOLLAR VALUE: _____

NOTE: Amended Dollar Value only used when changes are made and approved by Compliance during a contract.

WORK TO BE PERFORMED/MATERIALS SUPPLIED: _____

**** Anticipated Performance Timeframe (When will the contractor be onsite performing the work and for how long):**

Anticipated Start Date: _____ Anticipated End Date: _____

COMPANY NAME: _____

ADDRESS: _____

CONTACT PERSON: _____ TELEPHONE: _____

E-MAIL ADDRESS: _____

ORIGINAL CONTRACT DOLLAR VALUE: _____

AMENDED CONTRACT DOLLAR VALUE: _____

NOTE: Amended Dollar Value only used when changes are made and approved by Compliance during a contract.

WORK TO BE PERFORMED/MATERIALS SUPPLIED: _____

**** Anticipated Performance Timeframe (When will the contractor be onsite performing the work and for how long):**

Anticipated Start Date: _____ Anticipated End Date: _____

COMPANY NAME: _____

ADDRESS: _____

CONTACT PERSON: _____ TELEPHONE: _____

E-MAIL ADDRESS: _____

ORIGINAL CONTRACT DOLLAR VALUE: _____

AMENDED CONTRACT DOLLAR VALUE: _____

NOTE: Amended Dollar Value only used when changes are made and approved by Compliance during a contract.

WORK TO BE PERFORMED/MATERIALS SUPPLIED: _____

**** Anticipated Performance Timeframe (When will the contractor be onsite performing the work and for how long):**

Anticipated Start Date: _____ Anticipated End Date: _____

CHICAGO HOUSING AUTHORITY (CHA)
Department of Procurement and Contracts- Compliance Division

SCHEDULE B - SECTION 3 UTILIZATION PLAN
(To Be Completed by Prime Contractor)

Table II.b: Contracting Shortfall

If the Prime Contractor cannot meet the minimum contracting requirements, outlined on pages 2 through 4, provide the reasoning below. You must include the scope of work and why you cannot meet the requirements. For additional space, please attach a document on your company's letterhead.

--	--

Table II.c: Outreach Efforts

If the Prime Contractor is unable to find subcontractors, after exhausting all good faith efforts, to perform under this scope of work, list the Companies that were contacted for subcontracting opportunities for this contract.

Outreach Efforts	
Business Name:	
Primary Contact:	
Phone Number:	
E-Mail Address:	
Reason for not subcontracting:	
Business Name:	
Primary Contact:	
Phone Number:	
E-Mail Address:	
Reason for not subcontracting:	

CHICAGO HOUSING AUTHORITY (CHA)
Department of Procurement and Contracts- Compliance Division

SCHEDULE B - SECTION 3 UTILIZATION PLAN
(To Be Completed by Prime Contractor)

Part III: OTHER ECONOMIC OPPORTUNITIES *(NOTE: Beginning on January 2, 2015, the Chicago Housing Authority (CHA) observes a \$13 per hour Minimum Wage Requirement. This policy affects paid mentorship and internship programs, among others).*

Table III: Other Economic Opportunities Plan(s)

THIS SECTION MUST BE COMPLETED IF YOUR PLAN DOES NOT MEET THE MINIMUM HIRING (30% OF NEW HIRES) AND/OR CONTRACTING (10%/3%) REQUIREMENTS.

In the space provided below, please outline your plan to provide other economic opportunities to a Section 3 or low-income person (if more space is needed, please provide an attachment to this Schedule B). Examples of plans may include internship programs, mentorship programs, and teaming agreements. Please note that any indirect subcontracting should also be described in the section below. Refer to the instruction page for more information.

Indirect Participation (subcontracting to a Section 3 business for work outside the scope)

Note: An indirect subcontractor should still submit a Schedule C to correspond with this information.

COMPANY NAME: _____

ORIGINAL CONTRACT DOLLAR VALUE: _____

WORK TO BE PERFORMED/MATERIALS SUPPLIED: _____

Anticipated Start Date: _____ Anticipated End Date: _____

COMPANY NAME: _____

ORIGINAL CONTRACT DOLLAR VALUE: _____

WORK TO BE PERFORMED/MATERIALS SUPPLIED: _____

Anticipated Start Date: _____ Anticipated End Date: _____

Mentorship Program Participation

Describe in detail the work that will be performed by the Section 3 Resident or Business Concern

Quantifiable Goals

Anticipated Results

CHICAGO HOUSING AUTHORITY (CHA)
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SCHEDULE B - SECTION 3 UTILIZATION PLAN
(To Be Completed by Prime Contractor)

Training Program	
Describe in detail the work that will be performed by the Section 3 Resident or Business Concern	
Quantifiable Goals	
Anticipated Results	

Internship Program	
Describe in detail the work that will be performed by the Section 3 Resident or Business Concern	
Quantifiable Goals	
Anticipated Results	

Other Results-Oriented Economic Opportunities (Please Describe)	
Note: Any part-time hires can be represented here.	
Describe in detail the work that will be performed by the Section 3 Resident or Business Concern	
Quantifiable Goals	
Anticipated Results	

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Please select which type of contribution is being paid into the Section 3 Fund, according to your Schedule B- Section 3 Utilization Plan. If a contribution is being made for Hiring and Contracting, you should indicate that in the chart below.

Section 3 Fund			
Note: Please refer to page three (3) Part III: Other Economic Opportunities for more details on contributions.			
Hiring	<input type="checkbox"/>	5% of total contract value (Construction)- Not to Exceed \$100,000	
	<input type="checkbox"/>	1.5% of total contract value (Professional Service)- Not to Exceed \$100,000	
Contracting	<input type="checkbox"/>	Contributing the difference between the actual subcontracting dollar amount and the minimum subcontracting requirement Not to Exceed \$500,000	<input type="checkbox"/> 10% of total contract value (Construction) Not to Exceed \$500,000
			<input type="checkbox"/> 3% (Other Contracts- including Professional Service) Not to Exceed \$500,000

Contribution to Section 3 Fund

(this is the total of all hiring and Contracting contributions identified in the Section 3 Fund chart above)

Dollar Value of Contribution \$

How will I contribute the funds? ☐ CHA can deduct portions from each of my purchase orders

By signing below, the Contractor hereby agrees to comply with the Section 3 requirements indicated above. To the extent that the completion of this form is contingent upon future information, for example price negotiations, request for specific services, etc., the undersigned hereby affirms and agrees to fully adhere to the CHA Section 3 Policy. Furthermore, the undersigned acknowledges and affirms responsibility for completion and submission of this form at the time the bid or proposal is due.

NAME OF PRIME CONTRACTOR (Print or Type) _____

NAME OF AUTHORIZED OFFICER (Print or Type) _____

SIGNATURE OF AUTHORIZED OFFICER _____

(DATE) _____

NAME OF NOTARY (Print or Type) _____

STATE OF _____ COUNTY OF _____ ON THIS _____ DAY OF

20 _____ BEFORE ME APPEARED (NAME) _____

TO ME PERSONALLY KNOWN WHO, BEING DULY SWORN, DID EXECUTE THE FOREGOING AFFIDAVIT, AND DID STATE THAT HE OR SHE WAS PROPERLY AUTHORIZED BY THE PRIME CONTRACTOR TO EXECUTE THIS AFFIDAVIT AND DID SO AS HIS OR HER FREE ACT AND DEED.

