

VILLAGE OF VERNON HILLS

ORDINANCE 2017 – 023

AN ORDINANCE AWARDED A TWO YEAR CONTRACT TO GAS DEPOT OIL COMPANY FOR THE PURCHASE OF GASOLINE AND DIESEL FUEL FROM 2017 TO 2019, AND AUTHORIZING PAYMENT FOR SAID SERVICES FOR AN AMOUNT NOT TO EXCEED \$201,750.00 WITHIN FISCAL YEAR 2017-18

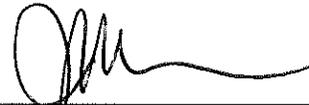
THE 21ST DAY OF MARCH 2017

Published in pamphlet form by the Authority of the President and Board of Trustees of the Village of Vernon Hills, Lake County, Illinois, this 29th Day of March 2017

AFFIDAVIT OF SERVICE

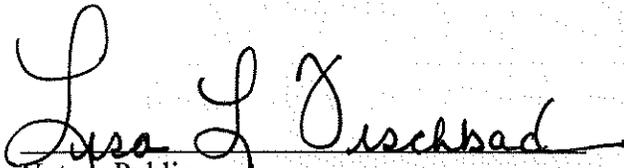
STATE OF ILLINOIS)
)
COUNTY OF LAKE)

I, JOHN M. KALMAR, BEING FIRST DULY APPOINTED, DEPOSES AND SAYS ON OATH THAT AS VILLAGE CLERK OF THE VILLAGE OF VERNON HILLS, HE DID CAUSE THE FOREGOING CERTIFICATE FOR ORDINANCE 2017- 023 AN ORDINANCE AWARDING A TWO YEAR CONTRACT TO GAS DEPOT OIL COMPANY FOR THE PURCHASE OF GASOLINE AND DIESEL FUEL FROM 2017 TO 2019, AND AUTHORIZING PAYMENT FOR SAID SERVICES FOR AN AMOUNT NOT TO EXCEED \$201,750.00 WITHIN FISCAL YEAR 2017-18 TO BE POSTED IN THE VILLAGE HALL AS REQUIRED BY LAW FROM MARCH 29, 2017 TO APRIL 9, 2017.

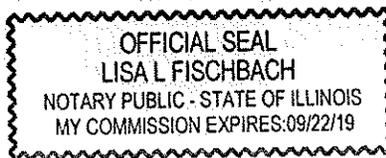


John M. Kalmar, Village Clerk

SUBSCRIBED AND SWORN TO BEFORE
THIS 29th DAY OF MARCH 2017



Notary Public



ORDINANCE NO. 2017-023

AN ORDINANCE AWARDING A TWO YEAR CONTRACT TO GAS DEPOT OIL COMPANY FOR THE PURCHASE OF GASOLINE AND DIESEL FUEL FROM 2017 TO 2019, AND AUTHORIZING PAYMENT FOR SAID SERVICES FOR AN AMOUNT NOT TO EXCEED \$201,750.00 WITHIN FISCAL YEAR 2017-

18

WHEREAS, the Village of Vernon Hills, County of Lake, State of Illinois (*"the Village"*) is a duly organized and existing municipality and unit of local government created under the provisions of the laws of the State of Illinois, and is operating under the provisions of the Illinois Municipal Code; and

WHEREAS, the Village purchases fuel for use in its fleet from a fuel supplier; and

WHEREAS, Community School District #128, Cook Memorial Library, Countryside Fire Protection District, and the MEG Unit utilize the Village's supply of fuel; and each user reimburses the Village an \$.08 surcharge per gallon of usage each month; and

WHEREAS, the Village received a total of three (3) sealed bids on March 7, 2017 for the purchase and delivery of gasoline and diesel fuel; at which time they were publicly opened; and

WHEREAS, Gas Depot Oil Company provided the lowest bid for gasoline at the OPIS daily average price minus \$0.0350 per gallon plus applicable fees and taxes; and the OPIS daily average price plus \$0.000 per gallon plus applicable fees and taxes for diesel fuel; and

WHEREAS, an ordinance is required for the award of bids and/or contracts; and

WHEREAS, expenditures over \$20,000 require Board of Trustees approval.

NOW THEREFORE BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF VERNON HILLS, LAKE COUNTY, ILLINOIS, AS FOLLOWS:

SECTION 1: EXECUTION OF AGREEMENT: The Village Manager is hereby authorized to execute all required documents to purchase gasoline and diesel fuel from Gas Depot Oil Company for a two year period from May 1, 2017 to April 30, 2019.

SECTION 2: AUTHORIZATION & RELEASE OF PAYMENT: The Finance Director is hereby authorized to make payments to Gas Depot Oil Company in an amount not to exceed \$201,750 per the cost comparison chart in Exhibit A; and based on the Village's previous year's usage and expenditures within the 2017-18 Fiscal Year; and

The Finance Director is authorized to increase the purchase order to Gas Depot Oil Company, as needed, with monies reimbursed by outside users.

SECTION 3: EFFECTIVE DATE: This Ordinance shall be in full force and effect from its passage and approval.

SECTION 4: ORDINANCE NUMBER: This Ordinance shall be known as Ordinance Number 2017-023.

Adopted by roll call votes as follows:

AYES: 6 – Grieb, Williams, Hebda, Koch, Schultz, Marquardt

NAYS: 0 - None

ABSENT AND NOT VOTING: 0 - None




Roger L. Byrne
Village President

PASSED: 3/21/2017
APPROVED: 3/21/2017
ATTEST: 3/22.2017



John M. Kalmar
Village Clerk

ORDINANCE 2017-023

EXHIBIT A:

COST COMPARISON CHART (SEE ATTACHED)

CONTRACT TO
**FURNISH AND DELIVER FUEL
2017-2019**
BETWEEN
GAS DEPOT OIL COMPANY
AND
THE VILLAGE OF VERNON HILLS

PART 1 - GENERAL REQUIREMENTS

1.1 ADMINISTRATION AND ADDITIONAL WORK

This contract will be under the direct administration of the DIRECTOR OF PUBLIC WORKS (hereinafter "DIRECTOR") or their authorized representative. Any alterations or modifications of the work performed under this contract shall be made only by written agreement between the CONTRACTOR and the DIRECTOR and shall be made prior to commencement of the altered or modified work. No claims for any extra work or materials shall be allowed unless authorized by written agreement.

1.2 WORK CREW SUPERVISION

The CONTRACTOR shall provide qualified supervision of their crew at all times while working under this contract. Each supervisor must be able to converse in the English language, and shall be authorized by the CONTRACTOR to accept and act upon all directives issued by the DIRECTOR or their authorized representatives. Furthermore, all work shall be conducted under the direct supervision of this qualified supervisor. Failure for the Supervisor to act on said directives shall be sufficient cause to give notice that the CONTRACTOR is in default of the contract unless such directives would create potential personal injury, property damage or safety hazards.

1.3 PROTECTION OF PUBLIC AND PRIVATE PROPERTY

The CONTRACTOR shall exercise all necessary caution to protect pedestrian and vehicular traffic and to protect all public and private property from injury or damage caused by the operations of the CONTRACTOR. This will include the erection and use of warning signs and barricades and/or safety cones when appropriate. Any practice obviously hazardous in the opinion of the DIRECTOR, SUPERINTENDENT OF PUBLIC WORKS (hereinafter "SUPERINTENDENT") or their authorized representative shall be immediately discontinued by the CONTRACTOR upon receipt of either written or oral notice to discontinue such practice. The CONTRACTOR shall comply with all OSHA, IDOL and other Federal and State safety standards.

