

**VILLAGE OF VERNON HILLS  
ORDINANCE 2025-034**

**AN ORDINANCE AWARDING A TWO-YEAR CONTRACT TO AVALON PETROLEUM CO. FOR THE PURCHASE AND DELIVERY OF GASOLINE AND DIESEL FUEL, AND AUTHORIZING PAYMENT FOR SAID SERVICES FOR AN AMOUNT NOT TO EXCEED \$300,000 WITHIN FISCAL YEAR 2026**

**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**, Staff delineated \$300,000 within the FY2026 budget account (0102040-530140) for fuel and lubrication; and

**WHEREAS**, the Village received a total of three (3) competitive bids for the purchase and delivery of gasoline and diesel fuel; which were publicly opened on February 19, 2025; and

**WHEREAS**, Avalon Petroleum Co. was determined to have provided the lowest bid of \$14,325.50 for the combined cost of 5,000 gallons non-leaded and 2,000 gallons diesel gasoline; and

**WHEREAS**, Staff seeks approval to authorize the Village Manager to execute a two-year contract with Avalon Petroleum Co. for the purchase and delivery of gasoline and diesel fuel.

**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 Avalon Petroleum Co. for a two-year period from May 1, 2025 to April 30, 2027.

**SECTION 2: AUTHORIZATION & RELEASE OF PAYMENT:** The Finance Director is hereby authorized to make payments to Avalon Petroleum Co. in an amount not to exceed \$300,000 within Fiscal Year 2026.

**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 2025-034.

Dated the 31st of March, 2025.

Adopted by roll call votes as follows:

AYES: 6 – Forster, Schenk, Marquardt, Oppenheim, Byrne, Koch

NAYS: 0 - None

ABSENT AND NOT VOTING: 1 – Takaoka

  
Roger L. Byrne, Village President

PASSED: 03/31/2025

APPROVED: 03/31/2025

ATTEST: 03/31/2025

  
Kevin Timony, Village Clerk



**CONTRACT BETWEEN  
VILLAGE OF VERNON HILLS  
AND  
AVALON PETROLEUM COMPANY**

In consideration of the mutual promises set forth below, the Village of Vernon Hills, 290 Evergreen Drive, Vernon Hills, IL 60061-1039, a public corporation (“Owner”), and Avalon Petroleum Company (“Contractor”), make this Contract as of the 1<sup>st</sup> day of May, 2025, and hereby agree as follows:

**ARTICLE I  
THE WORK**

1.1 **Performance of the Work.** Contractor shall, at its sole cost and expense, provide, perform, and complete all of the following work described on Attachment A and in this Section 1.1, all of which is herein referred to as the “Work”. To the extent the terms of this Contract and the document attached as Attachment A conflict, the terms of this Contract shall control.

A. **Labor, Equipment, Materials and Supplies.** Contractor shall 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 other means and items necessary to accomplish the project in accordance with the documents attached hereto as Attachment A and made a part hereof.

B. **Insurance.** Contractor shall procure and furnish all certificates and policies of insurance specified in this Contract under attached **Exhibit A.**

C. **Taxes.** Contractor shall pay all applicable federal, state, and local taxes.

D. **Quality.** Contractor shall provide, perform and complete all of the foregoing in a proper and workmanlike manner, consistent with the highest standards of professional and construction practices and in full compliance with, and as required by or pursuant to, this Contract, and in a manner and in accordance with all applicable federal, state, and county laws and regulations and the Village codes, ordinances, regulations, and directives, including but not limited to all local zoning ordinances and regulations, and other applicable codes, and with the greatest economy, efficiency, and expedition consistent herewith, with only new, undamaged and first quality equipment, materials and supplies.

1.2 **Commencement and Completion Dates.** This contract shall commence on the first day of May, 2025 and extend through April 30, 2027. (“Contract Time”)

1.3 **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.

1.4 **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.

1.5 **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.

1.6 **Safety at the Work Site.** 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 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 conduct all of its operations without interruption or interference with vehicular and pedestrian traffic on public and private rights-of-way.

1.7 **Cleanliness of the Work Site and Environs.** Contractor shall keep the Work Site and adjacent areas clean at all times during performance of the Work and shall, upon completion of the Work, leave the Work Site and adjacent areas in a clean and orderly condition.

