DOH STATE FUNDED HOUSING DEVELOPMENT
SUPPLEMENTARY CONDITIONS

The work to be performed under the contract (the "Contract") is being assisted by the State of Connecticut through the Department of Housing (DOH). As such, the project is subject to the following State requirements.

COMPLIANCE WITH LOCAL, STATE AND FEDERAL LAWS. In the administration and execution of the Project, the Contractor shall comply with all pertinent provisions of local, State and Federal law applicable to it and/or its properties and/or its business.

EQUAL OPPORTUNITY EMPLOYMENT, NON-DISCRIMINATION AND AFFIRMATIVE ACTION

In accordance with Connecticut General Statutes § 4a-60 and 4a-60a, the following provisions apply to the contract:

A. The Contractor agrees and warrants that in the performance of the contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, gender identity or expression, intellectual disability, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by such contractor that such disability prevents performance of the work involved, in any manner prohibited by the laws of the United States or of the State of Connecticut. The aforesaid provision shall include, but not be limited to, the following: advertising, recruitment, layoff, termination, rates of pay or other forms of compensation, conditions or privileges of employment, selection for apprenticeship, selection or retention of Subcontractors, or in the procurement of materials, equipment or services.

B. The Contractor further agrees to take affirmative action to insure that applicants with job-related qualifications are employed and that employees are treated when employed without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, gender identity or expression, intellectual disability, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by such Contractor that such disability prevents performance of the work involved.

C. The Contractor agrees, in all solicitations or advertisements for employees placed by or on behalf of the contractor, to state that it is an "affirmative action - equal opportunity employer" in accordance with regulations adopted by the Commission on Human Rights and Opportunities (CHRO).

D. The Contractor agrees to provide each labor union or representative of workers with which such contractor has a collective bargaining agreement or other contract or understanding and each vendor with which such contractor has a contract or understanding, a notice to be provided by the CHRO, advising the labor union or workers' representative of the Contractor's commitments under these provisions, and to post copies of the notice in conspicuous places available to employees and applicants for employment, including posting on the project site.

E. The Contractor agrees to comply with each of these provisions, sections 4a-60, 46a-68e and 46a-68f of the Connecticut General Statutes and with each regulation or relevant order issued by the CHRO pursuant to Connecticut General Statutes Sections 46a-56, 46a-68e, 46a-68f and 46a-86.

F. The Contractor agrees to provide the CHRO with such information requested by the Commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Contractor as relate to these provisions and section 4a-60 and 46a-56 of the Connecticut General Statutes. Where information required is in the exclusive possession of another who fails or refuses to furnish this information, the Contractor shall so certify to the Owner, DOH and the CHRO and shall set forth what efforts he has made to obtain the information.

G. The Contractor agrees and warrants that he will make good faith efforts to employ minority business enterprises as Subcontractors and suppliers of materials under this Contract. The contractor shall develop and maintain adequate documentation, in a manner prescribed by the CHRO, of its good faith efforts.

H. The contractor agrees and warrants that in the performance of the contract such contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of sexual orientation, in any manner prohibited by the laws of the United States or of the State of Connecticut, and that employees are treated when employed without regard to their sexual orientation.

I. In all pre-contractual contacts between Contractor and any Subcontractor or Supplier either for work to be performed under a subcontract or for the procurement of materials, equipment or services, each Subcontractor or Supplier shall be notified in writing by the Contractor of the Contractor's obligations under this Contract relative to non-discrimination and each Subcontractor or Supplier, by his contracting agent, shall agree to and be bound by the terms of this Contract.

J. The contractor shall include the provisions of paragraphs A through I in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the State and such provisions shall be binding on a Subcontractor, vendor or manufacturer unless exempted by regulations or orders of the CHRO. The contractor shall take such action with respect to any such subcontract or purchase order as the CHRO may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with section 46a-56 of the Connecticut General Statutes.

COMPLIANCE WITH EXECUTIVE ORDERS

The parties to the Contract, as part of the consideration hereof, agree that the following Executive Orders are incorporated herein by reference and made a part hereof.