Should the CONTRACTOR or his representatives damage property of the VILLAGE or that of other persons, the repair or replacement shall be the sole responsibility of the CONTRACTOR. Any such repair work shall be completed under the direction of the VILLAGE.

CONTRACTOR shall be solely and completely responsible for providing and maintaining safe conditions at the work site, including the safety of all persons and property during the performance of the work. This requirement shall apply continuously and shall not be limited to normal working hours. CONTRACTOR shall take all safety precautions as shall be necessary to comply with all applicable laws and to prevent injury to persons and damage to property.

CONTRACTOR shall have no claim against the VILLAGE because of any damage or loss to the Work or to CONTRACTOR'S equipment, materials, or supplies from any cause whatsoever, including damage or loss due to simultaneous work by other. Notwithstanding any other provision of this Contract, CONTRACTOR'S obligations under this Section shall exist without regard to, and shall not be construed to be waived by, the availability or unavailability of any insurance, either of the VILLAGE or CONTRACTOR, to indemnify, hold harmless, or reimburse CONTRACTOR for the cost of any repair or replacement work required by this Section.

1.4 LICENSES AND PERMITS

The CONTRACTOR will not be included under the general maintenance permits issued to the VILLAGE. The CONTRACTOR shall give any and all necessary formal notices required in conjunction with the lawful prosecution of the work of this contract.

1.5 SUBCONTRACTS

A. Approval and Use of Subcontractors and Suppliers.

The CONTRACTOR will not be allowed to subcontract work under this contract unless written approval is granted by the DIRECTOR. The SUBCONTRACTOR, as approved shall be bound by the conditions of the contract between the VILLAGE and the CONTRACTOR. If approved, the authorization for the use of a SUBCONTRACTOR will be to perform all work in accordance with all terms of the contract and specifications. All required notices, work orders, directives, and requests will be directed to the CONTRACTOR. All directions given to the SUBCONTRACTOR in the field shall bind the CONTRACTOR as if the notice had been given directly to the CONTRACTOR.

The VILLAGE'S approval of any subcontractor, supplier, and subcontract shall not relieve CONTRACTOR of full responsibility and liability for the provision, performance, and completion of the Work in full compliance with, and as required by or pursuant to, this Contract. All Work performed under any subcontract shall be subject to all of the provisions of this Contract in the same manner as if performed by employees of CONTRACTOR. Every reference in this Contract to "CONTRACTOR" shall be deemed also to refer to all subcontractors and suppliers of CONTRACTOR.

B. Removal of Subcontractors and Suppliers.

If any subcontractor or supplier fails to perform the part of the Work undertaken by it in a manner satisfactory to the VILLAGE, Contractor shall immediately upon notice from the VILLAGE terminate such subcontractor or supplier. Contractor shall have no claim for damages, for compensation in excess of the Contract Price, or for a delay or extension of the Contract Time as a result of any such termination.

1.6 SEVERABILITY

The provisions of this Contract shall be interpreted when possible to sustain their legality and enforceability as a whole. In the event any provision of this Contract shall be held invalid, illegal, or unenforceable by a court of competent jurisdiction, in whole or in part, neither the validity of the remaining part of such provision, nor the validity of any other provision of this Contract shall be in any way affected thereby.

1.7 LEGAL RESPONSIBILITY

NOTICE TO PROCEED

The CONTRACTOR and SUBCONTRACTORS shall not commence work under this contract until a notice to proceed has been provided by the VILLAGE.

ACCIDENT NOTIFICATION

In the event of accidents of any kind, which involve the general public and/or private or public property, the CONTRACTOR shall immediately notify the DIRECTOR or his authorized representative and shall provide a full accounting of all details of the accident. The CONTRACTOR shall furnish the VILLAGE with copies of all reports of such accidents at the same time the reports are forwarded to any other interested parties.

REPAIRS AND RESTORATION

Any damage shall be repaired at the CONTRACTOR'S expense within ten (10) days of the occurrence (unless demonstrable reason a delay can be shown with the consent of the DIRECTOR.) Should the damage not be rectified within the agreed time or to the complete satisfaction of the DIRECTOR, the VILLAGE reserves the right to further repair or replace that which was damaged, or assess the CONTRACTOR such costs as may be reasonable and related to damage caused by the CONTRACTOR, and deduct these costs from any payment due the CONTRACTOR or failure may be cause for termination of the contract.

1.8 EXECUTION OF CONTRACT

CONTRACTOR shall execute the contract.

1.9 EQUIPMENT STORAGE

No provisions for overnight equipment storing will be provided by the VILLAGE except as may be designated by the DIRECTOR.

1.10 PERFORMANCE OF THE WORK

CONTRACTOR shall, at its sole cost and expense, provide, perform, and complete all of the following, all of which is herein referred to as the "Work":

- A. Labor, Equipment, Materials and Supplies. Provide, perform and complete in the manner described and specified in this Contract, all necessary work, labor, services, transportation equipment, materials, apparatus, machinery, tools, fuels, gas, electric, water, waste disposal, information, data, and all other means and items necessary to accomplish the project in accordance with the specific project specifications attached hereto.
- B. Bonds and Insurance. Procure and furnish all Bonds and all certificates and policies of insurance specified in this Contract.
- C. Taxes. Pay all applicable federal, state, and local taxes.
- D. Quality. Provide, perform and complete all of the foregoing in a proper and workmanlike manner, consistent with the highest standards of professional practices and in full compliance with, and as required by or pursuant to, this Contract, and with the greatest economy, efficiency, and expedition consistent therewith.

1.11 COMMENCEMENT AND COMPLETION DATES

CONTRACTOR shall commence the Work as noted in the attached Proposal and shall diligently and continuously prosecute the Work at such a rate as will allow the Work to be fully provided, performed,

and completed in full compliance with this Contract not later than the "Completion Date" set forth. The time of commencement, rate of progress, and time of completion are referred to in this Contract as the "Contract Time" or "Term of Contract".

1.12 REQUIRED SUBMITTALS

CONTRACTOR shall submit to the VILLAGE all documents, data, and information specifically required to be submitted by CONTRACTOR under this Contract and shall, in addition, submit to the VILLAGE a complete description of all equipment, materials and supplies to be provided under this Contract ("Required Submittals").

1.13 REVIEW AND INTERPRETATION OF CONTRACT PROVISIONS

CONTRACTOR represents and warrants that it has carefully reviewed this Contract, including all of its Attachments, all of which are by this reference incorporated into and made a part of this Contract.

CONTRACTOR shall, at no increase in the Contract Price, provide workmanship, equipment, materials, and supplies that fully conform to this Contract. Whenever any equipment, materials or supplies are specified or described in this Contract by using the name or other identifying feature of a proprietary product or the name of other identifying feature of a particular manufacturer or vendor, the specific item mentioned shall be understood as establishing the type, function and quality desired.

CONTRACTOR shall promptly notify the VILLAGE of any discrepancy, error, omission, ambiguity, or conflict among any of the provisions of this Contract before proceeding with any Work affected thereby. If CONTRACTOR fails to give such notice to the VILLAGE, then the subsequent decision of the VILLAGE as to which provision of this Contract shall govern shall be final, and any corrective work required shall not entitle CONTRACTOR to any damages, to any compensation in excess of the Contract Price, or to any delay or extension of the Contract Time.