1.8 **Damage to the Work, the Work Site, and Other Property.** Contractor shall have no claim against Owner 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 others. Contractor shall, promptly and without charge to Owner, repair or replace, to the satisfaction of Owner, any damage done to, and any loss suffered by, the Work and any damage done to, and any loss suffered by, the Work Site or other property as a result of the Work. 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 Owner or Contractor, to indemnify, hold harmless, or reimburse Contractor for the cost of any repair or replacement work required by this Section.

1.9 **Owner's Right to Terminate or Suspend Work for Convenience.**

A. **Termination of Suspension for Convenience.** Owner 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 1.9A above, Owner 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. Any such payment shall be offset by any prior payment or payments and shall be subject to owner's rights to withhold and deduct as provided in this Contract. Furthermore any payment by Owner 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 Attachment A unless such a payment is permitted by and granted under the terms and conditions set forth in Article V and Attachment A.

## **ARTICLE II CHANGES AND DELAYS**

2.1 **Changes.** Owner shall have the right, by written order executed by Owner, to make changes in the Contract, the Work, the Work Site, and the Contract Time ("Change Order"). If any Change Order causes an increase or decrease in the amount of the Work, an equitable adjustment in the Contract Price or Contract Time may be made. No claims for equitable adjustments in the Contract Price or Contract Time shall be made or allowed unless embodied in a Change Order signed by Owner. All claims by Contractor for an equitable adjustment in either the Contract Price or the Contract Time shall be made within two (2) business days following receipt by Contractor of such Change Order, and shall, if not made prior to such time, be conclusively deemed to have been waived. No decrease in the amount of the Work caused by any Change Order shall entitle Contractor to make any claim for damages, anticipated profits, or other compensation. No oral modification, amendment, or change shall be allowed to this contract. Any modification, amendment, or change hereto shall be in writing and approved by the corporate authorities of the Owner.

## **ARTICLE III CONTRACTOR'S RESPONSIBILITY FOR DEFECTIVE WORK**

3.1 **Inspection: Correction of Defects.**

A. **Inspection.** All parts of the Work shall be subject to inspection by Owner or its designated representatives.

B. **Correction.** Contractor shall, promptly and without charge, repair, correct, or replace all or any portion of the Work that is defective, damaged, flawed, or unsuitable or that in any way fails to conform strictly to the requirements of this Contract.

3.2 **Owner's Right to Correct.** If, within ten (10) business days after Owner gives Contractor written notice of any unsuitability or nonconformity, Contractor fails to make, or undertake with due diligence to make, the necessary corrections, then Owner shall be entitled to make, either with its own forces or with contract forces, the corrections and to recover from Contractor all resulting costs, expenses, losses, or damages, including attorneys fees and administrative expenses.

#### ARTICLE IV FINANCIAL ASSURANCES

4.1 **Insurance.** Contemporaneous with Contractor's execution of this Contract, Contractor shall provide certificates and policies of insurance evidencing the minimum insurance coverages and limits set forth in the attached **Exhibit A.**

#### ARTICLE V PAYMENT

5.1 **Contract Price.** Owner shall pay to Contractor, in accordance with and subject to the terms and conditions set forth in this Article V and Attachment A, and Contractor shall accept in full satisfaction for providing, performing, and completing the Work, the amount or amounts set forth in Attachment A (the "Contract Price"), subject to any additions, deductions, or withholdings provided for in the Contract.

5.2 **Taxes and Benefits.** Owner is exempt from and shall not be responsible to pay, or reimburse Contractor for, any state or local sales, use, or exercise taxes.

5.3 **Progress Payments.**

A. **Pay Requests.** Contractor shall, as a condition precedent to its right to receive each Progress Payment, submit to Owner a pay request.

5.4 **Deductions.**

A. **Owner's Right to Withhold.** Notwithstanding any other provision of this Contract and without prejudice to any of Owner's other rights or remedies, Owner 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 payment that may be or become due under this Contract such amount as may reasonably appear necessary to compensate Owner 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 exercise taxes from which Owner 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 Owner, including attorney's fees and administrative costs, of correcting any of the aforesaid matters or exercising any one or more of Owner's remedies set forth in Section 6.3 of this Contract.