(A) Executive Order No. 3. The Contract is subject to the provisions of Executive Order No. Three of Governor Thomas J. Meskill promulgated June 16, 1971 and, as such, the Contract may be cancelled, terminated or suspended by the State Labor Commissioner for violation or of noncompliance with said Executive Order No. Three, or any State or Federal law concerning nondiscrimination, notwithstanding that the Labor Commissioner is not a party to the Contract. The parties to the Contract, as part of the consideration hereof, agree that said Executive Order No. Three is incorporated herein by reference and made a part hereof. The parties agree to abide by said Executive Order and agree that the State Labor Commissioner shall have continuing jurisdiction in respect to Contract performance in regard to nondiscrimination, until the Contract is completed or terminated prior to completion. The Contractor agrees as part consideration hereof, that the Contract is subject to the guidelines and rules issued by the State Labor Commissioner to implement Executive Order No. Three and that it will not discriminate in its employment practices or policies, will file all reports as required, and will fully cooperate with the State and the State Labor Commissioner.

(B) Executive Order No. 17. This Contract is subject to the provisions of Executive Order No. Seventeen of Governor Thomas J. Meskill promulgated February 15, 1973, and, as such, the Contract may be cancelled, terminated or suspended by the Commissioner or the State Labor Commissioner for violation of or noncompliance with said Executive Order No. Seventeen, notwithstanding that the Labor Commissioner may not be a party to the Contract. The parties to the Contract, as part of the consideration hereof, agree that the Executive Order No. Seventeen is incorporated herein by reference and made a part hereof. The parties agree to abide by said Executive Order and agree that the contracting agency and the State Labor Commissioner shall

have joint and several continuing jurisdiction in respect to Contract performance in regard to listing all employment openings with the Connecticut Employment Service.

(C) Executive Order No. 16. This Contract is subject to, and Borrower hereby agrees to abide by Executive Order No. Sixteen of Governor John G. Rowland promulgated August 4, 1999, and, as such, the Contract may be cancelled, terminated or suspended by the State for violation or noncompliance with said Executive Order No. Sixteen.

(D) Executive Order No. 14 and Executive Order No. 49. The Contract may also be subject to Executive Order No. 14 of Governor M. Jodi Rell, promulgated April 17, 2006, concerning procurement of cleaning products and services, and Executive Order No. 49 of Governor Dannel P. Malloy, promulgated May 22, 2015, mandating disclosure of certain gifts to public employees and contributions to certain candidates for office in accordance with their respective terms and conditions. If Executive Orders 14 or 49 are applicable, they are deemed to be incorporated into and are made a part of the Contract as if they had been fully set forth in it. At the Grantee's request, the State shall provide a copy of these orders to the Grantee.

The parties agree to abide by said Executive Orders and agree that the State of Connecticut shall have continuing jurisdiction in respect to Contract performance in regard to prevention of violence in the workplace, until the Contract is completed or terminated prior to completion.

SET-ASIDE REQUIREMENTS

A. Definitions - Wherever used in any of the Contract Documents, the following meanings shall be given to the terms to be found.

1. The term "Small Contractor (SC)" means any Contractor, Subcontractor, manufacturer or service company: (A) which has been doing business under the same ownership and management and has maintained its principal place of business in the state for a period of at least one year prior to the date of application for certification as a Small contractor; (B) which had gross revenues not exceeding fifteen million dollars in the most recently completed fiscal year prior to such application; and (C) at least fifty-one percent (51%) of the ownership of which is held by a person or persons who exercise operational authority over the daily affairs of the business and have the power to direct the management and policies and receive the beneficial interests of the business.

2. The term "Minority Business Enterprise (MBE)" means any Small Contractor (A) fifty-one per cent or more of the capital stock, if any, or assets of which are owned by a person or persons (i) who exercise operational authority over the daily affairs of the enterprise, (ii) who have the power to direct the management and policies and receive the beneficial interest of the enterprise, and (iii) who are members of a minority, as defined below, or (B) who is an individual with a disability.

