BRAINERD HOUSING & REDEVELOPMENT AUTHORITY
CONSTRUCTION AGREEMENT

This CONTRACT AGREEMENT ("Agreement") is made on ____ day of _____, 20__ by and between the **Brainerd Housing & Redevelopment Authority** ("HRA") located at 324 East River Road, Brainerd, Minnesota 56401, and _____ ("Contractor") located at _____.

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

SECTION 1. APPLICABLE CONTRACT DOCUMENTS.

1.1 This Agreement for construction Work as defined in Minnesota Statutes, Section 471.345, together with the other Contract Documents used for the types of projects described in the section, represents the entire and integrated agreement between the parties and supersedes prior negotiations, representations or agreements, either written or oral.

1.2 If the awarded bid or quoted price for the Work is $175,000 or less and the project Work is not funded in whole or in part by the U.S. Department of Housing and Urban Development ("HUD"), the Contract Documents forming the entire Agreement between HRA and Contractor shall consist of this Agreement, exhibits or attachments deemed necessary by HRA, the plans and specifications, if any, addenda to the plans and specifications issued prior to execution of this Agreement, if any, written amendments to the Agreement signed by both parties to form a change order, a constructive change directive, or a written order for a minor change in the work issued by the HRA or the architect (collectively the "Contract Documents").

1.3 If the awarded bid or quoted price for the Work is $175,000 or less and more than $10,000 and the project is funded in whole or in part by HUD, then the Contract Documents shall consist of the documents described in Section 1.2 above and the General Contract Conditions for Small Construction/Development Contracts (Form HUD-5370-EZ), as the provisions therein may apply to the project.

1.4 If the awarded bid price for the Work is in excess of $175,000 and the project is funded in whole or in part by HUD, then the Contract Documents shall consist of the documents described in Section 1.2 above and the General Conditions for Construction Contracts – Public Housing Programs (Form HUD-5370), as the provisions therein may apply to the project.

1.5 If the awarded bid price for the Work is in excess of $175,000, or at the HRA's discretion, for a project that is less than $175,000 for the Work but the HRA has retained an architect, and the project is not funded at least in part by HUD, the Contract Documents shall consist of the documents described in Section 1.2 above.

1.6 The Contract Documents are to be read as a whole and meaning given to each provision where possible. If an ambiguity exists in the Contract Documents, the specific provision shall take precedence over the general provision and the more stringent Contractor performance standard shall take precedence over the less stringent provision, provided the standard is in compliance with applicable law. If two provisions within the Contract Documents are substantially identical or duplicative, then the clauses in combination shall apply where possible, but if use of both provisions is contradictory or absurd, the provision appearing in this Agreement shall be used unless there is an applicable HUD-5370-EZ or HUD-5370 provision where either applies in accordance with sections 1.3 or 1.4 above. In such case, the applicable HUD provision shall apply.

SECTION 2. CONTRACTOR TERMS AND CONDITIONS.

2.1 Contractor shall furnish all labor, material, skill and equipment necessary or required to perform all the work in the Contract Documents ("Work") generally described as follows:

[Describe]

2.2 Contractor shall provide labor and materials as shown in the Contract Documents. The price ("Price") including all taxes and permit fees shall be: **$_____.** If the Price is based on unit prices then the Price shall be:

[Describe]

2.3 Contractor shall promptly pay for all materials, labor and equipment used in, or in connection with the performance of this Agreement, or the performance of its subcontractors and suppliers, when such bills or claims become due and indemnify and hold harmless the Project and the HRA from all claims and mechanic's liens, and upon HRA request, furnish satisfactory evidence to the HRA, when and if required that the Contractor has complied with the above requirements.

2.4 Contractor shall begin work within _____ calendar days after being notified, in writing by the HRA that Contractor may proceed with the Work ("Notice to Proceed"). Contractor further agrees that except for delays caused solely by the HRA or excusable delay, the Contractor will complete the Work within ____ days after its receipt of the Notice to Proceed/or alternatively no later than _____, 20___. Contractor agrees that time is of the essence in completing the Work and each phase thereof.