B. **Use of Withheld Funds.** Owner shall be entitled to retain any and all amounts withheld pursuant to Subsection 5.4A above until Contractor shall have either performed the obligations in question or furnished security or such performance satisfactory to Owner. Owner 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 Owner and chargeable to Contractor under this Contract.

## **ARTICLE VI DISPUTES AND REMEDIES**

### **6.1 Dispute Resolution Procedure**

A. **Notice of Disputes and Objections.** If Contractor disputes or objects to any requirement, direction, instruction, determination, or decision of Owner, Contractor may notify Owner 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 Owner, without regard to such dispute or objection. Unless Contractor so notifies Owner within two business days after receipt of such requirement, directions, 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, Owner and Contractor agree to engage in good faith negotiations. Within three business days after Owner's receipt of Contractor's written notice of dispute or objection, a conference between Owner and Contractor shall be held to resolve the dispute. Within three (3) business days after the end of the conference, Owner shall render its final decision, in writing, to Contractor. If Contractor objects the final decision of Owner, then it shall, within three (3) business days, give Owner notice

thereof and, in such notice, shall state its final demand for settlement of the dispute. Unless Contractor so notifies Owner, Contractor shall be conclusively deemed (1) to have agreed to and accepted Owner's final decision and (2) to have waived all claims based on such final decision.

6.2 **Contractor's Remedies.** If Owner fails or refuses to satisfy a final demand made by Contractor pursuant to Section 6.1 of this Contract, or to otherwise resolve the dispute which is the subject of such demand to the satisfaction of Contractor, within ten (10) 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.

6.3 **Owner'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 (5) business days after Contractor's receipt of written notice Event of Default, then Owner 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. Owner may require Contractor, within such reasonable time as may be fixed by Owner, 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 and all other action necessary to bring Contractor and the Work into compliance with this Contract.
2. Owner 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 Owner in connection therewith.
3. Owner 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. Owner may terminate this Contract without liability for further payment of amounts due or to become due under this Contract.
5. Owner 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 Owner as the result of any Event of Default or as a result of actions taken by Owner in response to any Event of Default.

6.4 **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 Owner under Section 1.9 of the Contract.

## ARTICLE VII LEGAL RELATIONSHIPS AND REQUIREMENTS

7.1 **Binding Effect.** This Contract shall be binding upon Owner 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.

7.2 **Relationship of the Parties.** Contractor is retained by the Owner only for the purposes and to the extent set forth in this contract, and its relation to the Village shall, during the term of this contract, be that of an independent contractor while 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 venturers between Owner and Contractor. Contractor shall not be considered as having an employee status, nor shall the Owner withhold any sums for the payment of income taxes, or FICA taxes, nor shall Contractor be entitled to participate in any plans, arrangements, or distributions by the Owner pertaining to or in connection with any pension or retirement plans, or any other benefits for the regular employees of the Owner.

7.3 **No Collusion.** Contractor hereby represents that the only persons, firms, or corporations interested in this Contract as principals are those disclosed to Owner 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 Owner for all loss or damage that Owner may suffer thereby, and this Contract shall, at Owner's option, be null and void.

7.4 **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 Owner, which approval may be withheld in the sole and unfettered discretion of Owner.

7.5 **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 or one (1) business day after being delivered to a recognized overnight delivery service for guaranteed next business day delivery.

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

Village of Vernon Hills  
490 Greenleaf Drive  
Vernon Hills, IL 60061-1039  
Attention: Chris Venatta  
Director of Public Works/ Village Engineer  
[christopherv@vhills.org](mailto:christopherv@vhills.org)

Copy to: Klein, Thorpe and Jenkins, Ltd.  
20 N. Wacker Drive, Suite 1660  
Chicago, IL 60606  
Attention: James V. Ferolo

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

Avalon Petroleum Company  
200 East Court St.  
Kankakee, IL 60901  
Attention: Bill Katzenberger Jr.  
[billkatzenberger@gmail.com](mailto:billkatzenberger@gmail.com)