NOTARY PUBLIC: _____ (SEAL):

COMMISSION EXPIRES: _____

INTERNAL CHA APPROVAL: _____
 COMPLIANCE MANAGER'S SIGNATURE DATE

INTERNAL CHA APPROVAL: _____
 SECTION 3 ADMINISTRATOR DATE
(Applicable when Other Economic Opportunities are proposed)

EXHIBIT IV
MBE/WBE/DBE UTILIZATION PLAN

CHICAGO HOUSING AUTHORITY (CHA)
Department of Procurement and Contracts Contract Compliance Division

SCHEDULE A – M/W/DBE UTILIZATION PLAN

(To Be Completed by PRIME CONTRACTOR)

RFP/IFB/CONTRACT/PURCHASE ORDER NO: _____ DATE FORM SUBMITTED: _____

PROJECT TITLE: _____

PRIME CONTRACTOR NAME(S): _____

ADDRESS: _____ TELEPHONE: (____) _____

CONTACT NAME/TITLE: _____

E-MAIL ADDRESS: _____

Certification Status: MBE _____ WBE _____ DBE _____ Certified By: _____

Ethnicity: _____ Gender: _____

FEDERAL TAX IDENTIFICATION OR SOCIAL SECURITY NO. : _____

CONTRACT AMOUNT: \$ _____

M/W/DBE TOTAL: \$ _____ NON - M/W/DBE TOTAL: \$ _____

M/W/DBE TOTAL PERCENTAGE: _____% NON - M/W/DBE PERCENTAGE: _____%

PRIME M/W/DBE SELF-PERFORMER? Yes ___ NO ___ IF YES, SELF-PERFORMANCE AMOUNT: \$ _____ % _____

The Contractor shall in determining the manner of M/W/DBE participation, first consider **Direct Participation** with M/W/DBE companies as subcontractors, suppliers of goods and services, or as joint venture partners, directly related to the performance of this contract. After exhausting reasonable good faith efforts and with prior CHA approval, the bidder/proposer may also meet all or part of the CHA's M/W/DBE commitment goals, through **Indirect Participation**, by contracting with M/W/DBEs for the provision of goods and services not directly related to the performance of the contract/scope of work. Indirect participation can be demonstrated by providing copies of canceled checks (both front and back) paid to the certified subcontractors, and a Letter of Certification that was current at the time the checks were issued to the subcontractor (must be entered into B2Gnow and Contract Compliance Specialist will approve). Indirect participation must occur within this contract period and will not be considered as acceptable participation on multiple contracts.

Firms seeking M/W/DBE subcontracting credit via Direct or Indirect participation must include **one (1) current certification** from a CHA approved certifying agency. A copy of a current Letter of Certification is required. Applications for certified status will not be accepted. M/W/DBEs utilized for direct or indirect participation must be currently certified by one of the following agencies: City of Chicago, METRA, PACE, Cook County, State of Illinois - Central Management Services (CMS), Women Business Development Center (WBDC), Chicago Transit Authority (CTA), the Chicago Minority Supplier Development Council (CMSDC), Illinois Department of Transportation (IDOT), and/or the Small Business Administration (SBA 8(a)). For contractors whose principal business address is located outside of the metropolitan Chicago area, certification of comparable agencies will be considered.

13. Assist with the development of financial strategic initiatives, planning and implementation.
14. Assess current business practices and systems by researching current processes and identifying areas to be remedied, enhanced or refined.
15. Provide other financial analysis, studies, and consultations as requested by CHA.

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ARTICLE V GENERAL INSTRUCTIONS

A. Acceptance of Proposals

Proposals in response to this RFP may be received (electronically) through the CHA Supplier Portal or by paper (manually) must be signed, sealed and received in complete form at the CHA's Department of Procurement and Contracts located at 60 E. Van Buren St., 13th Floor, Chicago, IL 60605 no later than the proposal submission date and time. **Proposals submitted after the designated date and time will not be accepted for any reason and shall be returned, unopened, to the originator.**

The CHA reserves the right to accept or reject any or all proposals, issue addenda, or to waive any informalities. A Respondent whose proposal fails to fully comply with the requirements of the RFP may be determined to be nonresponsive and excluded from further consideration.

B. Time for Receiving Proposals

Proposals received prior to the due date and time will be maintained in a secure place, unopened. No proposal received after the deadline set forth on the cover page of this RFP will be considered. Proposals will not be publicly opened. Once submitted, proposals will become the property of the CHA.

C. Right To Cancel

The CHA reserves the right to cancel this procurement process whenever the best interest of the CHA is served. The CHA shall not be liable for costs incurred by Respondents associated with this procurement process.

D. Addenda

Any interpretations, corrections, or changes to the RFP will be made by addenda issued by the CHA. Any addenda that are issued will be provided to prospective Respondents', and posted on the CHA's Supplier Portal at: <https://supplier.thecha.org> and noticed on the CHA website. It is the responsibility of the Respondent to inquire of the issuance of any addenda. Respondents shall acknowledge receipt of all addenda in the cover letter of the response. If the CHA determines this RFP should be modified, it will inform all prospective Respondents by distributing addendum/addenda to this RFP before the date set for receipt of proposals.

E. False Statements

Any false statement(s) made by the Respondent (s) will void the response and eliminate the Respondent(s) from further consideration.

F. Withdrawal of Proposals

Proposals may be withdrawn by written or faxed request that is dispatched by the Respondent in time for delivery in the normal course of business prior to the time fixed for receipt. A written withdrawal of a Proposal must be accompanied by a signed confirmation of the faxed withdrawal, placed in the mail and postmarked by the Respondent, prior to the time set for opening of Proposals. A Respondent's negligence in preparing a Proposal creates no right of withdrawal or modification after the date and time set for opening of the Proposals.

G. Award of Contracts

The CHA may award one or more Contracts according to the Evaluation Criteria contained in this RFP to responsible and responsive respondents, provided their Proposals are in the best interest of the CHA. The Selected Respondent(s) will be notified at the earliest practical date. Each award may be subject to HUD approval. No award may be made to a contractor or firm that is on the list of contractors ineligible to receive awards from the CHA or the United States, as furnished by HUD.

The CHA reserves the right to reject any and all proposals and reserves the right to secure services solicited by this RFP by means of a non-competitive procurement in accordance with §2 CFR 200.320 (f)(4) or to re-solicit competitive proposals.

H. Notice of Contract Award

Unsuccessful Respondents will be notified in writing after an award of contract has been made by the Contracting Officer and/or Board approval if required.

I. Right to Protest

In accordance with CHA's Procurement Protest Procedures (copies may be obtained by contacting the department of Procurement and Contracts), all protests regarding this solicitation document must be filed no later than five (5) business days before the due date for proposals. All other protests regarding the evaluation of proposals or award of contract by the Authority must be filed no later than ten (10) business days after the notice of contract award. Any protest filed after such date will not be considered.

J. Preparatory Costs

All costs incurred in the preparation and presentation of Proposals shall be wholly borne by each Respondent. All supporting documentation and manuals submitted with each Proposal will become the property of the CHA unless otherwise indicated by the Respondent at the time of submission. The CHA is not liable for any costs incurred by any Respondent prior to issuance of a Notice to Proceed.

K. Confidential Material

Any material submitted by a Respondent as part of a proposal that is to be considered confidential must be clearly marked as such, but may be subject to disclosure under applicable law.

L. Subcontract / Sub consultants

All subcontractors proposed to be used under the Contract must be identified within the proposal. If the proposed services include the use of subcontractors, the CHA will hold the prime contractor responsible for the proposed services to be provided by the subcontractors.

M. Minimum Wage Requirements

Any award under this solicitation shall be subject to the Chicago Housing Authority's Minimum Wage Requirement of Thirteen Dollars per hour (\$13.00/hr.) The Minimum Wage Requirements <http://www.thecha.org/sites/default/files/Minimum%20Wage%20Requirements.pdf>, which shall be specifically incorporated as a contractual requirement in any award and agreement resulting from this solicitation for any of the Selected Respondent's covered employees. The Respondent should must take the Minimum Wage Requirement into

consideration in determining its fees for services to be performed or provided by Respondent under its fee proposal and other submittals.