2.5 [Optional] Contractor agrees that it is difficult for the HRA to determine the amount of all damages that the HRA would incur as a result of delay by the Contractor in achieving substantial completion of the Work. Contractor and the HRA therefore agree that $_____ _____ will accrue each day as liquidated damages, and not a penalty, for each calendar day that Contractor fails to achieve substantial completion of the Project. Substantial completion shall be achieved on the day the HRA reasonably determines that the HRA or its tenants may occupy the premises because the Work is sufficiently complete. Accrued liquidated damages shall be an offset against HRA payments to the Contractor's for the Work, including any agreed-upon change orders increasing the original Price. If accrued liquidated damages exceed the Price, the HRA may seek

to recover said excess amount over and above the offset portion through all remedies available to it. These sections 2.4 and 2.5 above are notice to the Contractor that liquidated damages will be assessed as of the substantial completion date stated or derived from section 2.4, plus any time extensions HRA agrees to by written change order. The HRA is not required to give additional notice to Contractor that liquidated damages will be imposed, except upon Contractor's written request to HRA to confirm the starting date of said liquidated damages and the HRA's intent to impose them.

2.6 Contractor agrees to proceed with the Work in an orderly and reasonable sequence and to abide by the HRA's decision as to all Contractor storage and working spaces of the Project.

2.7 To the fullest extent permitted by law, Contractor agrees to indemnify, defend and hold harmless the HRA, and HRA's agents and representatives, architects, the HRA's lender and all other contractors and/or subcontractors from any and all losses or damage (including without limiting the generality of the foregoing, attorneys' fees and disbursements paid or incurred by the HRA to enforce the provisions of this paragraph) occasioned by the failure of Contractor to carry out the provisions of this Agreement and arising out of third party claims for bodily injury, sickness, disease or death, or to injury to or destruction of tangible property to the extent caused by the negligent acts or omissions of the Contractor, a subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, regardless of whether or not such a claim, damage, loss or expense is partially caused in part by a party indemnified hereby. Further, in claims against any person or entity indemnified under this section by an employee of the Contractor, a subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, the indemnification obligation shall not be limited by a limitation on amount or type of damages, compensation or benefits payable by or for the Contractor or a subcontractor under workers' compensation acts, disability benefit acts or other employee benefit acts.

2.8 Contractor agrees to provide a performance bond and payment bond satisfactory to the HRA prior to the beginning of Work if the Contract Price is $50,000 or greater.

2.9 Subject to additional terms set forth in the Contract Documents, Contractor agrees to obtain worker's compensation insurance as is required by law, comprehensive general liability and property damage insurance to protect the Contractor and the HRA against claims for bodily injury or death or for damage to property occurring upon, in or about the Project, for the applicable claims period for this Project, and to have the HRA named as an additional insured with limits in amounts at least equal to those specified below, or as otherwise may be required by HUD, if the Project is funded in whole or in part thereby, and the HUD required amount is greater than below:

Risk Insurance	$1,000,000.00 Aggregate
Bodily Injury Liability	$1,000,000.00 Each Person
General Liabilities	$1,000,000.00 Aggregate
Property Damage Liability	$1,000,000.00 Aggregate
Automobile	As required by law
Worker's Compensation	As required by law

2.9.1 Any and all insurance shall be issued by an "A" rated insurance company or companies. Contractor agrees to furnish the HRA with satisfactory evidence that he has complied with this paragraph. Contractor further agrees to obtain and furnish the HRA with an undertaking by the insurance company issuing each such policy that such policy will not be canceled except after thirty (30) days written notice to the HRA of its intention to do so.