7.6 **Indemnification.** As a material inducement for the Owner to enter into this contract, Contractor agrees to defend, indemnify and hold harmless the Owner and its elected officials, officers, agents, attorneys and employees from and against any and all claims, actions, suits, damages, costs, expenses and liabilities, including the reasonable fees and expenses of their attorneys, expert witnesses and consultants, court costs and fines, asserted against them or sought to be imposed upon them, individually, jointly or severally, and which arise directly or indirectly out of or in connection in any way with Contractor's operation of the Project or performance of the terms of this contract, except to the extent that those claims, actions, suits, damages, costs, expenses and liabilities arise from the sole negligence of Owner, its representatives, officers, trustees, agents and employees. In the event of any claims, actions, suits, damages, costs, expenses and liabilities, the Owner shall have the right to counsel of its choice and the right to direct its own defense.

The scope of Contractor's indemnification shall include, but is not limited to:

- (1) Any negligent, tortious or wrongful act or omission of Contractor, its officers, agents, employees, contractors or subcontractors, resulting in personal injury, bodily injury, sickness or death to any person, loss or damage of any kind to the property of any person, including Contractor, its officers, agents employees, licensees and invitees, or damage to or loss of other intangible property rights or

personal rights, including but not limited to libel, slander and invasion of privacy; and

- (2) loss or damage of any kind resulting from Contractor's failure to comply with any provision of this contract, or of any federal, state or local law or regulation applicable to Contractor.

**7.7 Governing Laws.** This contract provides for services to be performed and goods to be delivered within the State of Illinois. Accordingly, this contract, and all questions of interpretation, construction and enforcement hereof, and all controversies hereunder, shall be governed by the applicable statutory and common law of the State of Illinois. The parties agree that for the purpose of any litigation relative to this contract and its enforcement, venue shall be in the Circuit Court of Lake County, Illinois and the parties consent to the in personam jurisdiction of said Court for any such action or proceeding.

**7.8 Compliance with Laws and Grants.** 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.

In accordance with the Illinois Prevailing Wage Act III. Rev. Stat. 820 ILCS 130/1 et seq., the Contractor (and all subcontractors hired by Contractor) shall not pay less to all laborers, workman, and mechanics performing work under this contract that the prevailing rate of wages for similar work in the locality of the Village of Vernon Hills. Not less than the prevailing rate of wages as found by Owner or the Department of Labor or determined by a Court on review shall be paid to all laborers, workers and mechanics performing work under this Contract. The Contractor and each subcontractor shall keep an accurate record showing the names and occupations of all laborers, workers and mechanics employed by them on this contract, and also showing the actual hourly wages paid to each of such persons. The submission by the Contractor and each subcontractor of payrolls, or copies thereof, is not required. However, the Contractor and each subcontractor shall preserve their weekly payroll records for a period of three years from the date of completion of this Contract and delivered to Owner upon written request by Owner. If the Department of Labor revised the prevailing rate of hourly wages to be paid by the public body, the revised rate as provided by the public body shall apply to this Contract. Contractor shall require each subcontractor to comply with the provisions of this Section 7.7.

Each party and its officers, corporate authorities, employees and agents certify that they are not barred from entering into this contract as a result of a violation of either 720 ILCS 5/33E-3 or 5/33E-4 (bid rigging or bid rotating) or 5/33E-6 (interference with contract submission and award by public official) or as a result of a violation of 820 ILCS 130/1 et seq. (the Illinois Prevailing Wage Act) or as a result of: (1) a delinquency in the payment of any tax administered by the Illinois Department of Revenue or any fee

required by any unit of local government or the State, unless the party is contesting, in accordance with the procedures established by the appropriate revenue act, its liability for the tax or the amount of the tax or the fee, as set forth in Section 11-42.1-1 et seq. of the Illinois Municipal Code, 65 ILCS 5/11-42.1-1 et seq. Each party and its officers, corporate authorities, employees and agents further certify by signing this contract that the party and its officers, corporate authorities, employees and agents have not been convicted of, or are not barred for attempting to rig bids, price-fixing or attempting to fix prices as defined in the Sherman Anti-Trust Act and Clayton Act. 15 U.S.C. § 1 et seq.; and has not been convicted of or barred for bribery or attempting to bribe an officer or employee of a unit of state or local government or school district in the State of Illinois in that officer's or employee's official capacity. Nor has any of the parties and their officers, corporate authorities, employees and agents made admission of guilt of such conduct which is a matter of record, nor has any official, officer, agent or employee of the parties been so convicted nor made such an admission.