1.14 CONDITIONS AT THE WORK SITE

CONTRACTOR represents and warrants that it has had sufficient opportunity to conduct a thorough investigation of the Work Site and the surrounding area and has completed such investigation to its satisfaction.

CONTRACTOR shall have no claim for damages, for compensation in excess of the Contract Price, or for a delay or extension of the Contract Time based upon conditions found at, or in the vicinity of, the Work Site. When information pertaining to subsurface, underground or other concealed conditions, soils analysis, utility locations or conditions, and other investigations is or has been provided by the VILLAGE, or is or has been otherwise made available to CONTRACTOR by the VILLAGE, such information is or has been provided or made available solely for the convenience of CONTRACTOR and is not part of this Contract.

The VILLAGE assumes no responsibility whatever in respect to the sufficiency or accuracy of such information, and there is no guaranty or warranty, either expressed or implied, that the conditions indicated are representative of those existing throughout the Work or the Work Site.

1.15 TECHNICAL ABILITY TO PERFORM

CONTRACTOR represents and warrants that it is sufficiently experienced and competent, and has the necessary capital, facilities, organization, and staff, to provide, perform and complete the Work in full compliance with, and as required by or pursuant to, this Contract.

1.16 FINANCIAL ABILITY TO PERFORM

CONTRACTOR represents and warrants that it is financially solvent, and CONTRACTOR has the financial resources necessary to provide, perform and complete the Work in full compliance with, and as required by or pursuant to, this Contract.

1.17 TIME

CONTRACTOR represents and warrants that it is ready, willing, able and prepared to begin the work on the Commencement Date and that the Contract Time is sufficient time to permit completion of the Work in full compliance with, and as required by or pursuant to, this Contract for the Contract Price, all with due regard to all natural and man-made conditions that may affect the Work or the Work Site and all difficulties, hindrances, and delays that may be incident to the Work.

1.18 VILLAGE'S RIGHT TO TERMINATE OR SUSPEND WORK FOR CONVENIENCE

A. Termination of Suspension for Convenience. The VILLAGE shall have the right, for its convenience, to terminate or suspend the Work in whole or in part at any time by written notice to Contractor. Every such notice shall state the extent and effective date of such termination or suspension. On such effective date, Contractor shall, as and to the extent directed, stop Work under this Contract, cease all placement of further orders or subcontracts, terminate or suspend Work under existing orders and subcontracts, and cancel any outstanding orders or subcontracts that may be canceled.

B. Payment for Completed Work. In the event of any termination pursuant to Subsection 18A above, the VILLAGE shall pay CONTRACTOR (1) such direct costs, excluding overhead, as CONTRACTOR shall have paid or incurred for all Work done in compliance with, and as required by or pursuant to, this Contract up to the effective date of termination together with ten percent of such costs for overhead and profit; and (2) such other costs pertaining to the Work, exclusive of overhead and profit, as CONTRACTOR may have reasonably and necessarily incurred as the result of such termination. Any such payment shall be offset by any prior payment or payments and shall be subject to the VILLAGE'S rights to withhold and deduct as provided in this Contract. Furthermore any payment by the VILLAGE made pursuant to this section, including the amount of any offsets due to a prior payment or payments, shall not exceed the contract price set forth in the Bid Proposal unless such a payment is permitted by and granted under the terms and conditions set forth in Part 2.

1.19 INDEMNIFICATION

CONTRACTOR shall indemnify, save harmless, and defend the VILLAGE against any and all lawsuits, claims, demands, damages, liabilities, losses, and expenses, including attorney's fees and administrative expenses, that may arise or be alleged to have arisen, out of or in connection with CONTRACTOR'S performance of, or failure to perform, the Work or any part thereof, whether or not due or claimed to be due in whole or in part to the active, passive, or concurrent negligence or fault of CONTRACTOR, except to the extent caused by the sole negligence of the VILLAGE.

PART 2 – PAYMENT

2.1 CONTRACT PRICE

The VILLAGE shall pay to CONTRACTOR, in accordance with and subject to the terms and conditions set forth in the Bid Proposal and CONTRACTOR shall accept in full satisfaction for providing, performing, and completing the Work, the amount or amounts set forth in the Bid Proposal (the "Contract Price"), subject to any additions, deductions, or withholdings provided for in the Contract.

2.2 TAXES AND BENEFITS

The VILLAGE is exempt from and shall not be responsible to pay, or reimburse CONTRACTOR for, any state or local sales, use, or excise taxes.

2.3 PROGRESS PAYMENTS

A. Payment in Installments. The Contract Price may be paid in installments in the manner set forth in this section ("Progress Payments").

B. Pay Requests. CONTRACTOR shall, as a condition precedent to its opportunity to receive a Progress Payment, submit to the VILLAGE a pay request in the form provided by the VILLAGE ("Pay Request"). The first Pay Request shall be submitted not sooner than 30 days following commencement of the Work. Each Pay Request shall include a CONTRACTOR'S certification of the value of, and partial or final waivers of lien covering, all Work for which payment is then requested.

C. Work Entire. This Contract and the Work are entire and the Work as a whole is of the essence of this Contract. Notwithstanding any other provision of this Contract, each and every part of this Contract and of the Work are interdependent and common to one another and to the VILLAGE'S obligation to pay all or any part of the Contract Price or any other consideration for the Work.

B. Payments. Pursuant to this section, CONTRACTOR may request partial payment of the contract price at the completion of each month of work starting after the end of the first month. The amount paid will be based on the amount of maintenance work performed that month. The contractor will be paid a fixed amount for each of the tasks performed in accordance with the bid specifications/proposal unit prices bid for those sections.

2.4 LIENS

A. Title. Nothing in this Contract shall be construed as vesting in CONTRACTOR any right of property in any materials, supplies, and other items provided under this Contract after they have been incorporated into the Work or the Work Site. All such materials, supplies, and other items shall, upon being so incorporated, become the property of the VILLAGE, but such title shall not release CONTRACTOR from its duty to insure and protect the Work in accordance with the requirements of this Contract.

B. Waivers of Lien. CONTRACTOR shall, from time to time at the VILLAGE'S request and in any event prior to Final Payment, furnish to the VILLAGE such receipts, releases, affidavits, certificates, and other evidence as may be necessary to establish to the reasonable satisfaction of the VILLAGE, that no lien against the Work or the public funds held by the VILLAGE exists in favor of any person whatsoever for or by reason of any equipment, material, supplies, or other item furnished, labor performed, or other thing done in connection with the Work or this Contract ("Lien") and that no right to file any Lien exists in favor of any person whatsoever.

C. Removal of Liens. If at any time any notice of any Lien is filed, then CONTRACTOR shall, promptly and without charge, discharge, remove, or otherwise dispose of such Lien. Until such discharge, removal, or disposition, the VILLAGE shall have the right to retain from any money payable hereunder an amount that the VILLAGE, in its sole judgment, deems necessary to satisfy such Lien and to pay the costs and expenses, including attorney's fees and administrative expenses, of any actions brought in connection therewith or by reason thereof.

