

PARTICIPATION CONTRACT

BETWEEN
CHICAGO HOUSING AUTHORITY
AND
THE LEAN FIRM, INC.

This Participation Contract ("**Contract**") is made and entered into effective as of November 17, 2022 (the "**Effective Date**") by and between Chicago Housing Authority (hereinafter referred to as the "**Agency**" or "**CHA**"), and **The Lean Firm, Inc.**, an Illinois corporation with headquarters at 2025 West Belmont Avenue, Suite #1, Chicago, Illinois 60618 (hereinafter referred to as "**LeanFirm**" or "**Vendor**").

WITNESSETH:

WHEREAS, on or about May 24, 2022, INLIVIAN, a duly organized public housing authority organized under the laws of the State of North Carolina, and formerly known as the Charlotte Housing Authority (hereinafter referred to as "INLIVIAN"), pursuant to an open and competitive solicitation (RFP INLIVIAN-2022-D001 – Request for Proposals for Six Sigma Analysis and Related Implementation Services) awarded to and executed with LeanFirm that certain Contract No. 2028 (hereinafter referred to as the "**Master Agreement**", and incorporated herein by reference as Attachment A), for the provision of professional consulting services in accordance with terms and conditions set forth in the Master Agreement;

WHEREAS, the CHA, in reliance upon the local government agency participation rights available under Illinois laws and otherwise available or in effect under the Master Agreement, sought authorization and approval from INLIVIAN to participate in the Master Agreement, which was approved by the INLIVIAN in its communication(s) to CHA on or around November 10, 2022 and which is incorporated herein by reference as Attachment B; and

WHEREAS, the CHA and the Vendor desire to enter into this Contract to facilitate the Vendor's provision of professional consulting services, namely the assessment of lean management and/or Six Sigma quality and practices in the Agency's operations, as well as other integrally-related services by Vendor to the Agency upon the same generally prevailing terms and conditions as established in the Master Agreement, except as specifically modified by the terms herein, including the parties' mutual determination to pursue the proposed Services (defined below) as set forth in the Vendor's proposal to CHA dated October 25, 2022 (the "Proposal"), which is incorporated herein by reference as Exhibit 1;

NOW, THEREFORE, in consideration of the mutual covenants, benefits and promises herein stated and in conjunction with the cooperative agreement referenced, the parties hereto agree to the following terms and conditions:

- 1. INCORPORATION OF MASTER AGREEMENT & OTHER TERMS AND UNDERSTANDINGS.** The purpose of this Contract is to allow the Agency to obtain lean management and/or Six Sigma assessment and related services (collectively the "Services") under the same prevailing terms and conditions as the Master Agreement. To that end, all rights and duties generally applicable to or reserved to INLIVIAN under the Master Agreement shall likewise be vested in the Agency for purposes of this Contract, and all rights and duties generally applicable to or reserved to the Vendor under the Master Agreement shall likewise be vested in the Vendor for purposes of this Participation Contract. Furthermore, the Master Agreement is hereby incorporated by reference as if set forth herein in its entirety. Additionally, this Contract sets forth all understandings between the parties, and any prior contracts, understandings and representations, whether oral or written, relating to such transaction are merged into and superseded by this Contract.

This Contract shall have no effect (adverse or otherwise) upon the validity, duration or operation of the Master Agreement as between INLIVIAN and the Lean Firm, Inc. Furthermore, to fully effectuate the independent performance, operation and administration of this Contract as a wholly separate agreement from the Master Agreement, this Agreement shall be construed by the Agency and the Vendor, and by any court, tribunal or other entity charged with enforcement or interpretation of this Contract harmoniously with the Master Agreement to the fullest extent practicable and with the stated

intention of Agency and the Vendor that the each shall be construed to be consistent and harmonious with the other, and no specific conflict shall be implied or construed.

Additionally, any material clause or provision set forth in the Master Agreement which has an analogous or equivalent term or provision under law or regulation of the State of Illinois, Cook County, or the City of Chicago that would apply to the parties to this Contract, such equivalent law(s), regulation(s) or provision(s) shall be given full reasonable effect, without intending any material conflict or contradiction with the equivalent or comparable term, condition, law or regulation referenced in the Master Agreement.

2. TERM AND COMPENSATION.

The Term of this Contract is for the (1) year period commencing from the Effective Date set forth above through October 31, 2023, or until the Services to be provided under this Contract are fully completed and accepted, whichever occurs first.

In consideration of the Vendor's performance and provision of the Services and other related activities herein, the CHA shall pay the Vendor compensation in the total not-to-exceed amount of Sixty Thousand and 00/100 Dollars (\$60,000.00) for Services to be rendered through the identified milestones of Tasks 1-5 (the "Base Compensation"), and shall allocate additional contingency funding in the not-to-exceed amount of Forty Thousand and 00/100 Dollars (\$40,000.00) (the "Contingency Funding"), resulting in total not-to-exceed compensation for Services in the amount of One Hundred Thousand and 00/100 Dollars (\$100,000.00) (hereinafter the "Total Compensation"). Pricing for Services performed by the Vendor shall be no greater than the rate(s) and price(s) set forth in the Master Agreement, and otherwise subject to the unit/hourly service rate(s) set forth in the Vendor's Proposal to CHA. Notwithstanding the provision of contingency funds set forth above, no compensation in excess of the Base Compensation shall be due or payable without the parties' joint execution of a written amendment to this Contract identifying any applicable scope changes, modifications or additions beyond those terms and assumptions set forth in the Proposal.

The Vendor agrees not to perform, and waives any and all claims for payment of work, materials, expenses, resources or other claims which would result in billings beyond this amount. It is mutually understood and agreed by the parties that the above agreed upon Total Compensation amount is the only compensation provided for in this Agreement and there will be no additional, costs, fees or other type of profit allowable or paid under this Agreement without an express written amendment to the Agreement authorizing said additional compensation, supplies or services. The Vendor acknowledges an affirmative duty to monitor its performance and billings to ensure that the scope of work is completed within the Total Compensation amount.

3. SCOPE OF WORK.

The Scope of Work for this Contract shall be comprised of and defined by those Services and Deliverables specifically identified in the Scope of Work attached and incorporated into this Contract as Exhibit 2, including the Five (5) Task Areas comprising the respective Tasks 1-5:

- **Lean/Six Sigma Study;**
- **Baseline Analysis and Dashboard Development;**
- **Business Process Reengineering Assessment Report;**
- **Kaizen Facilitation; and**
- **Kaizen Implementation**

4. NOTICES.

All notices, requests, demands and other communications under this Contract shall be given in writing. Such notices shall be deemed to have been given when delivered in person or three (3) business days after being sent via certified mail and addressed to the appropriate party at its mailing address set forth below:

To Agency:	Chicago Housing Authority 60 E. Van Buren Street, 12th Floor Chicago, IL 60605 Attn: Chief Executive Officer
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with a copy to: Chicago Housing Authority
60 E. Van Buren Street, 12th Floor
Chicago, IL 60605
Attn: Chief Legal Officer

To Vendor: The Lean Firm, Inc.
2025 West Belmont Avenue, Suite 1
Chicago, Illinois 60618

with a copy to: _____

5. INSURANCE.

Vendor and the CHA agree that Vendor’s insurance obligations under the Master Agreement shall apply to this Agreement, and that the CHA shall be named as an “additional insured” to that same extent that the INLIVIAN is so designated in the Master Agreement.

6. GOVERNING LAW, JURISDICTION AND VENUE.

Article 17 of the Master Agreement shall be modified in full with the following clause(s), which replace and supplant the original terms and conditions of Article 17 of the Master Agreement for the specific purposes of this Participation Agreement:

“This Agreement shall be governed by the laws of the State of Illinois. The Agreement shall be deemed to have been entered into and performed in Chicago, Illinois, and the parties submit to the jurisdiction of the courts located in Cook County, Illinois and waive any objection(s) to venue in any such courts.”

7. MBE/WBE/DBE PARTICIPATION/COMPLIANCE.

Vendor and the CHA agree that Vendor’s MBE/WBE/DBE obligations under the Master Agreement shall apply to this Agreement, and that the Vendor’s MBE/WBE/DBE Utilization Plan, which is attached hereto as Exhibit 3 and incorporated by reference herein, shall apply for the administration of MBE/WBE/DBE compliance under this Agreement. This Section 7 shall not be applied, interpreted or construed to be in excess of or in conflict with Vendor’s participation and compliance obligations under the Master Agreement.

8. BUSINESS DOCUMENTS AND CERTIFICATIONS.

Vendor has provided to the Agency various documentation, certifications and representations, including 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. Vendor’s Affidavit and Vendor’s Certifications and Representations of Offerors – Non-Construction Contracts (HUD Form 5369-C C), as well as its Contractor’s Affidavit, are collectively attached hereto as Exhibit 4 and incorporated by reference as if fully set forth herein.

SIGNATURE BLOCK CONTINUES OF FOLLOW PAGE

IN WITNESS WHEREOF, Agency and Vendor execute this contract as provided below:

THE LEAN FIRM, INC.

By: Mutt

Title: PRESIDENT

Date: 2/24/23

CHICAGO HOUSING AUTHORITY

By: Sheila Johnson
DocuSigned by:
02DBAECFF536465...

Title: Deputy Chief Procurement Officer

Date: 3/3/2023

Approved as to Form and Legality
Chicago Housing Authority
Office of General Counsel

Ellen Harris
DocuSigned by:
D8B7A4A11EDF4CB...
Ellen Harris

By: _____

Title: GC