3. The term "minority", as used in the Contract Documents, means:

   a. Black Americans, including all persons having origins in any of the Black African racial groups not of Hispanic origin;

   b. Hispanic Americans, including all persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, and all persons having origins in the Iberian Peninsula, including Portugal, regardless of race;

c. Women;

d. Asian Pacific American and Pacific Islanders; or

e. American Indians and persons having origins in any of the original peoples or North American and maintaining identifiable tribal affiliations through membership and participation or community identification.

B. The Contractor shall cooperate with the Owner and the Department of Housing (DOH) in implementing the Contract obligations concerning Small Contractors and Minority Business Enterprises' utilization on the project. The Contractor shall also cooperate with the Owner and DOH in reviewing the contractor's activities related to this provision while under Contract.

C. The Contractor shall designate a Liaison Officer who will administer the Contractor's Set-Aside program. The name of the Liaison Officer will be made known to the Owner and DOH.

D. The Contractor shall make a good faith effort to meet the following Set-Aside goals. The Contractor shall award, in the aggregate, at least twenty-five percent (25%) of the total awarded contract value of this Contract to certified Small Contractors. Of this amount, twenty-five percent (25%) shall be awarded to certified Minority Business Enterprises. Small Contractors and Minority Business Enterprises shall be certified by the Connecticut Department of Administrative Services (DAS) as eligible for set-aside contracts. The award of contracts must be on competitive bases.

E. The award to Small Contractors shall be in the form of: (1) Subcontracts with Small Contractors for work to be performed as part of the Contract; (2) Contracts with Small Contractors for the procurement of materials, equipment or services; or (3) any combination of (1) and (2) totaling not less than twenty-five percent (25%) of the total Contract. The award to Minority Business Enterprises shall be in the form of: (1) Subcontracts with Minority Business Enterprises for work to be performed as part of the Contract; (2) Contracts with Minority Business Enterprises for the procurement of materials, equipment of services; or (3) any combination of (1) and (2) totaling not less than twenty-five percent (25%) of the total Contract award to Small Contractors.

F. Compliance with this provision may be fulfilled when the Small Contractors and Minority Business Enterprises perform work on the Contract as an approved Subcontractor or provide materials, equipment, or services related to the Contract as an approved supplier and have received payments amounting to at least the percentages specified herein. A Small Contractor(s) awarded a Contract or a portion of a Contract under this section shall perform not less than fifteen percent (15%) of the work with his own forces. A Subcontractor(s), eligible for award under this section of a Small Contractor, shall perform not less than twenty-five percent (25%) of the work with his own forces. A Small Contractor(s) awarded a Contract or a portion of a Contract under this section shall not subcontract with any business with which said Small Contractor(s) has interlocking ownership, management or employees. The submission of releases, receipts or affidavits, pursuant to the terms of the Contract, shall be taken as prima facie evidence that the Contract requirements of this paragraph have been satisfied. This special provision is in addition to all other equal employment opportunity requirements of this Contract.

G. All records must be retained for a period of three years following completion of the work and shall be available at reasonable times and places for inspection by authorized representatives of the Owner and DOH. The DOH or its' Commissioner may conduct an audit of the records of any Small Contractor(s) or Minority Business Enterprises(s) which applies for or is awarded a set-aside contract for the purpose of determining eligibility for awards or compliance with the set-aside requirements.

H. Compliance and Sanctions:

1. Whenever DOH has reason to believe that a Contractor or Subcontractor awarded a set-aside contract has willfully violated any provision of this section, DOH may send a notice to such Contractor or Subcontractor by certified mail, return receipt requested. Such notice shall include: A) a reference to the provision alleged to be violated; B) a short and plain statement of the matter asserted, C) the maximum civil penalty that may be imposed for such violation; and D) the time and place for the hearing.