2.5 DEDUCTIONS

A. VILLAGE'S Right to Withhold. Notwithstanding any other provision of this Contract and without prejudice to any of the VILLAGE'S other rights or remedies, the VILLAGE shall have the right at any time or times, whether before or after approval of any Pay Request, to deduct and withhold from any Progress or Final Payment that may be or become due under this Contract such amount as may reasonably appear necessary to compensate the VILLAGE for any actual or prospective loss due to: (1) Work that is defective, damaged, flawed, unsuitable, nonconforming, or incomplete; (2) damage for which CONTRACTOR is liable under this Contract; (3) state or local sales, use, or excise taxes from which the VILLAGE is exempt; (4) Liens or claims of Lien regardless of merit; (5) claims of SUBCONTRACTORS, suppliers, or other persons regardless of merit; (6) delay in the progress or completion of the Work; (7) inability of CONTRACTOR to complete the Work; (8) failure of CONTRACTOR to properly complete or document any Pay request; (9) any other failure of CONTRACTOR to perform any of its obligations under this Contract; or (10) the cost to the VILLAGE, including attorney's fees and administrative costs, of correcting any of the aforesaid matters or exercising any one or more of the VILLAGE'S remedies set forth in Section 3.3 of this Contract.

B. Use of Withheld Funds. The VILLAGE shall be entitled to retain any and all amounts withheld pursuant to Subsection 2.5A above until CONTRACTOR shall have either performed the obligations in Question or furnished security for such performance satisfactory to the VILLAGE. The VILLAGE shall be entitled to apply any money withheld or any other money due CONTRACTOR under this Contract to reimburse itself for any and all costs, expenses, losses, damages, liabilities, suits, judgments, awards, attorneys' fees and administrative expenses incurred, suffered, or sustained by the VILLAGE and chargeable to CONTRACTOR under this Contract.

PART 3 – DISPUTES AND REMEDIES

3.1 DISPUTE RESOLUTION PROCEDURE

A. Notice of Disputes and Objections. If CONTRACTOR disputes or objects to any requirement, direction, instruction, interpretation, determination, or decision of the VILLAGE, CONTRACTOR may notify the VILLAGE in writing of its dispute or objection and of the amount of any equitable adjustment to the Contract Price or Contract Time to which CONTRACTOR claims it will be entitled as a result thereof; provided, however, that CONTRACTOR shall, nevertheless, proceed without delay to perform the Work as required, directed, instructed, interpreted, determined, or decided by the VILLAGE, without regard to such dispute or objection. Unless CONTRACTOR so notifies the VILLAGE within two business days after receipt of such requirement, direction, instruction, interpretation, determination, or decision, CONTRACTOR shall be conclusively deemed to have waived all such disputes or objections and all claims based thereon.

B. Negotiation of Disputes and Objections. To avoid and settle without litigation any such dispute or objection, the VILLAGE and CONTRACTOR agree to engage in good faith negotiations. Within three business days after the VILLAGE'S receipt of CONTRACTOR'S written notice of dispute or objection, a conference between the VILLAGE and CONTRACTOR shall be held to resolve the dispute. Within three business days after the end of the conference, the VILLAGE shall render its final decision, in writing, to CONTRACTOR. If CONTRACTOR objects the final decision of the VILLAGE, then it shall, within three business days, give the VILLAGE notice thereof and, in such notice, shall state its final demand for settlement of the dispute. Unless CONTRACTOR so notifies the VILLAGE, CONTRACTOR shall be conclusively deemed (1) to have agreed to and accepted the VILLAGE'S final decision and (2) to have waived all claims based on such final decision.

3.2 CONTRACTOR'S REMEDIES

If the VILLAGE fails or refuses to satisfy a final demand made by CONTRACTOR pursuant to Section 4.1 of this Contract, or to otherwise resolve the dispute which is the subject of such demand to the satisfaction of CONTRACTOR, within ten days following receipt of such demand, then CONTRACTOR shall be entitled to pursue such remedies, not inconsistent with the provisions of this Contract, as it may have in law or equity.

3.3 VILLAGE'S REMEDIES

If it should appear at any time prior to Final Payment that CONTRACTOR has failed or refused to prosecute, or has delayed in the prosecution of, the Work with diligence at a rate that assures completion of the Work in full compliance with the requirements of this Contract on or before the Completion Date, or has attempted to assign this Contract or CONTRACTOR'S rights under this Contract, either in whole or in part, or has falsely made any representation or warranty in this Contract, or has otherwise failed, refused, or delayed to perform or satisfy any other requirement of this Contract or has failed to pay its debts as they come due ("Event of Default"), and has failed to cure any such Event of Default within five business days after CONTRACTOR'S receipt of written notice of such Event of Default, then the VILLAGE shall have the right, at its election and without prejudice to any other remedies provided by law or equity, to pursue any one or more of the following remedies:

1. The VILLAGE may require CONTRACTOR, within such reasonable time as may be fixed by the VILLAGE, to complete or correct all or any part of the Work that is defective, damaged, flawed, unsuitable, nonconforming, or incomplete; to remove from the Work Site any such Work; to accelerate all or any part of the Work; and to take any or all other action necessary to bring CONTRACTOR and the Work into compliance with this Contract.
2. The VILLAGE may perform or have performed all Work necessary for the accomplishment of the results stated in Paragraph 1 above and withhold or recover from CONTRACTOR all the cost and expense, including attorneys' fees and administrative costs, incurred by the VILLAGE in connection therewith.
3. The VILLAGE may accept the defective, damaged, flawed, unsuitable, nonconforming, incomplete, or dilatory Work or part thereof and make an equitable reduction in the Contract Price.
4. The VILLAGE may terminate this Contract without liability for further payment of amounts due or to become due under this Contract.
5. The VILLAGE may withhold from any Progress Payment or Final payment, whether or not previously approved, or may recover from CONTRACTOR, any and all costs, including attorneys' fees and administrative expenses, incurred by the VILLAGE as the result of any Event of Default or as a result of actions taken by the VILLAGE in response to any Event of Default.

3.4 TERMINATIONS AND SUSPENSIONS DEEMED FOR CONVENIENCE

Any termination or suspension of CONTRACTOR'S rights under this Contract for an alleged default that is ultimately held unjustified shall automatically be deemed to be a termination or suspension, for the convenience of the VILLAGE under Part 1.18 of the Contract.

PART 4 – LEGAL RELATIONSHIPS AND REQUIREMENTS

4.1 BINDING EFFECT

This Contract shall be binding upon the VILLAGE and CONTRACTOR and upon their respective heirs, executors, administrators, personal representatives, and permitted successors and assigns. Every reference in this Contract to a party shall also be deemed to be a reference to the authorized officers, employees, agents, and representatives of such party.

4.2 RELATIONSHIP OF THE PARTIES

CONTRACTOR shall act as an independent CONTRACTOR in providing and performing the Work. Nothing in, nor done pursuant to, this Contract shall be construed to create the relationship of principal and agent, partners, or joint ventures between the VILLAGE and CONTRACTOR.

4.3 NO COLLUSION

CONTRACTOR hereby represents that the only persons, firms, or corporations interested in this Contract as principals are those disclosed to the VILLAGE prior to the execution of this Contract, and that this Contract is made without collusion with any other person, firm, or corporation. If at any time it shall be found that CONTRACTOR has, in procuring this Contract, colluded with any other person, firm, or corporation, then CONTRACTOR shall be liable to the VILLAGE for all loss or damage that the VILLAGE may suffer thereby, and this Contract shall, at the VILLAGE'S option, be null and void.

