

**CONTRACT AGREEMENT
BETWEEN BRENT J. OLSON INC.
AND THE BLOOMINGTON HRA**

This contract agreement ("Agreement") is made on the 25th day of October 2016 (the "Effective Date") by and between Brent J. Olson Inc. (the "Contractor") and the Housing and Redevelopment Authority in and for the City of Bloomington, Minnesota (the "HRA").

The Contractor and the HRA for the consideration stated herein mutually agree as follows:

Article 1 – The Work. The Contractor shall furnish all supervision, labor, materials, machinery, tools, equipment, and services, including transportation services, and perform and complete all work required in and pursuant to the Contract Documents specified in Article 2 below (the "Work") in an efficient and workmanlike manner for the property at: See bid Attachment, all in accordance with the Contract Documents.

Article 2 – Contract Documents. The "Contract Documents" consist of the following:

- a. This Agreement
- b. Contractor's bid submitted in person on October 4th, 2016
- c. HRA Sexual Harassment Policy, attached hereto

Contract Documents that are not attached to this Agreement are available for review and copying in the HRA's offices during its normal business hours, and Contractor acknowledges that it has been given the opportunity to review and copy these Contract Documents prior to the execution of this Agreement.

Article 3 – Contract Price. The Bloomington HRA will pay the Contractor for performance of the Work for the total sum of \$45,545.00 (the "Contract Price"). Payment shall be made as follows (check one option):

- Progress Payments. Payments for the Work shall be made as set forth in the HUD General Conditions Form 5370.
- Payment Upon Completion. Notwithstanding the language set forth in the HUD General Conditions Form 5370 regarding progress payments, the entire Contract Price shall be due and payable upon completion of the Work and approval by the HRA. No progress payments shall be made.

Article 4 – Completion Date. Work shall be fully and satisfactorily completed within 90 days of the signing of this Agreement (the "Completion Date"). In the event the Work is not completed by the Completion Date, the Contractor and his sureties shall be assessed liquidated damages of one percent (1%) of the Contract Price or \$50.00, whichever is greater, per day for each calendar day of delay excluding Saturdays, Sundays, and Holidays. This sum shall either be deducted from the Contract Price at time of final payment or shall be paid to the HRA on demand. The HRA and Contractor agree that the HRA's actual delay damages would be difficult to determine and that the liquidated damages set forth herein are a reasonable measure of delay damages and are not a penalty. The Completion Date may only be modified by a written Change Order signed by the Contractor and the HRA as set forth in Article 5 below.

Article 5 – Changes. Contractor is not authorized to perform any work in addition to or differing from the drawings and specifications set forth in the Contract Documents, and shall make no substitution for a specified item without a written Change Order that is signed by the Contractor and the HRA, before any such additional or different work is performed. No change in the Work, Contract Price, or Completion Date shall be binding on the HRA unless included in a written Change Order signed by the parties, as set forth in Section 28 of the HUD General Conditions Form 5370.

Article 6 – Warranty. Contractor warrants to HRA that all materials and equipment furnished under this Agreement will be new unless otherwise specified. If requested, Contractor shall furnish satisfactory evidence as to the kind and quality of materials and equipment furnished. Contractor warrants that the Work shall be free from defects caused by faulty workmanship and defective materials for a period of one year from the warranty date. Contractor also warrants that, if applicable, all installation of plumbing, electrical, heating and cooling systems shall be free from defects for a period of two years from the warranty date. Contractor also warrants that, if applicable, all workmanship and materials shall be free from major construction defects, as that term is defined by Minn. Stat. Chapter 327A. The “warranty date” shall be the date established in Minn. Stat. Chapter 327A. Contractor also warrants that all workmanship performed and materials supplied by Contractor shall comply with all applicable laws, regulations, statutory warranties, and ordinances, including, but not limited to, applicable building and energy codes and the warranties provided in Minn. Stat. Chapter 327A. All warranties shall survive the termination of this Agreement. Contractor agrees to provide warranty work free of charge to HRA and on a timely basis, all as necessary to cause the Work to conform to the requirements of this Agreement. Contractor agrees that HRA has the right to hold payment on any project, if warranty service work is not being completed

Article 7 – Non-Discrimination. The Contractor agrees to comply with all local, state, and federal equal employment opportunity laws and ordinances as they pertain to unlawful discrimination on account of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability or age.

Article 7 – Lead Safe Work Practices. All contractors disturbing paint surfaces above “De Minimis Levels” must be trained in accordance with 29 CFR 1926.59 and either be supervised by an individual certified as a lead-based paint abatement supervisor or have successfully completed a course approved by HUD and EPA on “safe work practices”. Proof of certification will be required prior to contract award if applicable.

Article 8 – Indemnity. The Contractor will indemnify, protect, and hold harmless the HRA and real estate owned by it against any loss, damage, and liens of any nature, in connection with this Agreement and the Work, including any attorneys’ fees incurred by the HRA in enforcing this Agreement. Contractor shall provide partial lien waivers in connection with any progress payment and a final lien waiver in connection with the final payment. This Article 8 shall survive the completion of the Work and/or the termination of this Agreement.