2.9.2 Contractor agrees to assume the entire responsibility and liability for all damages or injury to any and all individuals, whether employees or otherwise and to all property, including the HRA's property arising out of, resulting from, or in a manner connected with the performance of the Work or occurring or resulting from the use by Contractor, its agents or employees of materials, equipment, instrumentality's or other property, whether the same is owned by the HRA, Contractor or third parties, and Contractor agrees to indemnify, defend and save harmless the HRA, his agents and employees from any and all such claims, including, without limiting the generality of the foregoing claims for which the HRA may be, or may be claimed to be liable and attorneys' fees and disbursements paid or incurred to enforce the provisions of this paragraph.

2.10 Contractor agrees to accept responsibility for all damage caused by Contractor to clean and repair all surfaces soiled or damaged by Contractor or its subcontractors or suppliers, and to protect the Work. If any dispute arises between Contractor and its subcontractors as to which is responsible for any time of damage, Contractor shall be responsible to timely repair or pay for the damage or repair and resolve allocated responsibilities for the damage among those responsible.

2.11 Contractor shall supervise and direct the Work, using the Contractor's best skill and attention. The Contractor shall be solely responsible for, and have control over, construction means, methods, techniques, sequences and procedures and for coordinating all portions of the Work under the Contract Documents, including those performed by subcontractors, unless they give other special instructions concerning these matters. In such case the Contractor shall evaluate the jobsite safety and shall be fully and solely responsible for the jobsite safety of such means, methods, techniques, sequences or procedures. If the Contractor determines that the Contract Documents direct means, methods, techniques, sequences or procedures that are not safe, Contractor shall give timely written notice to the HRA and shall not proceed with that portion of the Work without further written instructions from HRA.

2.12 Contractor is solely responsible for initiating, maintaining and supervising all safety precautions and measures in connection with the performance of this Agreement and agrees to take all safety precautions with respect to its Work and shall comply with all applicable laws, ordinances, rules and regulations and lawful orders of any public or governmental authority for the safety of persons or property.

2.13 Contractor is responsible to ensure their employees have received all applicable safety training, that they agree to provide all the tools and equipment to complete the contracted job tasks an, the equipment and tools should be in safe, working order.

2.14 Contractor agrees not to assign any or all of this Agreement and not to assign any money due or to become due thereunder without first obtaining prior written consent of the HRA. Contractor shall supply the HRA with a list of all individuals or businesses to which it intends to subcontract the Work or from which it will obtain materials or equipment. Such list is attached hereto as Exhibit B and incorporated herein by reference.

2.15 Contractor agrees to furnish such shop drawings or samples as may be required by the HRA.

2.16 Contractor agrees not to employ any person who is reasonably unacceptable to the HRA. Contractor further agrees to remove any such person from the Project if the HRA reasonably requests.

2.17 Contractor agrees that the HRA, or his authorized representatives, shall have the right to order, in writing, the elimination or addition of any part or parts of work or materials as omitted from or added to the Contract Documents by Architect and/or the HRA. Equitable adjustments shall be made to the Price for such omitted or added Work or materials. No extra work shall be allowed or changes made by Contractor, or paid for by the HRA, unless and until authorized by the HRA, in writing, before the work and/or changes are begun. Contractor agrees to sign attached Exhibit A to this Agreement and waives all claims for additions or changes unless the HRA has signed a written change order.

2.18 Contractor agrees to provide detail of sales taxes paid on Exhibit C for materials furnished on project from contractor and any subcontractors upon completion of project.

2.19 Contractor further agrees to give prompt written notice to the HRA Contracting Officer of all claims for extras, for requests of extensions of time and for damages for delays or otherwise, and in accordance with HUD General Conditions, if made part of the Contract Documents. Contractor agrees that any change orders for an increase in the Price and an extension to the time of performance must be consented to in writing by the HRA prior to commencing Work on the proposed change order. Further, Contractor agrees that only **Eric Charpentier, Executive Director** is authorized to sign change orders on the HRA's behalf.