4.4 ASSIGNMENT

CONTRACTOR shall not (1) assign this Contract in whole or in part, (2) assign any of CONTRACTOR'S rights or obligations under this Contract, or (3) assign any payment due or to become due under this Contract without the prior express written approval of the VILLAGE, which approval may be withheld in the sole and unfettered discretion of the VILLAGE.

4.5 NOTICES

All notices required or permitted to be given under this Contract shall be in writing and shall be deemed received by the addressee thereof when delivered in person on a business day at the address set forth below or on the third business day after being deposited in any United States Post Office, for delivery at the address set forth below by properly addressed, postage prepaid, certified or registered mail, return receipt requested.

Notices and communications to the VILLAGE shall be addressed to, and delivered at, the following address:

Village of Vernon Hills
490 Greenleaf Drive
Vernon Hills, IL 60061-1039
Attention: David H. Brown
Director of Public Works

Notices and communications to CONTRACTOR shall be addressed to, and delivered at, the following address:

Gas Depot Oil Co.
Attn: Arnie Berg
8930 N. Waukegan Rd Suite 230
Morton Grove, IL 60053

4.6 GOVERNING LAWS

This Contract and the rights of VILLAGE and CONTRACTOR under this Contract shall be interpreted according to the internal laws, but not the conflict of laws rules, of the State of Illinois.

4.7 COMPLIANCE WITH LAWS AND GRANT

CONTRACTOR shall give all notices, pay all fees, and take all other action that may be necessary to ensure that the Work is provided, performed, and completed in accordance with all required governmental permits, licenses or other approvals and authorizations that may be required in connection with providing, performing, and completing the Work, and with all applicable statutes, ordinances, rules, and regulations. CONTRACTOR at all times during the term of this contract shall observe and abide by all Federal, State, Village of Vernon Hills ordinances, and other local laws which in any way affect the conduct of the work and shall comply with all decrees and orders of courts of competent jurisdiction. Every provision of law required by law to be inserted into this Contract shall be deemed to be inserted herein.

CONTRACTOR shall also comply with all decrees and orders of courts of competent jurisdiction.

4.8 AMENDMENTS

No modification, addition, deletion, revision, alteration or other change to this Contract shall be effective unless and until such change is reduced to writing and executed and delivered by VILLAGE and CONTRACTOR.

4.9 CONTRACT SIGNATURE LINE

IN WITNESS WHEREOF, VILLAGE and CONTRACTOR have caused this Contract to be executed in three original counterparts as of the day and year first written above.

Signed and sealed this 27 day of March, 2017

Attest/Witness

By: Lynne DeArdo
Title: Executive Secretary / Deputy Clerk

VILLAGE OF VERNON HILLS

By: [Signature]
Title: Village Manager

Attest/Witness

By: Annal Berg ARNIE BERG
Title: VP Brand Mng.

GAS DEPOT OIL COMPANY

By: [Signature] - NICK TANGERS
Title: CEO

STATE OF ILLINOIS)

) SS

COUNTY OF) Cook

A. Constantin



CONTRACT TO
**FURNISH AND DELIVER FUEL
2017-2019**

BETWEEN
GAS DEPOT OIL COMPANY
AND
THE VILLAGE OF VERNON HILLS

PART 1 - GENERAL REQUIREMENTS

1.1 ADMINISTRATION AND ADDITIONAL WORK

This contract will be under the direct administration of the DIRECTOR OF PUBLIC WORKS (hereinafter "DIRECTOR") or their authorized representative. Any alterations or modifications of the work performed under this contract shall be made only by written agreement between the CONTRACTOR and the DIRECTOR and shall be made prior to commencement of the altered or modified work. No claims for any extra work or materials shall be allowed unless authorized by written agreement.

1.2 WORK CREW SUPERVISION

The CONTRACTOR shall provide qualified supervision of their crew at all times while working under this contract. Each supervisor must be able to converse in the English language, and shall be authorized by the CONTRACTOR to accept and act upon all directives issued by the DIRECTOR or their authorized representatives. Furthermore, all work shall be conducted under the direct supervision of this qualified supervisor. Failure for the Supervisor to act on said directives shall be sufficient cause to give notice that the CONTRACTOR is in default of the contract unless such directives would create potential personal injury, property damage or safety hazards.

1.3 PROTECTION OF PUBLIC AND PRIVATE PROPERTY

The CONTRACTOR shall exercise all necessary caution to protect pedestrian and vehicular traffic and to protect all public and private property from injury or damage caused by the operations of the CONTRACTOR. This will include the erection and use of warning signs and barricades and/or safety cones when appropriate. Any practice obviously hazardous in the opinion of the DIRECTOR, SUPERINTENDENT OF PUBLIC WORKS (hereinafter "SUPERINTENDENT") or their authorized representative shall be immediately discontinued by the CONTRACTOR upon receipt of either written or oral notice to discontinue such practice. The CONTRACTOR shall comply with all OSHA, IDOL and other Federal and State safety standards.

Should the CONTRACTOR or his representatives damage property of the VILLAGE or that of other persons, the repair or replacement shall be the sole responsibility of the CONTRACTOR. Any such repair work shall be completed under the direction of the VILLAGE.

CONTRACTOR shall be solely and completely responsible for providing and maintaining safe conditions at the work site, including the safety of all persons and property during the performance of the work. This requirement shall apply continuously and shall not be limited to normal working hours. CONTRACTOR shall take all safety precautions as shall be necessary to comply with all applicable laws and to prevent injury to persons and damage to property.

CONTRACTOR shall have no claim against the VILLAGE because of any damage or loss to the Work or to CONTRACTOR'S equipment, materials, or supplies from any cause whatsoever, including damage or loss due to simultaneous work by other. Notwithstanding any other provision of this Contract, CONTRACTOR'S obligations under this Section shall exist without regard to, and shall not be construed to be waived by, the availability or unavailability of any insurance, either of the VILLAGE or CONTRACTOR, to indemnify, hold harmless, or reimburse CONTRACTOR for the cost of any repair or replacement work required by this Section.

1.4 LICENSES AND PERMITS

The CONTRACTOR will not be included under the general maintenance permits issued to the VILLAGE. The CONTRACTOR shall give any and all necessary formal notices required in conjunction with the lawful prosecution of the work of this contract.

1.5 SUBCONTRACTS

A. Approval and Use of Subcontractors and Suppliers.

The CONTRACTOR will not be allowed to subcontract work under this contract unless written approval is granted by the DIRECTOR. The SUBCONTRACTOR, as approved shall be bound by the conditions of the contract between the VILLAGE and the CONTRACTOR. If approved, the authorization for the use of a SUBCONTRACTOR will be to perform all work in accordance with all terms of the contract and specifications. All required notices, work orders, directives, and requests will be directed to the CONTRACTOR. All directions given to the SUBCONTRACTOR in the field shall bind the CONTRACTOR as if the notice had been given directly to the CONTRACTOR.

The VILLAGE'S approval of any subcontractor, supplier, and subcontract shall not relieve CONTRACTOR of full responsibility and liability for the provision, performance, and completion of the Work in full compliance with, and as required by or pursuant to, this Contract. All Work performed under any subcontract shall be subject to all of the provisions of this Contract in the same manner as if performed by employees of CONTRACTOR. Every reference in this Contract to "CONTRACTOR" shall be deemed also to refer to all subcontractors and suppliers of CONTRACTOR.