Article 9 – Insurance Obligations to be Performed Prior to Commencement of the Work. Prior to commencing the Work, Contractor shall provide the HRA with all of the following:

- a. **Worker’s Compensation Insurance.** Contractor shall provide HRA with evidence reasonably satisfactory to HRA that Contractor is maintaining such workers’ compensation insurance as may be required by law

b. **Liability Insurance.** Contractor shall maintain general liability insurance coverage, in an amount not less than \$1,200,000.00 combined single limit per occurrence and a \$1,200,000.00 general aggregate, providing coverage for completed operations, products liability and contractual liability. Contractor's insurance carriers must be rated at least an A-minus by A.M. Best. Contractor's general liability insurance policy shall also include automobile liability coverage with limits of not less than \$1,200,000.00 for each accident.

c. **Builder's Risk.** Contractor shall maintain Builder's Risk Insurance to the value of all Work in place and all materials stored at the project site, including foundations and building equipment.

HRA shall be named as an additional insured on Contractor's policies and shall provide that HRA shall receive at least thirty (30) days' written notice prior to cancellation, non-renewal or alteration in the terms of the policy. Contractor shall provide to HRA a certificate of insurance evidencing such coverage and provide replacement certificates as needed.

Article 10 – Priority of Contract Documents. This instrument together with the other Contract Documents, which Contract Documents are fully incorporated herein, form the Agreement. In the event that any provision of any other component part or this Agreement conflicts with any provision of any other component part, the provision of the component part first enumerated in Article 2 shall govern, except as otherwise specifically stated. The various provisions of any addenda shall be construed in the order of preference of the component part of the Agreement which each modifies. Any alteration, variation, modification, or waiver of the provisions of this Agreement shall be valid only after it has been reduced to writing, approved and signed by the Contractor and HRA.

Article 11 – Independent Contractor. Subcontractor represents and warrants that it is an independent contractor and neither the Contract nor any of the Contractor's employees or subcontractors are employees of the HRA.

Article 12 – Compliance with HRA Policies. The Contractor agrees, as a condition of being awarded this Contract, to require each of its agents, officers and employees to abide by the HRA's policies prohibiting sexual harassment, firearms and smoking, as well as all other reasonable work rules, safety rules or policies regulating the conduct of persons on HRA property at all times while performing duties pursuant to this Agreement. No smoking shall be allowed inside any building where the Work is being performed or any other property owned or maintained by the HRA. The Contractor agrees and understands that a violation of any of these policies or rules constitutes a breach of the Agreement and sufficient grounds for immediate termination of the Agreement by the HRA.

Article 13 – Public Protection And Safety. Contractor shall comply with all applicable federal, state and local laws, codes and ordinances, and all regulations and requirements of the Williams-Steiger Occupational Safety and Health Act of 1970 (OSHA). Contractor shall provide and maintain proper warning signals, signs, lights and barricades, and shall take all other necessary precautions for the protection and the safety of the public in performing Contractor's Work. Contractor shall cooperate with HRA in efforts to prevent injuries to any workers employed in connection with the Overall Project. Contractor will adopt and place in effect such suggestions as may be offered by HRA to promote safety and safe working conditions at the site of the Overall Project. Should Contractor fail to maintain its equipment in safe operating condition and/or should Contractor's operations be subject to injuries to workers which HRA considers of undue frequency, then at the option of HRA, this Agreement may be terminated on forty eight (48) hours written or oral notice to Contractor. Upon such termination, Contractor shall remove its equipment and employees from the site of the Overall Project.

Article 14 – Default by Contractor; Termination for Cause. If Contractor fails or neglects to proceed diligently, timely, competently, and in a workmanlike manner, or should Contractor delay the overall project, interfere with HRA, other subcontractors, or damage the work being performed by others, or jeopardize the timely or satisfactory completion of the overall project, HRA, in its sole discretion, reserves the right, after giving twenty four (24) hours written or oral notice, to take over and complete the Work, without prejudice to HRA's other rights or remedies for any losses or damages that arise as a result of Contractor's actions or failures to act. If HRA takes over the Work, Contractor agrees that no materials located on the site of the project shall be removed until the Work is completed. Previous defaults of Contractor that do not result in HRA's taking over the Work shall not be deemed a waiver of HRA's right to do so in the future.

If HRA takes over Contractor's Work, Contractor shall not be entitled to receive any further payment until Contractor's Work is completed. If the unpaid balance of the Compensation exceeds the cost of finishing Contractor's Work (including the cost of correcting defective or non-conforming Contractor's Work), the excess shall be paid to HRA. If such costs exceed the unpaid balance of the Compensation, Contractor shall immediately pay the difference to HRA upon demand. If a default or any other act by Contractor causes any delay to HRA or any other Contractor, Contractor shall be responsible for any damages suffered as a result.