2.20 Execution of the Agreement by the Contractor is a representation that the Contractor has visited the site, become familiar with local conditions under which the Work is to be performed and has correlated personal observations with requirements of the Contract Documents.

2.21 Contractor shall, before starting each portion of the Work, carefully study and compare the various Contract Documents relative to that portion of the Work, as well as the information furnished by the HRA. Contractor shall take field measurements of any existing conditions related to that portion of the Work, and shall observe any conditions at the site affecting it. These obligations are for the purpose of facilitating coordination and construction by the Contractor and are not for the purpose of discovering errors, omissions, or inconsistencies in the Contract Documents; however, the Contractor shall promptly report to the HRA and Architect any errors, inconsistencies or omissions discovered by or made known to the Contractor as a request

for information in such form as the HRA and Architect may require. The HRA acknowledges that the Contractor's review is made in the Contractor's capacity as a contractor and not as a licensed design professional, unless otherwise specifically provided in the Contract Documents.

2.22 If the Contractor believes that additional cost or time is involved because of clarifications or instructions the HRA or Architect issues in response to the Contractor's notices or requests for information pursuant to sections 2.18 and 2.19, the Contractor shall make Claims as provided in Section 2.17, or as required in the General Conditions if applicable. If the Contractor fails to perform the obligations of section 2.19, the Contractor shall pay such costs and damages to the HRA as would have been avoided if the Contractor had performed such obligations. If the Contractor performs those obligations, the Contractor shall not be liable to the HRA or Architect for damages resulting from errors, inconsistencies or omissions in the Contract Documents, for differences between field measurements or conditions and the Contract Documents, or for nonconformities of the Contract Documents to applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities.

2.23 Contractor agrees to promptly correct any and all defects in the material or Work brought to its attention by HRA for a period of two years from the substantial completion date or the date the Certificate of Occupancy is issued by the building authority for the Project, whichever is later. Contractor hereby assigns and agrees to deliver to HRA all vendor warranties given by each equipment or parts manufacturer.

2.24 Contractor warrants to the HRA that: (1) materials and equipment furnished under the Agreement will be new and of good quality unless otherwise required or permitted by the Contract Documents; (2) the Work will be free from defects not inherent in the quality required; and (3) the Work will conform to the requirements of the Contract Documents.

2.25 In the event Contractor fails to correct, replace and/or repair faulty or defective work performed and/or materials furnished under the Contract Documents, or shall fail to complete or diligently proceed with the Work within the time herein provided for, the HRA, upon three (3) days' notice in writing to Contractor shall have the right to correct, replace and/or re-execute such faulty or defective work, or to take over the Work and complete the same either through its own employees or through a contractor or subcontractor of its choice, and to charge the costs thereof to Contractor including compensation for the Architect's services rendered due to Contractor's failure, and other costs to HRA, against the sums owed under this Agreement and to pursue any and all other remedies provided by law, which are not waived by exercising rights in this section.

2.26 Contractor agrees that in the event of its default, in addition to other rights and remedies the HRA has, the material and equipment of Contractor shall be left at the Project for use by the HRA in completing the Work through the performance bond or other third party contractor hired by HRA. If the HRA carries out Work outside of the performance bond and uses such material and equipment, HRA shall credit the Contractor for the cost of material and equipment used on a rental basis and return the material and equipment to Contractor upon Work completion. The credit shall be an offset against damages to HRA caused by Contractor's default, or be paid by HRA to Contractor if the credit exceeds the damages to HRA.

2.27 Contractor agrees to obtain, at its cost, all permits, all licenses, all plan approval, all inspections and all other governmental approvals relating to this work on the Project and to comply with all federal, state, county, and municipal laws, codes and regulations and to pay all costs and expenses incurred in connection with such compliance, to pay all fees and taxes, including sales and use taxes, and also pay all taxes imposed by any state or federal law for any employment insurance, pensions, retirement funds or any similar purpose, and to furnish all necessary reports and information to the appropriate federal, state and municipal agencies, with respect to all of the foregoing, the same as though Contractor was in fact the HRA and to hold the HRA and any other contractor and/or subcontractor harmless from any and all losses or damage occasioned by the failure of Contractor to comply with the terms of this paragraph.