B. Removal of Subcontractors and Suppliers.

If any subcontractor or supplier fails to perform the part of the Work undertaken by it in a manner satisfactory to the VILLAGE, Contractor shall immediately upon notice from the VILLAGE terminate such subcontractor or supplier. Contractor shall have no claim for damages, for compensation in excess of the Contract Price, or for a delay or extension of the Contract Time as a result of any such termination.

1.6 SEVERABILITY

The provisions of this Contract shall be interpreted when possible to sustain their legality and enforceability as a whole. In the event any provision of this Contract shall be held invalid, illegal, or unenforceable by a court of competent jurisdiction, in whole or in part, neither the validity of the remaining part of such provision, nor the validity of any other provision of this Contract shall be in any way affected thereby.

1.7 LEGAL RESPONSIBILITY

NOTICE TO PROCEED

The CONTRACTOR and SUBCONTRACTORS shall not commence work under this contract until a notice to proceed has been provided by the VILLAGE.

ACCIDENT NOTIFICATION

In the event of accidents of any kind, which involve the general public and/or private or public property, the CONTRACTOR shall immediately notify the DIRECTOR or his authorized representative and shall provide a full accounting of all details of the accident. The CONTRACTOR shall furnish the VILLAGE with copies of all reports of such accidents at the same time the reports are forwarded to any other interested parties.

REPAIRS AND RESTORATION

Any damage shall be repaired at the CONTRACTOR'S expense within ten (10) days of the occurrence (unless demonstrable reason a delay can be shown with the consent of the DIRECTOR.) Should the damage not be rectified within the agreed time or to the complete satisfaction of the DIRECTOR, the VILLAGE reserves the right to further repair or replace that which was damaged, or assess the CONTRACTOR such costs as may be reasonable and related to damage caused by the CONTRACTOR, and deduct these costs from any payment due the CONTRACTOR or failure may be cause for termination of the contract.

1.8 EXECUTION OF CONTRACT

CONTRACTOR shall execute the contract.

1.9 EQUIPMENT STORAGE

No provisions for overnight equipment storing will be provided by the VILLAGE except as may be designated by the DIRECTOR.

1.10 PERFORMANCE OF THE WORK

CONTRACTOR shall, at its sole cost and expense, provide, perform, and complete all of the following, all of which is herein referred to as the "Work":

- A. Labor, Equipment, Materials and Supplies. Provide, perform and complete in the manner described and specified in this Contract, all necessary work, labor, services, transportation equipment, materials, apparatus, machinery, tools, fuels, gas, electric, water, waste disposal, information, data, and all other means and items necessary to accomplish the project in accordance with the specific project specifications attached hereto.
- B. Bonds and Insurance. Procure and furnish all Bonds and all certificates and policies of insurance specified in this Contract.
- C. Taxes. Pay all applicable federal, state, and local taxes.
- D. Quality. Provide, perform and complete all of the foregoing in a proper and workmanlike manner, consistent with the highest standards of professional practices and in full compliance with, and as required by or pursuant to, this Contract, and with the greatest economy, efficiency, and expedition consistent therewith.

1.11 COMMENCEMENT AND COMPLETION DATES

CONTRACTOR shall commence the Work as noted in the attached Proposal and shall diligently and continuously prosecute the Work at such a rate as will allow the Work to be fully provided, performed,

and completed in full compliance with this Contract not later than the "Completion Date" set forth. The time of commencement, rate of progress, and time of completion are referred to in this Contract as the "Contract Time" or "Term of Contract".

1.12 REQUIRED SUBMITTALS

CONTRACTOR shall submit to the VILLAGE all documents, data, and information specifically required to be submitted by CONTRACTOR under this Contract and shall, in addition, submit to the VILLAGE a complete description of all equipment, materials and supplies to be provided under this Contract ("Required Submittals").

1.13 REVIEW AND INTERPRETATION OF CONTRACT PROVISIONS

CONTRACTOR represents and warrants that it has carefully reviewed this Contract, including all of its Attachments, all of which are by this reference incorporated into and made a part of this Contract.

CONTRACTOR shall, at no increase in the Contract Price, provide workmanship, equipment, materials, and supplies that fully conform to this Contract. Whenever any equipment, materials or supplies are specified or described in this Contract by using the name or other identifying feature of a proprietary product or the name of other identifying feature of a particular manufacturer or vendor, the specific item mentioned shall be understood as establishing the type, function and quality desired.

CONTRACTOR shall promptly notify the VILLAGE of any discrepancy, error, omission, ambiguity, or conflict among any of the provisions of this Contract before proceeding with any Work affected thereby. If CONTRACTOR fails to give such notice to the VILLAGE, then the subsequent decision of the VILLAGE as to which provision of this Contract shall govern shall be final, and any corrective work required shall not entitle CONTRACTOR to any damages, to any compensation in excess of the Contract Price, or to any delay or extension of the Contract Time.

1.14 CONDITIONS AT THE WORK SITE

CONTRACTOR represents and warrants that it has had sufficient opportunity to conduct a thorough investigation of the Work Site and the surrounding area and has completed such investigation to its satisfaction.

CONTRACTOR shall have no claim for damages, for compensation in excess of the Contract Price, or for a delay or extension of the Contract Time based upon conditions found at, or in the vicinity of, the Work Site. When information pertaining to subsurface, underground or other concealed conditions, soils analysis, utility locations or conditions, and other investigations is or has been provided by the VILLAGE, or is or has been otherwise made available to CONTRACTOR by the VILLAGE, such information is or has been provided or made available solely for the convenience of CONTRACTOR and is not part of this Contract.

The VILLAGE assumes no responsibility whatever in respect to the sufficiency or accuracy of such information, and there is no guaranty or warranty, either expressed or implied, that the conditions indicated are representative of those existing throughout the Work or the Work Site.

1.15 TECHNICAL ABILITY TO PERFORM

CONTRACTOR represents and warrants that it is sufficiently experienced and competent, and has the necessary capital, facilities, organization, and staff, to provide, perform and complete the Work in full compliance with, and as required by or pursuant to, this Contract.

1.16 FINANCIAL ABILITY TO PERFORM

CONTRACTOR represents and warrants that it is financially solvent, and CONTRACTOR has the financial resources necessary to provide, perform and complete the Work in full compliance with, and as required by or pursuant to, this Contract.

1.17 TIME

CONTRACTOR represents and warrants that it is ready, willing, able and prepared to begin the work on the Commencement Date and that the Contract Time is sufficient time to permit completion of the Work in full compliance with, and as required by or pursuant to, this Contract for the Contract Price, all with due regard to all natural and man-made conditions that may affect the Work or the Work Site and all difficulties, hindrances, and delays that may be incident to the Work.

1.18 VILLAGE'S RIGHT TO TERMINATE OR SUSPEND WORK FOR CONVENIENCE

A. Termination of Suspension for Convenience. The VILLAGE shall have the right, for its convenience, to terminate or suspend the Work in whole or in part at any time by written notice to Contractor. Every such notice shall state the extent and effective date of such termination or suspension. On such effective date, Contractor shall, as and to the extent directed, stop Work under this Contract, cease all placement of further orders or subcontracts, terminate or suspend Work under existing orders and subcontracts, and cancel any outstanding orders or subcontracts that may be canceled.