2. The DAS Set-Aside Unit shall hold a hearing on the violations asserted unless such Contractor or Subcontractor fails to appear. If after the hearing the awarding agency finds that the Contractor or Subcontractor has willfully violated any provision of the set-aside Contract payments to the Contractor or Subcontractor and may, in its discretion, order that a civil penalty not exceeding ten thousand dollars ($10,000) per violation, be imposed on the Contractor or Subcontractor. If such Contractor or Subcontractor fails to appear for the hearing, the DAS Set-Aside Unit may, as the facts require, order that a civil penalty not exceeding ten thousand dollars ($10,000) per violation be imposed on the contractor or subcontractors. The DAS Set-Aside Unit shall send a copy of any order issued pursuant to this section by certified mail, return receipt requested, to the contractor or subcontractor named in such order. The DAS Set-Aside Unit may cause proceedings to be instituted by the Attorney General for the enforcement of any order imposing a civil penalty issued under this section.

I. Nothing contained herein is intended to relieve any Contractor from compliance with all applicable Federal and State legislation or provision concerning equal employment opportunity, affirmative action, nondiscrimination and related subjects during the term of its Contract on this project.

INSURANCES

A. DOH shall be named as an additional insured for the required insurances. All Insurance policies for which DOH has an insurable interest must include the following endorsement: DEPARTMENT OF HOUSING, "A.T.I.M.A." (as their interest may appear), 505 Hudson Street, Hartford, CT, 06106. All Certificates of Insurance must contain the project name and address. The insurance shall be placed with such Insurance Company having a rating of "B+" or better as per the latest edition of Best's Rating Guide.

B. Certificates of Insurances are required before an exposure to loss can occur. The policy or policies shall be submitted to the Owner and DOH for examination. In the event the form of any policy or certificate, or the amount of the insurance, or the companies writing same, are not satisfactory to the Owner and DOH, the Contractor will secure other policies or certificate, in form and amount, and with companies satisfactory to be canceled or permit them to lapse. All insurance policies shall include a clause to the effect that the policy shall not be subject to cancellation, or to a reduction in the required limits of liability or amounts of insurance, until written notice has been mailed to the Owner and DOH, stating when, not less than thirty (30) days thereafter, such cancellation or reduction shall be effective.

Contractor's Liability Insurance

A. The Contractor shall carry the insurance coverages as indicated in the attached INSURANCE MATRIX - APPENDIX A.

Property Insurance

A. The contractor shall effect and maintain builders risk insurance in the amount of 100% of the replacement cost of the completed finished building against loss by fire, lightning, windstorm, cyclone, tornado, hale, explosion, riot, riot attending a strike, aircraft, smoke, vehicle, damage, vandalism and malicious mischief, upon all work in place, and all materials stored at the building site; whether or not same is covered by partial payments made by the Owner. This insurance shall be in an amount equal to the full insurable value thereof at all times, and shall be for the benefit of the Owner, the Contractor, each subcontractor, and the State of Connecticut as their interest may respectively appear. This insurance shall be placed with such company or companies as may be acceptable to the Owner and DOH. Certificates of Insurance shall be furnished to these same parties (through the Owner) prior to signing the construction contract.

BONDS

PERFORMANCE AND PAYMENT BONDS / COMPLETION ASSURANCE AGREEMENT

A. The Contractor shall furnish Performance and Payment Bonds in the penal sum of one hundred percent (100%) of the total amount of the contract. Said bonds shall be in forms acceptable to the Owner and DOH, and must be from a surety company with a B+ or better rating by Best and licensed to do business in the State of Connecticut.

2. A Completion Assurance Agreement with a Letter of Credit may be accepted in lieu of the Performance and Payment Bonds. The Contractor, Owner, and DOH will sign a Completion Assurance Agreement. Said agreement will clearly explain the duties and responsibilities of all parties to the agreement and set the guidelines for establishing a Completion Assurance Fund. The Completion Assurance Fund will be in a form acceptable to the Owner and DOH, and issued to the Owner and DOH as dual obligees.

The Letter of Credit, in a form satisfactory to the Owner and DOH, shall be in an amount equal to ten percent (10%) of the contract for any contract that is less than two hundred fifty thousand dollars and in an amount equal to twenty-five percent (25%) of the contract for any contract that exceeds two hundred fifty thousand dollars.