2.28 Contractor agrees to pay all royalties, license and permit fees to defend all suits or claims for infringement of any patent rights involved in the work of Contractor under this Agreement and to save the HRA and other contractors harmless from loss, costs or expense on account of such use or infringement by Contractor.

2.29 If any part of Contractor's Work depends, for proper execution, upon the work of the HRA, or any other contractor, Contractor shall inspect and promptly report to the HRA any apparent discrepancies or defects in such work that renders it unsuitable for use on the Project. Failure of the Contractor to inspect and report shall constitute an acceptance of the work of the HRA and other contractors.

2.30 If HRA has agreed to partial payments during the Work, Contractor shall provide complete invoices, receipts and executed lien waivers in the form required by the HRA, so that the HRA may accept, review and approve said invoices for the current payment cycle. Request for payment will be deemed accepted by the HRA on the date the HRA determines, in its sole judgment, that the HRA has all the information required to process the payment consistent with the PPA.

2.31 In accordance with the Prompt Payment of Local Government Bills, Minnesota Statutes, Section 471.425 ("PPA") governing payments in this Agreement, Contractor shall pay its subcontractors and suppliers within ten (10) days of receipt of payment from the **HRA** or pay interest to the subcontractors and suppliers on the obligation at a rate of 1.5% per month or any part of a month.

2.32 Contractor agrees to perform all Work in accordance with and to otherwise abide in all respects with all applicable federal, state and local laws, rules and ordinances. Contractor is responsible for removing all its debris from the site at its sole expense and pay for any costs associated with fees for dumpster or landfill costs. The Contractor shall keep the premises and surrounding area free from accumulation of waste materials or rubbish caused by operations under the Contract. At completion of the Work, the Contractor shall remove waste materials, rubbish, the Contractor's tools, construction equipment, machinery and surplus materials from and about the Project.

2.33 Except to the extent provided in Minnesota Statutes, Section 337.10, subd. 3, the Contractor has no right to stop Work as a consequence of non-payment. In the event of any

disagreement between the Contractor and HRA involving the Contractor's entitlement to payment, the Contractor's only remedy is to file a claim with the HRA within fourteen (14) days of the onset of such payment dispute, or such claim will be waived. The Contractor must diligently proceed with the Work pending resolution of the claim.

2.34 If HUD is funding all or some portion of this Project, Contractor shall include in all its subcontractor agreements, the following "Section 3" clause:

- The work to be performed under this Agreement 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-income persons, particularly persons who are recipients of HUD assistance for housing.

- The parties to this Agreement agree to comply with HUD's regulations in 24 CFR part 75, which implemented Section 3. As evidenced by their execution of this Agreement, the parties to this contact certify that they are under no contractual or other impediment that would prevent them from complying with the part 75 regulations.

- 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 Contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 75, 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 75. 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 75.

- The Contractor will certify that any vacant employment positions, including training positions, that are filled: (1) after the Contractor is selected but before the Agreement is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 75 require employment opportunities to be directed, were not filled to circumvent the Contractor's obligations under 24 CFR part 75.

- To Show Compliance with regulations 24 CFR Part 75. The Section 3 contract form must be completed and submitted to the HRA along with and all his/her subcontractors. To be completed annually, due date is by December 31st or at the completion of the project if before, as described in the Section 3 contract, Exhibit D. Added as Exhibit D

- Noncompliance with HUD's regulations in 24 CFR part 75 may result in sanctions, termination of this Agreement for default, and debarment or suspension from future HUD assisted contracts.

2.35 Contractor agrees to maintain for the duration of the Agreement, all requirements to comply with Minnesota Statutes, Section 16C.285 (Responsible Contractor).