B. Payment for Completed Work. In the event of any termination pursuant to Subsection 18A above, the VILLAGE shall pay CONTRACTOR (1) such direct costs, excluding overhead, as CONTRACTOR shall have paid or incurred for all Work done in compliance with, and as required by or pursuant to, this Contract up to the effective date of termination together with ten percent of such costs for overhead and profit; and (2) such other costs pertaining to the Work, exclusive of overhead and profit, as CONTRACTOR may have reasonably and necessarily incurred as the result of such termination. Any such payment shall be offset by any prior payment or payments and shall be subject to the VILLAGE'S rights to withhold and deduct as provided in this Contract. Furthermore any payment by the VILLAGE made pursuant to this section, including the amount of any offsets due to a prior payment or payments, shall not exceed the contract price set forth in the Bid Proposal unless such a payment is permitted by and granted under the terms and conditions set forth in Part 2.

1.19 INDEMNIFICATION

CONTRACTOR shall indemnify, save harmless, and defend the VILLAGE against any and all lawsuits, claims, demands, damages, liabilities, losses, and expenses, including attorney's fees and administrative expenses, that may arise or be alleged to have arisen, out of or in connection with CONTRACTOR'S performance of, or failure to perform, the Work or any part thereof, whether or not due or claimed to be due in whole or in part to the active, passive, or concurrent negligence or fault of CONTRACTOR, except to the extent caused by the sole negligence of the VILLAGE.

PART 2 – PAYMENT

2.1 CONTRACT PRICE

The VILLAGE shall pay to CONTRACTOR, in accordance with and subject to the terms and conditions set forth in the Bid Proposal and CONTRACTOR shall accept in full satisfaction for providing, performing, and completing the Work, the amount or amounts set forth in the Bid Proposal (the "Contract Price"), subject to any additions, deductions, or withholdings provided for in the Contract.

2.2 TAXES AND BENEFITS

The VILLAGE is exempt from and shall not be responsible to pay, or reimburse CONTRACTOR for, any state or local sales, use, or excise taxes.

2.3 PROGRESS PAYMENTS

A. Payment in Installments. The Contract Price may be paid in installments in the manner set forth in this section ("Progress Payments").

B. Pay Requests. CONTRACTOR shall, as a condition precedent to its opportunity to receive a Progress Payment, submit to the VILLAGE a pay request in the form provided by the VILLAGE ("Pay Request"). The first Pay Request shall be submitted not sooner than 30 days following commencement of the Work. Each Pay Request shall include a CONTRACTOR'S certification of the value of, and partial or final waivers of lien covering, all Work for which payment is then requested.

C. Work Entire. This Contract and the Work are entire and the Work as a whole is of the essence of this Contract. Notwithstanding any other provision of this Contract, each and every part of this Contract and of the Work are interdependent and common to one another and to the VILLAGE'S obligation to pay all or any part of the Contract Price or any other consideration for the Work.

B. Payments. Pursuant to this section, CONTRACTOR may request partial payment of the contract price at the completion of each month of work starting after the end of the first month. The amount paid will be based on the amount of maintenance work performed that month. The contractor will be paid a fixed amount for each of the tasks performed in accordance with the bid specifications/proposal unit prices bid for those sections.

2.4 LIENS

A. Title. Nothing in this Contract shall be construed as vesting in CONTRACTOR any right of property in any materials, supplies, and other items provided under this Contract after they have been incorporated into the Work or the Work Site. All such materials, supplies, and other items shall, upon being so incorporated, become the property of the VILLAGE, but such title shall not release CONTRACTOR from its duty to insure and protect the Work in accordance with the requirements of this Contract.

B. Waivers of Lien. CONTRACTOR shall, from time to time at the VILLAGE'S request and in any event prior to Final Payment, furnish to the VILLAGE such receipts, releases, affidavits, certificates, and other evidence as may be necessary to establish to the reasonable satisfaction of the VILLAGE, that no lien against the Work or the public funds held by the VILLAGE exists in favor of any person whatsoever for or by reason of any equipment, material, supplies, or other item furnished, labor performed, or other thing done in connection with the Work or this Contract ("Lien") and that no right to file any Lien exists in favor of any person whatsoever.

C. Removal of Liens. If at any time any notice of any Lien is filed, then CONTRACTOR shall, promptly and without charge, discharge, remove, or otherwise dispose of such Lien. Until such discharge, removal, or disposition, the VILLAGE shall have the right to retain from any money payable hereunder an amount that the VILLAGE, in its sole judgment, deems necessary to satisfy such Lien and to pay the costs and expenses, including attorney's fees and administrative expenses, of any actions brought in connection therewith or by reason thereof.

2.5 DEDUCTIONS

A. VILLAGE'S Right to Withhold. Notwithstanding any other provision of this Contract and without prejudice to any of the VILLAGE'S other rights or remedies, the VILLAGE shall have the right at any time or times, whether before or after approval of any Pay Request, to deduct and withhold from any Progress or Final Payment that may be or become due under this Contract such amount as may reasonably appear necessary to compensate the VILLAGE for any actual or prospective loss due to: (1) Work that is defective, damaged, flawed, unsuitable, nonconforming, or incomplete; (2) damage for which CONTRACTOR is liable under this Contract; (3) state or local sales, use, or excise taxes from which the VILLAGE is exempt; (4) Liens or claims of Lien regardless of merit; (5) claims of SUBCONTRACTORS, suppliers, or other persons regardless of merit; (6) delay in the progress or completion of the Work; (7) inability of CONTRACTOR to complete the Work; (8) failure of CONTRACTOR to properly complete or document any Pay request; (9) any other failure of CONTRACTOR to perform any of its obligations under this Contract; or (10) the cost to the VILLAGE, including attorney's fees and administrative costs, of correcting any of the aforesaid matters or exercising any one or more of the VILLAGE'S remedies set forth in Section 3.3 of this Contract.

B. Use of Withheld Funds. The VILLAGE shall be entitled to retain any and all amounts withheld pursuant to Subsection 2.5A above until CONTRACTOR shall have either performed the obligations in Question or furnished security for such performance satisfactory to the VILLAGE. The VILLAGE shall be entitled to apply any money withheld or any other money due CONTRACTOR under this Contract to reimburse itself for any and all costs, expenses, losses, damages, liabilities, suits, judgments, awards, attorneys' fees and administrative expenses incurred, suffered, or sustained by the VILLAGE and chargeable to CONTRACTOR under this Contract.

PART 3 – DISPUTES AND REMEDIES

3.1 DISPUTE RESOLUTION PROCEDURE

A. Notice of Disputes and Objections. If CONTRACTOR disputes or objects to any requirement, direction, instruction, interpretation, determination, or decision of the VILLAGE, CONTRACTOR may notify the VILLAGE in writing of its dispute or objection and of the amount of any equitable adjustment to the Contract Price or Contract Time to which CONTRACTOR claims it will be entitled as a result thereof; provided, however, that CONTRACTOR shall, nevertheless, proceed without delay to perform the Work as required, directed, instructed, interpreted, determined, or decided by the VILLAGE, without regard to such dispute or objection. Unless CONTRACTOR so notifies the VILLAGE within two business days after receipt of such requirement, direction, instruction, interpretation, determination, or decision, CONTRACTOR shall be conclusively deemed to have waived all such disputes or objections and all claims based thereon.