The Letter of Credit shall be reduced by one half as of the date the certificate of completion and acceptance is issued and shall be retained by the Owner for one year from the date of issuance of the certificate.

C. Said Performance and Payment Bonds or Completion Assurance Agreement with a Letter of Credit shall be furnished and said Contract shall be executed and delivered by the selected Contractor, within fifteen (15) days after the notice of the contract award has been mailed or delivered to the Contractor by the Owner.

INSERT THE FOLLOWING IF APPLICABLE TO THE PROJECT:

PREVAILING WAGE RATES

A. In accordance with the General Statutes of the State of Connecticut, the wages paid to any mechanic, laborer or workman employed by the Contractor or any of his subcontractors under the Contract shall be a rate equal to the established rate prevailing within the jurisdiction of the Owner, for the same work in the same trade or occupation, in accordance with the schedule included in the Project Manual. These rates are secured from the Director of the Minimum Wage Division at the State Labor Department, 200 Folly Brook Boulevard, Wethersfield, Connecticut. The Contractor agrees to pay his employees these rates during the progress and completion of the Contract.

(Insert wage rates as furnished by the State Labor Department)

CHANGE ORDERS

A. All change orders for DOH funded projects with or without 4% or 9% LIHTC **and** no financing or bonds through CHFA, must be submitted for DOH review and justification determination/approval using the DOH change order process prior to submission to DOH project managers or contingency holder for payment. See Appendix B for guidelines and forms.

B. For DOH projects with CHFA financing or Bonds, copies of all CHFA approved change orders must be submitted to DOH project managers with related payment requisitions.

OFF SITE STORAGE OF MATERIALS

A. DOH will consider payment of offsite stored materials up to 50% of value, purchase price on a case-by-case basis to mitigate costs. See Appendix C for requirements and guidelines.

APPENDIX A

INSURANCE MATRIX

MINIMUM COVERAGE	LIMITS
A) Comprehensive General Liability Form with Broad Form CGL Endorsement and Non-owned & Hired Auto.	A) $1,000,000 Occurrence
B) Commercial Auto Liability, if applicable.	B) $1,000,000
C) Contractor's Protective Liability.	C) $1,000,000
D) Worker's Compensation & Employer's $1,000,000/accident Note: When lead based and/or asbestos abatement work is undertaken, direct & damages arising from these activities covered.	D) Bodily injury by accident Liability Bodily injury by disease $1,000,000/employee indirect Bodily injury by disease must be $1,000,000 policy limit **or** **$100,000/$500,000/$100,000 when not involving hazardous material abatement.**
E) Certificates of insurance for all subcontractors' Compensation & Employer's Liability lead based and/or asbestos work is undertaken, direct & indirect arising from these activities must be covered.	E) Bodily injury by accident Workers $1,000,000/accident Note: When Bodily injury by disease abatement $1,000,000/employee damages Bodily injury by disease $1,000,000 employee **or** **$100,000/$500,000/$100,000 when not involving hazardous material abatement.**
F) X.C.U. Liability Endorsement, when any required.	F) $1,000,000 digging is
G) Builder's Risk Policy, Value Form.	G) 100% Replacement Cost. Completed

APPENDIX B

CHANGE ORDERS

DOH will review the eligibility of each change order and advise the funding recipient as to its appropriateness. All change orders must be within the scope of the work approved by the Bond Commission and or assistance agreement.

The change order must be justifiable as per construction contract terms and agreements, drawings, specifications, and any other documents relative to the contracted scope of work.

Change orders that include a physical alteration such as change of materials, change of building plans, or change of site plans must not have any negative impact on the approved environmental review or any mitigation conditions. Change orders must not compromise the project's requirements for all building codes and standards, federal requirements where applicable, and DOH/CHFA design standards.

Contingency Reserve and construction completion level are also considered for approvals.

All Change Orders must comply with all applicable local, state, and federal codes, DOH/CHFA design standards and maintain quality.

DOH will not authorize payment for unjustifiable change orders but is open to negotiations.

Requests for change orders must be submitted to DOH Project Manager with request for payments.

DOH will only release payment for change orders approved prior to the start of work.

Proceeding with work without DOH notification and approval is at your OWN risk.

The change order, after a review and decision by DOH will be forwarded to the development team.

Each PROPOSED Change Order request must include:

- The DOH Change Order Request Form & Log.
- A detailed brief written description of the proposed work and its cause, with a justification, opinion prepared by the Architect and signed by the Architect, Owner and Contractor.
- Back-up, itemized documentation such as receipts, quotes, bids.
- Digital Documentation (Photos) with descriptions
- An updated schedule if work will affect project completion date, critical path.
- A list of all trades impacted due to the change.

Justifiable change orders (other conditions may apply)

- Unforeseen conditions at the job site, such as obstructions that could not be planned for.
- Alternatives Adds and Deletes indicated in the executed Construction Contract.
- Economically Betterment that reduce long term maintenance. after 90% of work is complete.
- Approved Value Engineering
- Changes in the applicable state or local codes, ordinances, etc. after financial closing.
- Emergency due to threat to life or, property that will stop construction.

APPENDIX B (continued)

Unjustifiable Change Orders, (other conditions may apply) least likely to be approved

- Ambiguity in the drawings
- Errors or omissions in the scope, drawings
- Inaccurate specifications in the original designs or contract
- Workers or materials that do not arrive or come late to the site
- Faulty budgets and schedules
- Contractor or sub-contractor errors or damages to completed construction
- Cost Increases (negotiable)
- Changes that are not in the original scope of work
- Changes that are not in the approved Bond Commission scope of work.
- Loss of deposits, additional fees, or non-delivery of materials.

Markups
Change orders for material cost increases alone should not include additional mark-ups for General Conditions, Overhead & Profit.
Overhead and profit shall not exceed the limits utilized for the base contract.

Change Order Credit
A credit change order occurs when a change in the scope of work requires the contractor to issue a credit against the contract (Hard Cost). Use of these funds may be at the owner's discretion per DOH review and approval.

APPENDIX C

OFFSITE STORAGE OF MATERIALS

DOH ATS will consider approval of payment of offsite stored materials up to 50% of value, purchase price on a case-by-case basis to mitigate costs with the following requirements:

- Construction Contract to include requirements at A101 Article 5.1.6.1 or A102 Article 7.5.5 with an Exhibit to the Contract showing all approved materials, amounts, off site stored locations.
  Please note for federally funded (HUD) projects, there is a 10% required holdback for payment of stored materials.
- Insurance, including, but not limited to, casualty and theft for the stored materials. DOH shall be named as insured to the extent of payment for stored materials. Insurance must cover material in transit until successful installation on the site.
- Bonding Company must provide consent to the off-site storage; storage facility must be a bonded warehouse.
- UCC-1s for stored materials creating a security interest for DOH (to the dollar amount)
- The storage facility and all stored materials must be available for **Inspection by the DOH Construction** Specialist.
- **Contractors Schedule/Summary of Store Materials** –must be completed and attached to each monthly requisition. All new inventories must be accompanied by copies of invoices or paid receipts. Federal funded projects may use HUD Forms 51003/4 Summary and Schedule of Stored Materials.
- **Maximums** for amount of stored material, maximum storage per project, and maximum time in storage is set at DOH discretion.

Identify Materials for Pre-Purchase/Storage and attach a proposed list of off-site Stored Materials and Estimated Values for each. Include any invoices, quotes, estimates or other supporting documentation for costs.

Provide Address of storage facility, cost, and anticipated length of use. DOH prefers that all off-site stored materials are in the same facility unless the type of material requires separate storage accommodations.

Provide a schedule to include purchase date, delivery date to warehouse and anticipated delivery date to site.

Provide name of transport to warehouse. Will transporter unload or contractor if not contractor transport?

Provide name of transport from off-site storage to site.

Provide Bonding Company consent for off-site storage.