SECTION 3. <u>HRA TERMS AND CONDITIONS</u>.

3.1 The HRA contracts with Contractor to do the Work described in Paragraph 1 hereof under the terms and conditions of the Contract Documents.

3.2 Pursuant to the PPA, the HRA agrees to pay Contractor the full amount due and properly owing, less 5% retainage and other hold backs or offsets, upon satisfactory performance of the Work under this Agreement and upon the HRA's written acceptance of the Work.

3.3 Final payment, including all remaining retainage withheld pursuant to Minnesota Statutes, Section 15.72, and other hold backs or offsets, shall become due and payable within thirty (30) days after acceptance of the Project Work in writing by the HRA. The HRA shall condition final payment upon receipt of IC 134 requirements, Sales Tax Paid Form, mechanic's lien waivers, submittals including but not limited to operation manuals and as-built drawings and upon Contractor providing to HRA any and all documents reasonably required by the HRA to assure Contractor's compliance with all federal, state and local laws.

3.4 The HRA may terminate the Contract if the Contractor:

3.4.1 repeatedly is untimely in the performance of the Work or services of the Contract, or refuses or fails to supply enough properly skilled workers or proper materials to fulfill the Contract requirements;

3.4.2 fails to make payment to subcontractors for materials or labor in accordance with the respective agreements between the Contractor and the subcontractors;

3.4.3 repeatedly disregards applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of a public authority; or

3.4.4 otherwise is guilty of substantial breach of a provision of the Contract Documents.

3.5 When the HRA terminates the Contract for one of the reasons stated in Sections 3.4.1-3.4.4 above, the Contractor shall not be entitled to receive further payment until the Work is finished.

3.6 The HRA may, without cause, order the Contractor in writing to suspend, delay or interrupt the Work in whole or in part for such period of time as the HRA may determine.

3.7 The HRA may, at any time, terminate the Contract for the HRA's convenience and without cause.

3.8 Upon receipt of written notice from the HRA of such termination for the HRA's convenience the Contractor shall:

3.8.1 cease operations as directed by the HRA in the notice;

3.8.2 take actions necessary, or that the HRA may direct, for the protection and preservation of the Work; and

3.8.3 except for Work directed to be performed prior to the effective date of termination stated in the notice, terminate all existing subcontracts and purchase orders and enter into no further subcontracts and purchase orders.

3.9 In case of termination for the HRA's convenience, the Contractor shall be entitled to receive payment for Work executed, and costs shown to be incurred by reason of such termination.

SECTION 4. MISCELLANEOUS PROVISIONS.

4.1 It is the HRA's policy to resolve all contract disputes informally, without litigation if possible. Contractor disputes shall not be referred to HUD until all remedies have been exhausted at the HRA level, including mediation.

4.2 This Agreement shall not be modified except in writing signed by both the HRA and Contractor.

4.3 This Agreement shall be construed and governed by the substantive laws of Minnesota, without regard to choice of law principles.

4.4 Pursuant to Minnesota Statutes, Section 13.05, subd. 11, all of the data created, collected, received, stored, used, maintained, or disseminated by Contractor in performing this contract is subject to the requirements of the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, and Contractor must comply with those requirements as if it were a government entity. The remedies in Minnesota Statutes, Section 13.08 apply to Contractor. Contractor does not have a duty to provide access to public data to the public if the public data are available from the HRA.

4.5 Pursuant to Minnesota Statutes, Section 16C.05, subd. 5, Contractor agrees that the books, records, documents and accounting procedures and practices of Contractor, that are relevant to the Contract or transaction, are subject to examination by the HRA and the state auditor for a minimum of six (6) years. Contractor shall maintain such records for a minimum of six (6) years after final payment.