Article 15. – General. This Agreement shall be governed by Minnesota law and shall bind the parties, their heirs, executors, administrators, successors and assigns. This Agreement constitutes the entire agreement between the parties. This Agreement may not be amended or modified in any manner, other than a written amendment signed by both parties. Contractor may not install any signage identifying Contractor, unless Contractor obtains HRA's prior written consent. If HRA retains the services of an attorney to enforce any provision of this Agreement, Contractor shall be responsible for HRA's attorneys' fees and costs, whether or not suit is brought. The indemnifications and warranties in this Agreement shall survive the termination of this Agreement. The parties agree that the courts located in Hennepin County, Minnesota shall have exclusive jurisdiction in any dispute between the parties involving this Agreement and/or the Work.

The remainder of this page is intentionally blank.

The parties have executed this Agreement effective as of the Effective Date.

Acceptance by the Bloomington
Housing and Redevelopment Authority

Acceptance by the Contractor

Signature of HRA Representative

Signature of Contractor

Doug Grout
Name Printed

Brent J. Olson
Name Printed

Dated

Dated

Administrator
Title

Owner
Title

1800 W Old Shakopee Rd
Address

6219 Halifax Avenue South
Address

Bloomington, MN 55431

Edina, MN 55424

**HOUSING AND REDEVELOPMENT AUTHORITY
IN AND FOR THE CITY OF BLOOMINGTON**

SEXUAL HARASSMENT POLICY

General Authority

The policies set forth in this document have been established by the Housing and Redevelopment Authority (the "Authority") Board for the purpose of declaring that:

- 1) Sexual harassment and inappropriate conduct by its chairperson, administrator, members of its Board of Commissioners, staff assigned to the Authority by the City of Bloomington, and consultants retained by the Authority is prohibited;
- 2) Any person in the above mentioned positions found to have acted in violation of this policy will be subject to appropriate disciplinary action, which may include immediate termination;
- 3) In the case of consultants retained by the Authority, violation of this policy is grounds for the Authority to cancel its consulting agreement with the consultant.

Sexual Harassment/Inappropriate Conduct

"Sexual harassment" includes unwelcome sexual advances, requests for sexual favors, sexually motivated physical contact or other verbal or physical conduct or communication of a sexual nature when:

- 1) Submission to the undesirable conduct or communication is made a term or condition, either explicitly or implicitly, of an individual's employment or right to services from the Authority;
- 2) Submission to or rejection of that conduct or communication by an individual is used as a factor in decisions affecting that individual's employment or right to services from the Authority;
- 3) That conduct or communication has the purpose or effect of substantially interfering with an individual's employment or creates an intimidating, hostile, or offensive work environment; or
- 4) Such conduct or communication occurred because of the sex of the victim even though it is not clearly sexual in nature or an explicit sexual advance.

Procedures for Processing a Claim

- 1) Any claims of a violation of this policy should be reported to the Authority's chairperson, administrator, a member of the Board of Commissioners, or anyone else in a position of authority at the Bloomington Authority. In the case of staff members assigned to the Authority by the City of Bloomington, claims of violation of this policy may also be directed to their immediate supervisor at the Authority or their immediate supervisor's supervisor at the Authority.
- 2) Any claims or violations of this policy which are reported or discovered will be investigated by the Authority's Administrator or outside agent where deemed appropriate by the Authority

Board. If the facts appear to support the allegations of sexual harassment or violation of this policy, disciplinary action up to and including immediate termination or termination of a consulting agreement may result.

- 3) All reports of harassment will be handled as confidentially as possible by the Authority subject to state and/or federal law regarding disclosure.
- 4) Any person subject to this policy found to have made a false complaint of a violation of this policy or found to have knowingly given false information during an investigation of such a complaint may also be subject to disciplinary action.
- 5) Any person who knows or should know of the existence of a violation of this policy and fails to take timely and appropriate action, may be subject to disciplinary action.

Applicable Parties

This policy applies to all of the Authority's personnel, chairperson, administrator, members of its Board of Commissioners, as well as all Authority staff assigned to the Authority by the City of Bloomington and consultants retained by the Authority while performing their duties within or outside the workplace.

HRA:HARASS

Adopted: October 9, 1992

ACKNOWLEDGEMENT OF RECEIPT OF SEXUAL HARASSMENT POLICY

THIS IS TO ACKNOWLEDGE that Brent J. Olson Inc. ("the Contractor") has been informed by the Housing and Redevelopment Authority in and for the City of Bloomington ("the Authority") that the Authority has implemented a sexual harassment policy applicable to the Authority's chairperson, administrator, members of its Board of Commissioners, staff assigned to the Authority by the City of Bloomington, and consultants/contractors retained by the Authority.

The Contractor further acknowledges that he/she has read the Authority's sexual harassment policy and fully understands and accepts the guidelines set forth in the Authority's sexual harassment policy. the Contractor agrees to comply with the provisions of the Authority's sexual harassment policy and acknowledges that violation of the Authority's sexual harassment policy by the Contractor is grounds for the Authority to cancel its agreement with the Contractor.

Dated: HOUSING AND REDEVELOPMENT AUTHORITY
IN AND FOR THE CITY OF BLOOMINGTON

By: _____
Its: Administrator

Dated: CONSULTANT/CONTRACTOR

By: _____
Its: Owner