N. Disclosure Certification

The Contractor shall be required to make the following certification which is included in the Contractor's Affidavit, a required submittal to be executed and notarized.

The Contractor certifies to the best of its knowledge and belief that it, its principals and any subcontractors used in the performance of this contract, meet the Agency requirements and have not violated and City or sister agency policy, codes, state, federal, or local laws, rules or regulations and have not been subject to any debarment, suspension or other disciplinary action by any government agency. Additionally, if at any time the contractor becomes aware of such information, it must immediately disclose it to the Agency.

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ARTICLE VI SUBMITTAL REQUIREMENTS

A. Format

Respondents shall present their proposals as a firm offer which, if accepted by the CHA in its entirety, shall be binding between the parties. Electronic responses submitted via the CHA Supplier Portal at <https://supplier.thecha.org> only requires one (1) version. Each submittal section of the electronic proposal shall be formatted, labeled and separated into a different file.

Note: There is no file capacity size when uploading attachments in the Supplier Portal. If you receive an error message that states the "Maximum size is: 50" while uploading an attachment in the Supplier Portal, that error message is referring to the file naming size. The name of your file cannot be more than 50 characters.

For a manual submission, each Respondent is required to submit one (1) package of original materials; one (1) original copy of the material on plain paper; one (1) copy of the Technical Proposal on CD or USB and (1) copy of the Fee Proposal Form on a separate CD or USB. The proposals must be typed on standard 8 ½ x 11, letter size paper with **printed material on one side only**. Please include the following in the proposal in the order that is listed, separated by a tab insert identifying the section title as listed below. **Copies of proposal on CD or USB shall include a separate file (e.g. .doc, .pdf) for each submittal section below.** Respondents are encouraged to organize their submittal in such a way as to follow the submittal requirements listed herein.

Proposals not containing the following submittal requirements may be deemed non-responsive to this RFP:

B. Letter of Interest

A cover letter shall be submitted on the Respondent's letterhead, signed by a principal and the joint venture partner, if applicable. The cover letter must contain a commitment to provide the services described in the Request for Proposal and indicate that the offer is good for at least one hundred twenty (120) days. The cover letter shall include the name of the Respondent, its legal status (e.g., partnership, corporation (if a corporation, the State of incorporation), sole proprietorship, etc.) the location of the Respondent's principal place of business, including any joint venture partners as they pertain to the RFP, and a brief narrative description of the Respondent's professional services as they relate to the RFP. In the cover letter, the Respondent shall also include an acknowledgement that the respondent has read and understands the requirements of the RFP including, but not limited to, the terms and conditions of the attached Professional Services Agreement (refer to Article VIII for further information), the attached insurance requirements (refer to Attachment B) and will comply with these requirements if awarded a contract.

C. Qualifications and Experience

1. The Respondent shall submit evidence of the firm's ability to perform the work, as indicated by profiles of the principals and a description of the staffs' professional and technical competence, for those principals and staff members who will be involved in the work requested herein.
2. The Respondent must describe its qualifications, resources and experience as it pertains to the requested services. The Respondent must demonstrate it has the experience and capacity to complete all of the required services, whether they are conducted at the same time or separately.
3. Respondent's proposal **shall** include the following information: (1) the legal name of the firm, (2) a description of the primary area of expertise of the firm, (3) the names of the firm's principal(s), (4) the address, telephone number and names of individuals to be contacted, (5) the size of the enterprise, (6) all of the firm's registration/license numbers(s) in Illinois, (7) the length of time the firm has worked

in its area of expertise generally, and in Illinois if different for a different length of time, and (8) the firm may submit a general brochure of their work.

D. Approach/Work Plan

The Respondent must provide a narrative describing its approach to the Scope of Services and Statement of Work including, but not limited to, project management systems to be utilized, plans for effective communications including reporting tools, and specific approaches to technical problems that may lead to cost savings for the CHA. At a minimum, Respondents should address the information outlined below:

1. The Respondent shall clearly articulate in the work plan how it will provide the required Services as outlined in the Scope of Services/Statement of Work. Joint ventures, shall clearly identify in the work plan the roles and responsibilities of each party to the joint venture.
2. The Respondent shall demonstrate in the approach/work plan that it understands the Scope of Services/Statement of Work and all tasks required to perform the Statement of Work.
3. The Respondent shall demonstrate in the work plan its plan to integrate CHA staff into its overall strategy to perform the Scope of Services.

E. Work History with the CHA and other Local Public Agencies

Respondent must list, and briefly describe, any past work history with the CHA and other Local Public Agencies, including the specific project worked on or the specific products delivered to the CHA. The project descriptions shall include, at a minimum, the scope of work performed, the location, dollar value, and list the Respondent's key personnel on the project. For each project listed, the Respondent shall provide the client's name, the contact person and their title, address and phone number. Indicate **N/A** if Respondent does not have any work history with the CHA and other Local Public Agencies.

F. Past Performance

The Respondent must provide a minimum of three (3) and a maximum of five (5) project descriptions that best demonstrate the Respondent's ability to perform the work outlined in the Scope of Services. The Respondent shall include a maximum one-page narrative for each project description to address, at a minimum, the following:

1. The scope of work performed, the location, dollar value (awarded versus received or reimbursed), the cost per participant, and list the Respondent's key personnel on the project;
2. Demonstrated success in previous and current work and how that work relates to success on this project;
3. Description of the qualitative and quantitative outcomes related to each project, whether or not they met the contract benchmarks, and if applicable, why the benchmarks were or were not achieved;
4. Demonstrated history of completing projects within the awarded budget and timeline of those projects;
5. Highlighted in each of the descriptions should be a summary of challenges encountered and how they were overcome;
6. Performance measures of the program's demonstrated ability to meet the indicators included in the proposal.

G. References

Respondents must provide a reference letter from at least three (3) current or former business clients **not including current CHA staff**, who can address the Respondents' specific capabilities as they relate to the requirements of this RFP, including the references' names, addresses, telephone numbers, fax numbers, e-mail address, and contact persons. Respondent references should provide the nature of business and the timeframe of when the services were performed.

H. Organization Structure and Key Personnel

1. The Respondent must provide the name and resume of the program executive that will be accountable for the CHA project.
2. The Respondent must provide an organization/structure chart and include its key technical and consulting personnel who will be assigned to the CHA project team along with their resumes and provide the following information including, but not limited to:
 - i. Detail concerning each primary team member working with the Respondent, as well as those working in a subcontracting capacity. List all current projects that each primary team member may be working on during the term of the Contract, and indicate which team member will have primary responsibility for the CHA account;
 - ii. Correlation of team members to the tasks each will be performing;
 - iii. Describe previous, related experiences and projects (preferably public housing); and
 - iv. If Respondent proposes staff to work on the CHA account, who are not located in a Chicago area office (within 25 miles of the city), indicate their office location.
3. If a Respondent is planning to joint venture or subcontract with other companies, incorporate the relationship on the organization chart and provide, letters of interest from those firms, the names and credentials of their principals and key personnel, and include their resumes along with evidence of any required licenses. The Respondent should describe the roles and responsibilities of their subcontractors, including the key personnel as they relate to the Scope of Services for the RFP.
4. Key Personnel shall not be replaced without the prior written approval of the CHA.

I. Fee Proposal Form (refer to Attachment A)

Respondent must complete the Fee Proposal Form in its entirety and return it with this RFP package (refer to Attachment A).

J. Insurance (refer to Attachment B)

The Respondent must submit a current certificate of insurance in the form required by this RFP. At the time of contract award, the Selected Respondent shall be required to provide an updated certificate of insurance, and all required endorsements adding the CHA and any other required party as an additional insured that meets the CHA's minimum insurance requirements.