4.6 Pursuant to Minnesota Statutes, Section 181.59, the Contractor will take affirmative action to ensure that applicants are selected, and that employees are treated during employment, without regard to their race, color, creed, religion, national origin, sex, sexual orientation, marital status, status with regard to public assistance, membership or activity in a local civil rights commission, disability or age. The Contractor agrees to be bound by the provisions of Minnesota Statutes, Section 181.59, that prohibits certain discriminatory practices and the terms of said section are incorporated into this contract.

IN WITNESS WHEREOF, the undersigned parties represent that they have caused this Agreement to be executed by the parties below.

[Signature page to follow]

BRAINERD HOUSING AND
REDEVELOPMENT AUTHORITY

Date: _____

By_____
Its: Executive Director

CONTRACTOR:

Date: _____

By_____
Its: Owner

ARE YOU A CORPORATION? _____
PLEASE PROVIDE ONE OF THE FOLLOWING:

FEDERAL ID # _____
OR SOCIAL SECURITY # _____

EXHIBIT A

TO: All Contractors and Suppliers

RE: Extras, Change Orders and Waiver

Any and all additional work which deviates from the original contract price shall be at your own risk unless authorized in writing by the HRA prior to said work occurring.

Any and all changes must be documented by a written change order signed by the HRA/Representative. Other employees of the HRA do not have express, implied or apparent authority to authorize additional work for the HRA. Verbal agreements or orders shall not constitute authorization and any work done pursuant to a verbal agreement or order shall be at your risk. This notice also constitutes your written waiver of any benefits conferred under a claim based on a quasi contract if and when work occurs pursuant to a verbal agreement or order.

Please sign and return this to:

THE BRAINERD HOUSING AND REDEVELOPMENT AUTHORITY	CONTRACTOR
By_____	By_____
Its: Executive Director	Its: Owner
324 East River Road	
(218) 824-3425	
(218) 828-8817 Fax	
Date: _____	Date: _____

EXHIBIT B

VERIFICATION OF SUB-SUBCONTRACTORS AND SUPPLIERS

Please list all of your subcontractors and/or suppliers you anticipate using for the Project on this form and return to the HRA at least 10 days prior to commencing your work. This form must be returned to us before your first pay request will be processed and it must be updated before all other pay requests are processed.

If you will not be using any subcontractors or suppliers, please state that on this form, sign the bottom and return it to the HRA.

I, the undersigned, hereby certify and swear that the following list of subcontractors and or suppliers, is complete, including any and all suppliers of labor and material to and for the Project.

Firm	Amount	Contact Person/Phone
Firm	Amount	Contact Person/Phone
Firm	Amount	Contact Person/Phone
Firm	Amount	Contact Person/Phone

_____ By_____
Firm (Print Name)
Its_____
(Print Title)

EXHIBIT C

Sales Tax Form
Contractor's Statement

Qualifying Entity: Brainerd HRA

Project Name: _____

Invoice Number(s): _____

Based on upon a review of our records for the project in question, it has been determined that the following amounts were paid in sales and/or use taxes:

Purchase Period(s)	Taxable Cost	MN Tax Paid (6.875%)	Local Tax Paid
_____	$_____	$_____	$_____Brainerd .50% $_____ Baxter .50% $_____ Crow Wing .50% $_____ _____ ____%

*If additional taxing jurisdictions exist, please attach spreadsheet

The amounts listed have been paid on the project or that portion of the project which directly relates to the qualifying low-income housing units. This tax amount is for building materials and equipment incorporated into the construction, improvement, or expansion of qualified low-income housing projects, and does not include any amounts paid for equipment and machinery purchased or leased by us and used in fulfillment of this contract.

Our MN Identification Number is: _____

Company Name: _____

Address: _____

_____

Phone: _____

I (We) declare under the penalties of criminal liability for willfully making a false claim that this statement has been examined, and, to the best of my (our) knowledge and belief, is true and complete.