B. Negotiation of Disputes and Objections. To avoid and settle without litigation any such dispute or objection, the VILLAGE and CONTRACTOR agree to engage in good faith negotiations. Within three business days after the VILLAGE'S receipt of CONTRACTOR'S written notice of dispute or objection, a conference between the VILLAGE and CONTRACTOR shall be held to resolve the dispute. Within three business days after the end of the conference, the VILLAGE shall render its final decision, in writing, to CONTRACTOR. If CONTRACTOR objects the final decision of the VILLAGE, then it shall, within three business days, give the VILLAGE notice thereof and, in such notice, shall state its final demand for settlement of the dispute. Unless CONTRACTOR so notifies the VILLAGE, CONTRACTOR shall be conclusively deemed (1) to have agreed to and accepted the VILLAGE'S final decision and (2) to have waived all claims based on such final decision.

3.2 CONTRACTOR'S REMEDIES

If the VILLAGE fails or refuses to satisfy a final demand made by CONTRACTOR pursuant to Section 4.1 of this Contract, or to otherwise resolve the dispute which is the subject of such demand to the satisfaction of CONTRACTOR, within ten days following receipt of such demand, then CONTRACTOR shall be entitled to pursue such remedies, not inconsistent with the provisions of this Contract, as it may have in law or equity.

3.3 VILLAGE'S REMEDIES

If it should appear at any time prior to Final Payment that CONTRACTOR has failed or refused to prosecute, or has delayed in the prosecution of, the Work with diligence at a rate that assures completion of the Work in full compliance with the requirements of this Contract on or before the Completion Date, or has attempted to assign this Contract or CONTRACTOR'S rights under this Contract, either in whole or in part, or has falsely made any representation or warranty in this Contract, or has otherwise failed, refused, or delayed to perform or satisfy any other requirement of this Contract or has failed to pay its debts as they come due ("Event of Default"), and has failed to cure any such Event of Default within five business days after CONTRACTOR'S receipt of written notice of such Event of Default, then the VILLAGE shall have the right, at its election and without prejudice to any other remedies provided by law or equity, to pursue any one or more of the following remedies:

1. The VILLAGE may require CONTRACTOR, within such reasonable time as may be fixed by the VILLAGE, to complete or correct all or any part of the Work that is defective, damaged, flawed, unsuitable, nonconforming, or incomplete; to remove from the Work Site any such Work; to accelerate all or any part of the Work; and to take any or all other action necessary to bring CONTRACTOR and the Work into compliance with this Contract.
2. The VILLAGE may perform or have performed all Work necessary for the accomplishment of the results stated in Paragraph 1 above and withhold or recover from CONTRACTOR all the cost and expense, including attorneys' fees and administrative costs, incurred by the VILLAGE in connection therewith.
3. The VILLAGE may accept the defective, damaged, flawed, unsuitable, nonconforming, incomplete, or dilatory Work or part thereof and make an equitable reduction in the Contract Price.
4. The VILLAGE may terminate this Contract without liability for further payment of amounts due or to become due under this Contract.
5. The VILLAGE may withhold from any Progress Payment or Final payment, whether or not previously approved, or may recover from CONTRACTOR, any and all costs, including attorneys' fees and administrative expenses, incurred by the VILLAGE as the result of any Event of Default or as a result of actions taken by the VILLAGE in response to any Event of Default.

3.4 TERMINATIONS AND SUSPENSIONS DEEMED FOR CONVENIENCE

Any termination or suspension of CONTRACTOR'S rights under this Contract for an alleged default that is ultimately held unjustified shall automatically be deemed to be a termination or suspension, for the convenience of the VILLAGE under Part 1.18 of the Contract.

PART 4 – LEGAL RELATIONSHIPS AND REQUIREMENTS

4.1 BINDING EFFECT

This Contract shall be binding upon the VILLAGE and CONTRACTOR and upon their respective heirs, executors, administrators, personal representatives, and permitted successors and assigns. Every reference in this Contract to a party shall also be deemed to be a reference to the authorized officers, employees, agents, and representatives of such party.

4.2 RELATIONSHIP OF THE PARTIES

CONTRACTOR shall act as an independent CONTRACTOR in providing and performing the Work. Nothing in, nor done pursuant to, this Contract shall be construed to create the relationship of principal and agent, partners, or joint ventures between the VILLAGE and CONTRACTOR.

4.3 NO COLLUSION

CONTRACTOR hereby represents that the only persons, firms, or corporations interested in this Contract as principals are those disclosed to the VILLAGE prior to the execution of this Contract, and that this Contract is made without collusion with any other person, firm, or corporation. If at any time it shall be found that CONTRACTOR has, in procuring this Contract, colluded with any other person, firm, or corporation, then CONTRACTOR shall be liable to the VILLAGE for all loss or damage that the VILLAGE may suffer thereby, and this Contract shall, at the VILLAGE'S option, be null and void.

4.4 ASSIGNMENT

CONTRACTOR shall not (1) assign this Contract in whole or in part, (2) assign any of CONTRACTOR'S rights or obligations under this Contract, or (3) assign any payment due or to become due under this Contract without the prior express written approval of the VILLAGE, which approval may be withheld in the sole and unfettered discretion of the VILLAGE.

4.5 NOTICES

All notices required or permitted to be given under this Contract shall be in writing and shall be deemed received by the addressee thereof when delivered in person on a business day at the address set forth below or on the third business day after being deposited in any United States Post Office, for delivery at the address set forth below by properly addressed, postage prepaid, certified or registered mail, return receipt requested.

Notices and communications to the VILLAGE shall be addressed to, and delivered at, the following address:

Village of Vernon Hills
490 Greenleaf Drive
Vernon Hills, IL 60061-1039
Attention: David H. Brown
Director of Public Works

Notices and communications to CONTRACTOR shall be addressed to, and delivered at, the following address:

Gas Depot Oil Co.
Attn: Arnie Berg
8930 N. Waukegan Rd Suite 230
Morton Grove, IL 60053

4.6 GOVERNING LAWS

This Contract and the rights of VILLAGE and CONTRACTOR under this Contract shall be interpreted according to the internal laws, but not the conflict of laws rules, of the State of Illinois.

4.7 COMPLIANCE WITH LAWS AND GRANT

CONTRACTOR shall give all notices, pay all fees, and take all other action that may be necessary to ensure that the Work is provided, performed, and completed in accordance with all required governmental permits, licenses or other approvals and authorizations that may be required in connection with providing, performing, and completing the Work, and with all applicable statutes, ordinances, rules, and regulations. CONTRACTOR at all times during the term of this contract shall observe and abide by all Federal, State, Village of Vernon Hills ordinances, and other local laws which in any way affect the conduct of the work and shall comply with all decrees and orders of courts of competent jurisdiction. Every provision of law required by law to be inserted into this Contract shall be deemed to be inserted herein.

CONTRACTOR shall also comply with all decrees and orders of courts of competent jurisdiction.

4.8 AMENDMENTS

No modification, addition, deletion, revision, alteration or other change to this Contract shall be effective unless and until such change is reduced to writing and executed and delivered by VILLAGE and CONTRACTOR.

4.9 CONTRACT SIGNATURE LINE

IN WITNESS WHEREOF, VILLAGE and CONTRACTOR have caused this Contract to be executed in three original counterparts as of the day and year first written above.

Signed and sealed this 27 day of March, 2017

Attest/Witness

By: Syren DeArdo
Title: Executive Secretary / Deputy Clerk

VILLAGE OF VERNON HILLS

By: [Signature]
Title: Village Manager

Attest/Witness

By: Annal Berg ARNIE BERG
Title: v. Brand Mang.

GAS DEPOT OIL COMPANY

By: [Signature] - NICK TENGLES
Title: CEO

STATE OF ILLINOIS)

) SS

COUNTY OF) Cook

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