K. Joint Venture Agreement

Firms entering into a joint venture must submit a copy of its joint venture agreement and all required submittals must be signed by a principal of each joint venture partner including, but not limited to, subcontractors' information submittals, MBE/WBE/DBE and Section 3 Utilization Plans. Indicate **N/A** if Respondent will not be part of a joint venture agreement.

L. Liens, Suits and Judgments

Respondents shall include a detailed description of any disputes they currently are involved in, as well as, a complete list of any lawsuits, judgments occurring within the last five (5) years, and all current liens pending. Indicate **N/A** if Respondent does not have any disputes described above.

M. Audit Findings and Other Compliance Reports/Evaluations

Respondents shall submit to the CHAs Department of Procurement and Contracts any third party reports or evaluations of Respondents' compliance with any applicable laws, rules, regulations, policies procedures, contract provisions, or requirements with respect to Respondents' performance of services similar in nature to those being solicited by this RFP in the past five years, including, but no limited to, any and all final findings made by the Office of the Inspector General ("OIG") or Internal Auditor including (including those conducted by CHA's Inspector General and/or CHA's Internal Auditor) with respect to Respondents' performance of services, compliance with terms of the contract, findings in an Administrative or Internal Investigations, or any findings of failure to cooperate in an OIG inquiry or with internal Auditors. Indicate **N/A** if Respondent does not have any findings described above.

N. Debarment Statement

Respondent shall submit a statement that the Respondent, its joint venture partner, if applicable, its subcontractors, vendors and staff are not debarred, suspended or otherwise prohibited from conducting business with any Federal, State or local agency.

O. Financial Information

The Respondent/Financially Responsible Party shall demonstrate its financial responsibility by submitting the most recent two years of audited, reviewed or compiled financial statements prepared by a third party licensed Certified Public Accountant (CPA). Listed below are the minimum acceptable required documents based upon the amount of the procurement:

The Respondent must provide Financial Statements, which are compiled, reviewed and/or audited as defined below (which may be subject different levels depending upon the Respondent's proposal and the projected contract value of the award), and which consist of:

- Accountant's Report
- Balance Sheet (last 2 years)
- Income Statement (last 2 years)
- Cash Flow Statement (last 2 years)
- Financial Statement Footnotes (if applicable)

For proposals or contract awards valued at less than \$2,500,000.00, the Respondent must provide compiled financial statements. Compiled financial statements represent the **most basic level of financial statements** prepared by a licensed certified public accountant. In a compilation, the certified public accountant assists management in presenting financial information in the form of financial statements and **does not provide any assurance** that there are no material modifications that should be made to the financial statements. The certified

public accountant does not perform inquiry, analytical procedures or other procedures that would be performed in a review, or obtain the understanding of the entity's internal control, assess fraud risk or test accounting records as would be performed in an audit.

For proposals or contract awards valued between \$2,500,000.00 and \$10,000,000.00, the Respondent must provide reviewed financial statements. Reviewed financial statements provide the user with comfort that the certified public accountant is not aware of any material modification that should be made to the financial statements for the statements to be in conformity with the applicable financial reporting framework. A review involves the certified public accountant performing analytical procedures and inquiries that will provide a reasonable basis for obtaining **limited assurance** that there are no material modifications required to the financial statements. A review does not require the certified public accountant to obtain the understanding of the entity's internal control, assess fraud risk or test accounting records as would be performed in an audit.

For proposals or contract awards valued in excess of \$10,000,000.00, the Respondent must provide audited financial statements. Audited financial statements provide the user with the **certified public accountant's opinion letter that the financial statements are presented accurately**, in all material respects, in conformity with accounting standards. The auditor is required to obtain an understanding of the entity's internal control, assess fraud risk, perform analytical procedures and test accounting records.

CHA will also evaluate the respondents based upon analysis of third party reporting agencies, regulatory agencies, bureaus, etc., as it deems necessary to determine the financial adequacy of the respondent entity and confirm that the entity is in good financial standing with governmental agencies.

Other considerations in the evaluation of the financial condition of Respondents follow:

- Financial statements must be from a legal business entity (i.e. corporation, partnership, LLC, etc.).
- Newly created entities (partnerships, LLC's, etc.) must provide financial statements from the entity's general partner and/or any other financially responsible entity that collectively can demonstrate the capability to complete the contract.
- Internally prepared business entity financial reports generated by the respondent will not be accepted.
- Personal financial statements or tax returns will not be accepted.
- The CHA reserves the right to request additional information to complete the financial evaluation and review of any respondents.

P. MBE/WBE/DBE Compliance Plan (refer to Article IX MBE/WBE/DBE and Section 3 Participation)

Respondent shall complete all MBE/WBE/DBE in its entirety and submit with their proposal.

Q. Section 3 Compliance Efforts (refer to Article IX MBE/WBE/DBE and Section 3 Participation)

Respondent shall develop and submit a Section 3 Utilization Plan to include the possibility of long term employment and/or a career path that may include, e.g., employment opportunities on other projects with the Respondent, union sponsorship, mentor-protégé scenario, or internship, etc. This approach is requested in an effort to maximize the economic opportunities available to CHA's Section 3 residents, and increase the potential for a career track.

The areas that should be addressed in the submittal document and which will be evaluated are:

1. A strategic plan for the hiring of CHA residents for this project that must include job descriptions and potential duties to be performed. (Completion of Schedule B is required in addition to this plan.)

2. A job description and employment plan that outlines how this engagement can lead to continuous employment and a career path within your organization.
3. A strategic plan to subcontract with section 3 business concerns for this project in accordance with the requirements of 24 CFR Part 135
4. If applicable to the Respondent, provide information that outlines any CHA Section 3 hiring plan, as well as any past low-income individual hiring efforts, within the last 12 months, that either have/have not involved a CHA project.
5. Past hiring of low-income individuals (within the past 12 months), and current employment status of same individuals (verification will be requested)

R. Submittal Requirements Checklist

The following documents, properly executed and notarized shall be submitted with Respondent's proposal. **Proposals not containing ALL submittal requirements may be deemed Non-Responsive.** These documents can be located on the CHA website at: <http://www.thecha.org/doing-business/forms-and-documents/>

1. Statement of Bidder's Qualifications
2. Subcontractor Information Submittal Form
3. Contractor's Affidavit
4. Schedule A - M/W/DBE Utilization Plan (included in this RFP package)
5. Schedule B – Section 3 Utilization Plan (included in this RFP package)
6. Schedule C – MWDBE and Section 3 Subcontractors, Suppliers, Consultants (included in this RFP package)
7. Waiver Request- M/W/DBE Participation Commitments, if a waiver is being requested (included in this RFP package)
8. HUD Form 5369-C Certifications & Representations of Offerors - Non Construction Contracts
9. Equal Employment Opportunity Compliance Certificate

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ARTICLE VII EVALUATION PROCESS

Proposals will be scored on a 100 point scale by an evaluation committee scoring the technical criteria in accordance with the evaluation criteria set forth below, with the Section 3 Plan and MWDBE Utilization Plan scored by Compliance and Pricing scored by Procurement. Each Respondent must indicate its fees on the attached fee form which must be reasonable and justifiable and must reflect the proposed approach/work plan, which is being evaluated under Article VII. The CHA will make an award to the responsive and responsible Respondent whose proposal conforms to the solicitation and whose combined total score for price, compliance, and technical factors and oral presentations is the highest and provides the best value.

The CHA will utilize a ratio method for scoring proposed fees and Best and Final Offers.

Ratio Method. With this method, the proposal with the lowest price receives the maximum points allowed 10 points. All other proposals will receive a percentage of the points available based on their price relationship to the lowest. This is determined by applying the following formula:

$$(A/B) \times C = D$$

A—the lowest Offeror's price.

B—the Offeror's price being scored.

C—the maximum number of price points available.

D—Offeror's pricing score (points).