Name: _____ **Title:** _____

Signature: _____ **Date:** _____

509258v3 BR230-24

EXHIBIT D

Section 3 Contract – Recipient Compliance and Reporting

*This form must be completed and submitted to the HRA by the awarded contractor of a Section 3 covered project and all of his/her subcontractors. To be completed annually, due date is by December 31st or at the completion of the project if before.

From:_____**For**:_____
Name of Contractor Name of Project

What is Section 3?

Under Section 3 of the Housing and Urban Development Act of 1968, whenever HUD financial assistance is given for housing or community development, to the greatest extent feasible, economic opportunities will be given to low and very low income workers, targeted section 3 workers, and section 3 business concerns in that area. The project being awarded has funding which is subject to Section 3 requirements. ***Covered projects contractors and subcontractors are required to show a good faith effort to provide the following:**

Quantitative Reporting

1. Provide employment and training opportunities for ***Section 3 Workers*** (minimum of 25% total labor hours).
2. Provide employment and training opportunities for ***Targeted Section 3 Workers*** (minimum of 5% total labor hours).
3. Provide opportunities for ***Section 3 Business Concerns*** for service contracts.

If 1 and 2 are not met. #4 is a must.

Qualitative Reporting

4. Section 3 Outreach and Development Activities.

QUANTITATIVE REPORTING:

A. Confirmation of hiring and training Section 3 Workers and Targeted Workers:

- The total number of labor hours for the covered contract_____
- Labor hours for Section 3 Workers _____
- Labor hours Section 3 Targeted Workers _____

*Please note that if hours are entered, you must also provide record of self-certification or employer certification of Section 3 Worker or Targeted Worker if not done at contract award.

B. Confirmation for contracting or certifying as a Section 3 Business Concerns:
_____No _____Yes

If Yes, please

- **Provide Section 3 Business self-certification form,** if not provided at time of award**.**
- **Provide Screen Print Out of Section 3 Business is registered on HUD opportunity portal**.

QUALITATIVE REPORTING:

If contractor has not met or exceeded HUD Section 3 Safe Harbor/Benchmarks (percentages listed above) Contract recipient must report qualitative Section 3 Compliance activities. Contractor and subcontractors must document that they have conducted Section 3 Worker outreach and development activities.

Section 3 Outreach and Development Activities Option:

Select actions that the contractor/sub-contractor will complete and document:

( ) Recruit, advertise, and train by posting 5-day notices to include number of positions; job titles; section 3 preference: name and locations of where to apply; anticipated work begin date (attach copy of notice).

( ) Engaged in outreach efforts to generate job applicants who are Targeted Section 3 workers. (Submit an application to the HRA to post within their facilities for tenants and voucher holders to see.)

( ) Provided training or apprenticeship opportunities.

( ) Promoted use of business registries designed to create opportunities for disadvantaged and small businesses.

( ) Provide assistance to apply for or attend colleges or technical schools

( ) Promoted use of business registries designed to create opportunities for disadvantaged and small businesses.

( ) Provided assistance to apply for/or attend community college, a four-year educational institution, or vocational/technical training.

( ) Engaged in outreach efforts to identify and secure bids from Section 3 business concerns. (https://portalapps.hud.gov/Sec3BusReg/BRegistry/BRegistryHome) (provide print out of Section 3 business registry result)

( ) Utilize the services HUD opportunity portal (https://hudapps.hud.gov/OpportunityPortal/) (attach copy of Section 3 Resume)

( ) Other outreach activities as listed in HUD Section 24 CFR 75.15(b) Additional reporting
Fill in an effort: _____
_____

If selected, contractor/subcontractors must provide documentation of what specific activity was conducted

I certify that to the greatest extent feasible HUD Section 3 Workers, Targeted Workers, and Business Concerns were sought and utilized for labor, services, and construction subcontracts to comply with HUD Section 3 requirements. I certify no violations of federal regulations. I certify the information and documentation provided is true and correct.

_____
Signature (Contractor or Subcontractors) Date: