

North Carolina **Department of Commerce** Division of Community Assistance

Michael F. Easley, Governor James T. Fain III, Secretary

Gloria Nance-Sims, Director

BULLETIN:

08-1

SUBJECT:

Legal Remedies Provision

DATE:

August 1, 2008

ATTENTION: All CDBG Recipients

The purpose of this bulletin is to address the Legal Remedies Provisions in construction contracts \$100,000.00 and over. As stated in 24 CFR Part 85.36, contracts other than small purchases shall contain provisions or conditions which will allow for administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as may be appropriate. Legal remedies as outlined, must be included in contracts.

The Legal Remedies Provision, under construction contracts of \$100,000.00 or more, was inadvertently omitted on the chart for Types of Contracts and Contract Provisions located in the Division of Community Assistance (DCA's) technical assistance manual. The Legal Remedies Provision is required. Attached is a corrected Type of Contracts and Contract Provision Chart for your use as a tool. Please note however that 24 CFR Part 85.36 should be followed.

If you have questions, please contact your grant representative.

Attachment

Issued By:

Director

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An Equal Opportunity/Affirmative Action Employer

Type of Contracts and Contract Provisions Chart

Type of Contracts

Styles S		Service	Service Contacts		Constru	Construction Contracts		Demolit	ion & Cl	Demolition & Clearance	Re	Rebabilitation	
Sy-999 S10,000 Liess S100,000 Less S1,000 Less L	Contract Provisions	(ex: Leg appraiser and	al, audit, , engineer etc.)										
		\$9,999 &	\$10,000 & Over	Less than \$2,000	\$2,000 & Over	\$16,000 &Over	\$100,000 & Over	Less Than \$2,000	52,000 & up	\$10,000 & Over	\$9,999 & Pelow	\$10,000 & Over	8 Units & Over
	Conflict of Interest Provisions	×	×	×	×	×	×	×	×	×	×	X	×
	Legal Remedies Provisions	×	X	×	×	×	×	X	×	×	×	×	X
X X X X X X X X X X X X X X X X X X X	Termination Provisions		×			X	×			×		×	×
X X	Nondiscrimination Clause	×	×	×	×	×	×	×	×	×	×	×	×
X X	Age Discrimination Clause	×	×	×	. x	×	×	×	×	×	×	×	×
X X	andicep Discrimination Clause	×	×	×	×	×	X	×	×	×	×	×	×
X X	0.11246					×	×	7	10	×		×	×
X X	ction 3 Clause	×	×	×	×	×	×	×	×	X	×	х	×
X X	peland Act Provisions			×	X	×	X	×	×	×	×	×	×
X X X X X X X X X X X X X X X X X X X	vis-Bacon Act Provisions				X	×	x		×	×		×	
X X X X X X X X X X X X X X X X X X X	intract Work Hours d Safety Standard Act				×	×	X		×	×			X
X X	cess to Records & Record	×	×	×	×	×	×	×	×	×			
X X X X X X X X X X X X X X X X X X X	ean Water, Clean Air, E.O. 11738,						×						
X X X X X X X X X X X X X X X X X X X	ad Base Paint Clause										×	X	×
	bbying	×	×	X	×	×	×	×	×	X	X	×	×