Lowest proposed price divided by the Respondent's price times the maximum points allowed.

Example: The lowest proposed price is \$100,000. The next lowest proposal price is \$125,000. The maximum point total available for price is 10 points. The proposal with the \$100,000 price would receive 10 points (because it is the lowest of all proposals). Using the lowest proposal price as a base (or numerator), we would then divide the second lowest price by the first lowest price (denominator) and then multiply the result by the max point value (10) to determine the point value relative to the lowest price, as follows:

$$\$100,000/\$125,000 = 0.80$$

$$0.80 \times 10 = 8 \text{ (points)}$$

As such, the proposed price of \$125,000 would be awarded 8 points out of a maximum point value of 10.

Materials, information or explanations should be included in each Respondent's proposal as required in Article VI Submittal Requirements and/or as otherwise necessary to allow the following evaluation criteria to be considered:

EVALUATION CRITERIA	MAXIMUM POINTS
Statement of Work: <ul style="list-style-type: none"> Quality and depth of response to requirements outlined in the Statement of Work (35 points) 	35

Qualifications, Experience and Past Performance: <ul style="list-style-type: none"> • Experience and track record of providing financial consulting and accounting services in projects of comparable scope, magnitude and complexity, including the quality of work, schedule adherence, compliance, and performance guarantees. (15 points) • Respondent's demonstrated qualifications as an entity and experience of its proposed key personnel assigned to perform the required services have adequate experience, licenses, accreditation and other qualifications to perform the work outlined in the RFP. (25 points) 	25
APPROACH AND WORK PLAN (TECHNICAL): <ul style="list-style-type: none"> • The Respondent must describe its approach to providing financial consulting, accounting services and financial strategies as it relates to the Statement of Work. (20 points) 	20
MBE/WBE/DBE and SECTION 3 PLAN: <ul style="list-style-type: none"> • Demonstrated understanding and quality of the MBE/WBE/DBE Utilization Plan. (5 points) • The Respondent's proposal demonstrates an understanding and quality of the CHA Section 3 utilization plan and the strategies for hiring Section 3 Residents and subcontracting opportunities with section 3 business concerns. (5 points) 	10
PROPOSED FEES <ul style="list-style-type: none"> • Respondent's overall proposed fee for administration and management of the Professional Asset Assessment and Strategic Capital Planning Services. (10 points) 	10
TOTAL COMBINED POINTS for TECHNICAL, MBE/WBE/DBE, SECTION 3 PLAN and PROPOSED FEES	100

After the evaluation committee has evaluated and scored the Respondents proposals submitted in response to the RFP, the MBE/WBE/DBE, Section 3 Hiring Plan and the Proposed fees have been evaluated and scored, the CHA's Contracting Officer shall establish the competitive range. If deemed necessary for the purpose of efficiency and economy, the CHA has the right to limit the number of Respondents in the competitive range. Respondents within the competitive range will be notified and unless otherwise indicated, will be required to participate in presentations/discussions with the CHA. The CHA may also require further information or clarification from the Respondents in the competitive range regarding their proposals prior to the presentations/discussions.

The CHA, however, reserves the right to make its decision to award a contract based solely on the written submitted Proposals without any requests for presentations, formal interviews, negotiations or further discussions.

The objective of the presentations/discussions is to answer questions, clarify issues, and/or provide additional information regarding a Respondent's proposal and negotiate. Presentations will be evaluated according to the criteria referenced below by an evaluation committee. Respondents in the competitive range will be scored on a 60 point scale in accordance with the presentation evaluation criteria set forth below which includes scoring best and final proposed fees, and the resulting points will be added to their written proposal scores for a total score.

ORAL PRESENTATION EVALUATION CRITERIA	MAXIMUM POINTS
1. Respondent preparedness to address questions regarding approach and understanding of the requirements, as well as their demonstrated ability to execute the tasks outlined in the Scope of Services.	15
2. Respondent's presentation demonstrates an understanding of CHA requirements.	15
TOTAL ORAL PRESENTATION POINTS	30

Following the presentations, the evaluation committee members will evaluate and summarize their findings for each firm that participates in the presentations, the Best and Final Offer will be scored by Procurement, and the evaluation committee will submit scores to Procurement. The CHA will make an award to the responsive and responsible Respondent whose proposal conforms to the solicitation requirements and whose combined total score for price, compliance, and technical factors and oral presentations is the highest and provides the best value to the CHA.

BEST AND FINAL OFFER EVALUATION CRITERIA	MAXIMUM POINTS
The Respondent's proposed Best and Final Offer is reasonable and justifiable for the Scope of Services/Statement of Work and is scored by the ratio method.	30

The CHA reserves the right to reject any and all proposals and reserves the right to secure services solicited by this RFP by means of a non-competitive procurement in accordance with §2 CFR 200.320 (f)(4) or to re-solicit competitive proposals. For the purpose of efficiency and economy the CHA has the right to limit the number of respondents in the competitive range.

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ARTICLE VIII STANDARD PROFESSIONAL SERVICES AGREEMENT

Upon the award of a contract, the Selected Respondent(s) will execute CHA's Professional Services Agreement in substantially the same form with the same terms and conditions as set forth in the attached Agreement. A Respondent shall include, as part of its cover letter for its proposal to the CHA, an acknowledgement that it has read, understands and accepts the terms and conditions of the Agreement. If there are any terms and conditions to which the Respondent has objections, such objections and the specific section numbers must be noted in the cover letter. The Respondent's proposed alternative language, if any, must be included as an attachment to the cover letter and such requests for revisions will be taken into consideration when determining a Respondent's responsiveness to the RFP. A Respondent who fails to provide objections and propose alternative language shall waive its right to subsequently object to any terms of the agreement if awarded a contract by the CHA (refer to Attachment G).

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ARTICLE IX MBE/WBE/DBE AND SECTION 3 PARTICIPATION

A. MBE/WBE/DBE PARTICIPATION

It is the policy of the CHA that Minority, Women and Disadvantaged Business Enterprises ("MBE/WBE/DBE") shall have the maximum opportunity to participate in the performance of contracts financed in whole or in part with Federal funds and that Respondents and their subcontractors or suppliers shall take all necessary and reasonable steps to ensure that MBE/WBE/DBEs shall have the maximum opportunity to compete for and perform contracts financed in whole or in part by federal funds. To the greatest extent feasible, the Selected Respondent(s) shall comply with CHA's MBE/WBE/DBE Policy under the Contract.

CHA encourages joint ventures between minority and non-minority firms. A Respondent's MBE/WBE/DBE Utilization Plan must be submitted as an attachment to, and made a part of its Proposal. See the reporting requirements and a copy of the Policy on the CHA website at.

1. **One (1) current letter of certification** from CHA-approved certifying agencies must be submitted with the bid for each subcontractor for the price proposed to count towards the Chicago Housing Authority's M/W/DBE Program. The certifying agencies are as follows:

- i. City of Chicago
- ii. Cook County
- iii. Pace
- iv. Metra
- v. Chicago Transit Authority
- vi. State of Illinois Central Management Services (CMS)
- vii. Small Business Administration
- viii. Chicago Minority Business Development Council (CMBDC)
- ix. Metropolitan Water Reclamation District of Greater Chicago
- x. Women's Business development Center (WBDC)
- xi. Illinois Department of Transportation (IDOT)

2. Certification Letters from other States may be considered for M/W/DBE certification, as long as the certifying agency has similar program requirements to those agencies listed above.

B. SECTION 3 REQUIREMENTS

Section 3 – Compliance: The CHA has determined that the contract awarded under this solicitation is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u, (Section 3), and Title 24 of Subchapter B, Part 135 – Economic Opportunities for Low- and Very Low-Income Persons, 24 CFR 135.3. Section 3 Compliance requires that any contract or subcontract entered into for the benefit of public housing residents shall require that, to the greatest extent feasible, economic opportunity in the form of training, employment, contracting, and other economic opportunities arising from the expenditure of public housing assistance for housing rehabilitation and housing construction be directed to low- and very low-income persons.

A. Section 3 - Clause

1. The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-

assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

2. The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
3. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
4. The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
5. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 135.
6. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debatement or suspension from future HUD assisted contracts.

B. Section 3 Compliance Goals

1. Contractors and their subcontractors may demonstrate compliance by committing to employ section 3 residents and by subcontracting with section 3 business concerns in accordance with the requirements of 24 CFR Part 135.

A Section 3 Business concern is a business concern under HUD Regulations:

- (1) 51 percent or more owned by section 3 residents; or
- (2) Whose permanent, full-time employees include persons, at least 30 percent of whom are currently section 3 residents, or within three years of the date of first employment with the business concern were section 3 residents; or

- (3) That provides evidence of a commitment to subcontract in excess of 25 percent of the dollar award of all subcontracts to be awarded to business concerns that meet the qualifications set forth in paragraphs (1) or (2) in this definition of "section 3 business concern."
 2. Contractor and sub-contractors may demonstrate compliance with the requirements for contracting with Section 3 Business Concerns by committing to award to Section 3 Business Concerns at least 10 percent of the total dollar amount of the contract awarded to the contractor for building trades work for maintenance, repair modernization or development of public housing, or for building trades work arising in connection with housing rehabilitation, housing construction and other public construction and at least 3 percent of the total dollar amount of all other Section 3 covered contracts.
 3. In evaluating compliance with 24 CFR Part 135, contractors and their subcontractors have the burden of demonstrating to the greatest extent feasible their ability or inability to meet the goals set forth in 24 CFR Part 135 for providing training, employment and contracting opportunities to section 3 residents and section 3 business concerns.
 4. Contractors and their subcontractors are also encouraged to provide other economic opportunities to train and employ section 3 residents including, but not limited to, use of "upward mobility", "bridge" and trainee positions to fill vacancies, and hiring section 3 residents in part-time positions (24 CFR 135.40).
- C. Documenting and Reporting
1. Contractor agrees to comply with the above Section 3 requirements in accordance with the Contractor's Section 3 Utilization Plan, which shall be prepared by the Contractor and agreed to by CHA. CHA shall not be required to agree to the Contractor's Utilization Plan until the Contractor meets its burden to establish that it will comply with 24 CFR Part 135 and otherwise comply with CHA's Section 3 Policy as may be required. Contractor's Section 3 Utilization Plan as attached to the RFP (refer to Attachment E) is incorporated into the contract by this reference herein, once approved.
 2. The Contractor and its subcontractors shall provide all required compliance data with respect to Contractor's Section 3 requirements to the CHA via CHA's electronic system available at <https://cha.diversitycompliance.com/>. The Contractor and its subcontractors shall be responsible for responding to any requests for data or information by the noted response due dates, and shall check the electronic system on a regular basis to manage contact information and contract records. The Contractor shall also be responsible for ensuring that all subcontractors have completed all requested items with complete and accurate information and that their contact information is current.

This Section 3 Contract Provision shall flow down to each subcontract at every tier.

C. SECTION 3 REQUIREMENTS

Section 3 has two minimum requirements that must be reflected in response to this RFP. Respondents cannot choose between the two and receive full points under the evaluation criteria. First, 30% of the new hires required for the project must be Section 3 residents. The term "Section 3 resident" is defined as (1) a public housing resident or (2) a low-income or very low-income person who resides in the metropolitan area. Second, 3% of the contract value must be subcontracted to Section 3 business concerns. A Section 3 business concern is a business (1) that is 51% or more owned by Section 3 residents; or (2) whose permanent, full-time employees include persons, at least 30% of whom are currently Section 3 residents, or within 3 years of the date of first employment with the business concern were

Section 3 residents; or (3) that provides evidence of a commitment to subcontract in excess of 25% of the dollar award of all subcontracts to be awarded to business concerns that meet the qualifications set forth in (1) and (2).

If a Respondent has no plans or need to hire or subcontract, or can demonstrate that it is unable to hire or subcontract to fully meet the minimum requirements set forth above, the Respondent may offer other economic opportunities that directly benefit Section 3 residents or Section 3 business concerns (such as internships, mentor-protégé programs, contribution to the Section 3 Fund, etc.). To offer other economic opportunities, a Respondent's submittal must detail why it has no plans or need to hire or subcontract, or detail all of the efforts the Respondent has undertaken to hire or subcontract (including the names of the Section 3 residents or Section 3 business concerns that were contacted and why they could not be utilized for the project). Detail must also be provided to describe the other economic opportunity being offered and how it will benefit Section 3 residents or Section 3 business concerns.

Respondents that fail to clearly set forth these minimum requirements risk losing points under the evaluation criteria. Therefore, Respondents are urged to submit any questions regarding Section 3 prior to the proposal due date.

D. VENDOR COMPLIANCE REPORTING SYSTEM

The Chicago Housing Authority (CHA) utilizes B2Gnow and LCPtracker in order to monitor the compliance requirements for the M/W/DBE, Davis-Bacon, and Section 3 policy requirements.

The **Vendor Compliance Reporting System** replaces paper reporting processes with a streamlined online process to help facilitate compliance reporting requirements for all companies doing business with the CHA.

The system is accessible to **ALL** CHA prime contractors (as well as subcontractors) and each contractor is required to utilize the secure web-based system for electronic submission of information related to M/W/DBE, Davis-Bacon, and Section 3 compliance.

KEY FEATURES:

- Automated communication with contractors via email regarding compliance issues
- Submission of contractors' utilization reports online with automated tracking of contract goals and participation, as well as verification of subcontractor payments through the B2Gnow System
- Certified Payroll Reporting online through LCPtracker eliminates paper reporting and streamlines the process for vendors and CHA staff

Please know that the CHA remains committed to helping each contractor use this product and service. The following resources are available:

1. **Vendor Technical Assistance and Support**
 - Technical and/or training questions, please send an email to cha@diversitycompliance.com
2. **Online, downloadable training aids**
 - On Line manual
 - Webinars

Quick Guide Contract Compliance Requirements

Contract Compliance, within the Department of Procurement and Contracts, is responsible for monitoring the Minority/Women/Disadvantaged Business Enterprises (M/W/DBE) and Section 3 policies and the Davis-Bacon regulations for the Chicago Housing Authority.

What Compliance Requirements apply to the different types of contracts?

Type of Contract	M/W/DBE	Section 3	Davis-Bacon
Professional Service	Yes	Yes	No
Construction	Yes	Yes	Yes

Minority/Women/Disadvantaged Business Enterprises (M/W/DBEs)

In accordance with the Chicago Housing Authority's M/W/DBE policy, minority, women, and disadvantaged businesses have the maximum opportunity to participate in the performance of contracts awarded by CHA. Depending upon the type of contract and the dollar value, the following requirements are in place for M/W/DBE subcontracting:

Type of Contract	Contract Amount	MBE/WBE/DBE Participation
Construction	\$25,000 - \$200,000	25%
	\$200,001 - \$500,000	30%
	\$500,001 - \$1,000,000	35%
	\$1,000,001 +	40%
Service and Supply & Delivery	\$25,000 +	20%

Required M/W/DBE Documents:

Document Name	To be Completed By	Details
Schedule A M/W/DBE UTILIZATION PLAN	Prime Contractor	This form lists out all M/W/DBE subcontractors the Prime plans to work with that will count towards their M/W/DBE subcontracting requirements, including a self-performing Prime.
Schedule C LETTER OF INTENT	Each M/W/DBE listed on the Schedule A, including a self-performing Prime Contractor	This form will be submitted by each subcontractor listed on the Schedule A. If a Prime is an M/W/DBE and they are self-performing, they must submit a Schedule C. The information outlined on the Schedule C must correspond with the Schedule A. A valid certification letter must be attached.
Letter of Certification	Each M/W/DBE listed on the Schedule A, including a self-performing Prime Contractor	This form must be submitted with every Schedule C. Applications are not accepted and the certification letter cannot be expired.
Waiver Request- M/W/DBE	Prime Contractor	This form is only to be used if a vendor cannot meet their subcontracting requirements. The form must have two things outlined in the justification/request portion for the waiver request: (1) scope of work and (2) reason the Prime cannot meet the commitments outlined. Make sure that all good faith efforts, including indirect participation, have been exhausted.

Quick Guide

Contract Compliance Requirements

- B2Gnow requires Prime Contractors to login and approve payments from CHA and enter payments they have made to subcontractors.
- Subcontractors are then required to login and approve payments entered by the Prime Contractor.

Section 3

Under CHA's Section 3 policy, there are multiple requirements. Hiring and Subcontracting are required under Section 3, and vendors cannot choose between the two. Section 3 does not apply to Supply & Delivery contracts.

- **Hiring** –30% of all of new hires must be Section 3 employees. This includes CHA and low-income Chicago area residents. The Prime will be required to complete the Schedule B and outline all of the employees who are needed to complete this scope of work. Through the hiring chart on Schedule B-Section 3 Utilization Plan, Compliance is able to determine how many Section 3 employees are needed for the contract. The 30% of all new hires covers new hires for the Prime Contractor and the Subcontractors. Contractors will be required to utilize CHA's Section 3 Job Opportunities website, which allows Section 3 individuals to apply for open positions on CHA contracts. The Section 3 Opportunities system is replacing the Job Order Form process and will require Applicants to actively apply for jobs and Employers to interview and hire for their Section 3 positions based on a streamlined process in accordance with HUD's Code of Federal Regulations (CFR). Section 3 Hiring Specialists will be responsible for initiating the job postings and approving the job profiles prior to the new jobs posting to the website available to the public.
- **Subcontracting** – Prime Contractors are required to subcontract **10%** of the total contract value for construction contracts and **3%** of the total contract value for all other contracts to Section 3 Business Concerns. CHA's Section 3 Business Concern Registry is a great place to start when looking for Section 3 Businesses to contract with. HUD does perform random audits of the businesses in this registry.

What makes a business a Section 3 Business Concern? There are three ways a business can qualify as a Section 3 Business Concern:

1. A business that is **51** percent or more owned by section 3 residents, meaning a CHA resident or low-income Chicago area resident;
2. A business whose permanent, full-time employees are made up of at least **30** percent of section 3 residents (including CHA and low-income residents), or within three years of the date of first employment with the business concern were section 3 residents; or
3. A business that subcontracts **25** percent or more of their total subcontracts to business concerns that meet the qualifications in the first two options (this is identified on a project by project basis).

- **Other Economic Opportunities-** A Prime Contractor who has demonstrated its attempts, to the maximum extent feasible, to meet its Section 3 hiring and contracting goals may satisfy Section 3 obligations by engaging in Indirect Participation, Mentorship Program Participation, and/or Other Results-Oriented Economic Opportunities as alternative means to achieving Section 3 goals. In addition, a contribution to the Section 3 Fund is allowable under Other Economic Opportunities, as long as it is outlined in accordance with the Section 3 Policy. Please note that all Other Economic Opportunities must benefit the Section 3 resident and business community.

Quick Guide

Contract Compliance Requirements

Required Section 3 Documents:

Document Name	To be Completed By	Details
Schedule B SECTION 3 UTILIZATION PLAN	Prime Contractor	This form will outline your hiring, subcontracting, and other economic opportunities that the Prime is committing to.
Schedule C LETTER OF INTENT (also used for M/W/DBE subcontractors)	Each Section 3 Business Concern listed on the Schedule B, including a self-performing Prime Contractor	This will be submitted by each subcontractor listed on the Schedule B. If the self-identified Section 3 Business Concern is also a certified M/W/DBE, they can submit one Schedule C and indicate their status by checking off both qualifications.

Section 3 Clause:

Construction Contractors must post the Section 3 Clause on-site. Each Prime Contractor is required to provide a copy of the notice to the CHA upon issuance of the notice to proceed. The Prime Contractor will also be required to demonstrate that the notice has been posted at the worksite in accordance with the Section 3 clause. This may be verified through site visits or a request by the CHA for proof of posting and notification to employees.

“The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.”

The Davis-Bacon & Related Acts apply to construction contracts over **\$2,000** and ensure that all construction employees are paid in accordance with the Department of Labor's wage decision. If there are union contractors, please ensure that Davis-Bacon wages are met, in accordance with the contract.

CERTIFIED PAYROLL SUBMITTAL & REPORTING

- Certified Payroll Reports must be entered into LCPtracker on a weekly basis.
- All wage rates and job classifications are available through LCPtracker, and will be utilized when entering weekly payroll updates.
- Schedule D- Hiring Reports are also uploaded through LCPtracker, for proof of hiring your Section 3 employees.
- If you ever have a question about job classifications that may not be listed on the wage decision, ask your Contract Compliance Specialist.

In addition to certified payroll reports, the CHA Compliance Team will perform random unannounced site visits. These site visits are then compared to payment information and certified payrolls submitted through B2Gnow and LCPtracker.

NOTE: As of January 2, 2015, the Chicago Housing Authority (CHA) observes a \$13 per hour Minimum Wage Requirement to be paid to employees of CHA Contractors, and of any subcontractors of such CHA

Quick Guide Contract Compliance Requirements

Contractors, performing work on CHA contracts. A copy of the CHA Minimum Wage Requirement may be downloaded from the CHA website at: <http://www.thecha.org/sites/default/files/Minimum%20Wage%20Requirements.pdf>. Note that Federal wage determinations (either Davis-Bacon or HUD-Determined Wage Rates) 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).

Please note that as long as your firm and all subcontractors are in compliance throughout this project, with everything we just covered, there should be no need for payment holds on our end. If you are ever concerned about invoices being placed on hold, always contact your Contract Compliance Specialist first, in order to ensure that your contract is in compliance and that CHA has no reason to hold your payment.

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Quick Guide

Contract Compliance Requirements

Compliance Utilization Plans

Below is a list of items needed to evaluate a full Compliance plan for CHA's M/W/DBE and Section 3 Policies:

Schedule A- M/W/DBE Utilization Plan

Detailed Requirement	
Schedule A	The Schedule A must be submitted, signed and notarized
Contract Amount	This amount must match all other bid documents
M/W/DBE Total	This amount must be the correct sum of all subcontract amounts listed on the Schedule A
Subcontractor Company Name	This must be listed for each Subcontractor listed on the Schedule A
Subcontractor Original MBE/WBE/DBE Dollars	The subcontract amount must be included for each Subcontractor
Subcontractor Work To Be Performed/Materials To Be Supplied	The scope of work, even if brief, must be included for each Subcontractor

Schedule B- Section 3 Utilization Plan

Detailed Requirement	
Schedule B was submitted	The Schedule B must be submitted, signed and notarized
Prime Contractor Acknowledgement of Section 3 Requirements	Page 4 of the Schedule B must be completed by a Principal of the Prime Contractor
All elements of the Hiring Chart	This includes all required fields (1) through (8) for the Prime and Subcontractors- refer to the instructions on page 2 of the Schedule B
Section 3 Business Concern must have their Business Name, Original Contract Value, and Scope of work outlined	This must be listed for each Section 3 Business Concern listed on the Schedule B
Other Economic Opportunities	If there is a shortfall in the hiring or contracting plans, Other Economic Opportunities must be proposed

Schedule C- Letter of Intent M/W/DBE and/or Section 3 Business Concern Subcontractors, Suppliers, Consultants

Detailed Requirement	
Schedule Cs for every Subcontractor listed on the Schedule A and/or B must be submitted	The dollar values must correspond with the Schedule A and/or B
M/W/DBE or SECTION 3 BUSINESS CONCERN NAME	Subcontractor's Business Name must be indicated on page 1 of the Schedule C
M/W/DBE Certification Status	If the Subcontractor is listed on the Schedule A, they must identify their M/W/DBE certification status
Section 3 Business Concern Status	If the Subcontractor is listed on the Schedule B, they must identify their Section 3 status
Contract Value	The contract value outlined on the Schedule C must match the Schedule A- M/W/DBE Utilization Plan or B- Section 3 Utilization Plan

ARTICLE X BRIBERY, PRICE FIXING, OR FRAUD

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

- A. has been convicted of an act committed of bribery or attempting to bribe an officer or employee of a unit of state or local government or school district in that officer's or employee's official capacity; or
- B. has been convicted of an act of bid-rigging or attempting to rig bids as defined in the Sherman Anti-Trust Act and Clayton Act (15 U.S.C. §1 et seq.), or under the laws of the State of Illinois; or has been convicted of an act of price-fixing or attempting to fix prices as defined by the Sherman Anti-Trust Act (15 U.S.C. §1 et seq.) or under the laws of the State of Illinois; or
- C. has been convicted of defrauding or attempting to defraud any unit of state or local government or school district; or
- D. has made an admission of guilt of such conduct as set forth in subparagraph A through C above, which admission is a matter of record, whether or not such person or business entity was subject to prosecution for the offense or offense admitted to; or
- E. has entered into a plea of nolo contendere to charges of such conduct, as is set forth in subparagraphs A through C above.

For purpose of the 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 E above on behalf of such entity and pursuant to the direction or authorization of a responsible official thereof, the business entity shall be chargeable with the conduct and be 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 as set forth in subparagraphs A through D above.

A business entity shall also be disqualified if any owner directly or indirectly controls 20% or more of the business entity and was an owner who directly or indirectly controlled 20% of another business entity at the time, such business entity committed a disqualifying act as set forth in subparagraphs A through C above.

Any contract found to have been awarded in violation of this Paragraph may be voided at the discretion of the CHA.

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ARTICLE XI. ATTACHMENTS

The following documents are incorporated as attachments to this RFP:

- A.** Fee Proposal Form (Must be provided in a separate sealed envelope). Fee form must separate prices for the base term and each option year and provide a cost breakdown.
- B.** Insurance Requirements
- C.** Schedule A - MBE/WBE/DBE Utilization Plan
- D.** Waiver Request- MBE/WBE/DBE, if a waiver is being requested
- E.** Schedule B – Section 3 Utilization Plan and guide to completing the Schedule B
- F.** Schedule C – MWDBE and Section 3 Subcontractors, Suppliers, Consultants
- G.** Standard Professional Service Agreement

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EXHIBIT A-1
BEST AND FINAL OFFER

FEE PROPOSAL FORM
BAFO

Event No: 2785/2690 (2019)
Financial Advisory and Consulting Services
Best and Final Offer
(BAFO)

A	B	C	D	E	G
Financial Advisory and Consulting Services-Two (2) Year Base Term					
Unit No.	Specification/ Service Description	Unit of Measure	Bidder's Unit Price	Estimated Quantities	Total Bid Price (Bidder's Unit Price x Estimated Quantities)
1	Principal/Partners	Per/Hour	278	100	\$ 27,800.00
2	Senior Manager/Vice President	Per/Hour	236	100	\$ 23,600.00
3	Manager	Per/Hour	160	100	\$ 16,000.00
4	Analyst/Associates Rate	Per/Hour	130	100	\$ 13,000.00
5	Administrative Staff	Per/Hour		100	\$ -
6	Other Fees				\$ -
*list details of other fees on the attached document					
Aggregate Total					\$ 80,400.00

A	B	C	D	E	G
Financial Advisory and Consulting Services-Option Year 1 (One Year)					
Unit No.	Specification/ Service Description	Unit of Measure	Bidder's Unit Price	Estimated Quantities	Total Bid Price (Bidder's Unit Price x Estimated Quantities)
1	Principal/Partners	Per/Hour	286	50	\$ 14,300.00
2	Senior Manager/Vice President	Per/Hour	243	50	\$ 12,150.00
3	Manager	Per/Hour	165	50	\$ 8,250.00
4	Analyst/Associates Rate	Per/Hour	134	50	\$ 6,700.00
5	Administrative Staff	Per/Hour		50	\$ -
6	Other Fees				\$ -
*list details of other fees on the attached document					
Aggregate Total					\$ 41,400.00

A	B	C	D	E	G
Financial Advisory and Consulting Services-Option Year 2 (One Year)					
Unit No.	Specification/ Service Description	Unit of Measure	Bidder's Unit Price	Estimated Quantities	Total Bid Price (Bidder's Unit Price x Estimated Quantities)
1	Principal/Partners	Per/Hour	294	50	\$ 14,700.00
2	Senior Manager/Vice President	Per/Hour	251	50	\$ 12,550.00
3	Manager	Per/Hour	171	50	\$ 8,550.00

FEE PROPOSAL FORM
BAFO

Unit No.	Specification/ Service Description	Unit of Measure	Bidder's Unit Price	Estimated Quantities	Total Bid Price (Bidder's Unit Price x Estimated Quantities)
4	Analyst/Associates Rate	Per/Hour	138	50	\$ 6,900.00
5	Administrative Staff	Per/Hour		50	\$ -
6	Other Fees				\$ -
*list details of other fees on the attached document					
Aggregate Total					\$ 42,700.00

Unit No.	Specification/ Service Description	Unit of Measure	Bidder's Unit Price	Estimated Quantities	Total Bid Price (Bidder's Unit Price x Estimated Quantities)
1	Principal/Partners	Per/Hour	303	50	\$ 15,150.00
2	Senior Manager/Vice President	Per/Hour	258	50	\$ 12,900.00
3	Manager	Per/Hour	175	50	\$ 8,750.00
4	Analyst/Associates Rate	Per/Hour	142	50	\$ 7,100.00
5	Administrative Staff	Per/Hour		50	\$ -
6	Other Fees				\$ -
*list details of other fees on the attached document					
Aggregate Total					\$ 43,900.00

Paul Galvin

Signature of Authorized Company Representative/Date

781-551-8801

Telephone Number

Paul Galvin

Print Name of Authorized Representative

Vice President Senior Associate

Title

TAG Associates, Inc.

Name of Company

pgalvin511@ao
l.com

E-mail Address

11/6/2019

Date

OTHER FEES: If applicable, please provide other itemized fees that the Respondent is proposing. Other itemized fees include operational costs, administrative costs, etc. If additional space is required, submit an additional page detailing the fees.

Base Term		
Description of Other Fees	Total Price	
None - rates are fully loaded	0	
	Aggregate Total	\$ -

Option Yr 1		
Description of Other Fees	Total Price	
None - rates are fully loaded	0	
	Aggregate Total	\$ -

Option Yr 2		
Description of Other Fees	Total Price	
None - rates are fully loaded	0	
	Aggregate Total	\$ -

Option Yr 3		
Description of Other Fees	Total Price	
None - rates are fully loaded	0	
	Aggregate Total	\$ -

ATTACHMENT A
FEE PROPOSAL FORM-REQUIRED
REQUEST FOR PROPOSALS ("RFP") NO. 2690 (2019)
FINANCIAL ADVISORY AND CONSULTING SERVICES

Option Yr 4		
Description of Other Fees	Total Price	
None - rates are fully loaded	0	
	Aggregate Total	\$ -