The Contractor shall comply with the Illinois Drug Free Work Place Act (30 ILCS 580/1 et seq.).

No employee or agent of the Owner is interested in the business of Contractor or this contract; (2) as of the date of this contract, neither Contractor nor any person employed or associated with Contractor has any interest that would conflict in any manner or degree with the performance of the obligations under this contract; and (3) neither Contractor nor any person employed by or associated with Contractor shall at any time during the term of this contract obtain or acquire any interest that would conflict in any manner or degree with the performance of the obligations under this contract.

In the performance of its obligations pursuant to this contract and in the operation of its program, the Contractor shall comply with all applicable provisions of federal, state and local law, including those regulations in regard to all applicable equal employment opportunity requirements, the Equal Opportunity Clause of the Illinois Human Rights Act (775 ILCS 5/1-101 et seq.) and the Rules and Regulations of the Illinois Department of Human Rights and the Americans with Disability Act (42 U.S.C. 12101 et seq.), and all rules and regulations issued pursuant to those Acts. There shall be no discrimination on the basis of disabilities (as defined in the Act) in the operation of the services and programs provided by Contractor hereunder. Any complaint of such discrimination received by Contractor shall be immediately forwarded to the Owner.

The Contractor shall comply with all applicable federal and state laws and regulations including, but not limited to, such laws and regulations relating to minimum wages to be paid to employees, limitations upon the employment of minors, minimum fair wage standards for minors, payment of wages due employees, and health and safety of employees. Contractor agrees to pay its employees, if any, all rightful salaries, medical benefits, pensions and social security benefits pursuant to applicable labor agreements and federal and state statutes, and Contractor further agrees to make all required withholdings and deposits therefore. Such requirements shall be included by Contractor in all its contracts and agreements with contractors and subcontractors for this program.

The Contractor shall comply with the Illinois Freedom of Information Act (5 ILCS 140/1 et seq.) ("FOIA") as follows: the definition of a public record in the FOIA includes a "public record that is not in the possession of a public body but is in the possession of a party with whom the agency has contracted to perform a governmental function on behalf of the public body and that directly relates to the governmental function and is not otherwise exempt under this Act." (5 ILCS 140/7(2)). Consequently, the parties must maintain and make available to the other parties, upon request, their public records relating to the performance of this contract in compliance with the requirements of the Local Records Act (50 ILCS 205/1 et seq.) and FOIA. To facilitate a response by the Village to any FOIA request, Contractor agrees to provide all requested public records within five (5) business days of a request being made by the Village. Contractor agrees to defend, indemnify and hold harmless the Village, and agrees to pay all reasonable costs connected therewith (including, but not limited to, reasonable attorney and witness fees, filing fees and any other expenses) for the Village to defend any and all causes, actions, causes of action, disputes, prosecutions or conflicts arising from Contractor's actual or alleged violation of the FOIA or Contractor's failure to furnish all public records as requested by the Village. Furthermore, should Contractor request that the Village utilize a lawful exemption under FOIA in relation to any FOIA request thereby denying that request, Contractor agrees to pay all costs connected therewith (such as reasonable attorney and witness fees, filing fees and any other expenses) to defend the denial of the request. The defense shall include, but not be limited to, challenged or appealed denials of FOIA requests to either the Illinois Attorney General or a court of competent jurisdiction. Contractor agrees to defend, indemnify and hold harmless the Village, and agrees to pay all costs incurred by the Village connected therewith (such as reasonable attorney and witness fees, filing fees, penalties, fines, and any other expenses) to defend any denial of a FOIA request pursuant to Contractor request to utilize a lawful exemption.

Contractor affirms that neither it nor any of its principals, shareholders, members, partners, or affiliates, as applicable, is a person or entity named as a Specially Designated National and Blocked Person (as defined in United States Presidential Executive Order 13224) and that it is not acting, directly or indirectly, for or on behalf of a Specially Designated National and Blocked Person. Contractor further represents and warrants to the Village that Contractor and its principals, shareholders, members, partners, or affiliates, as applicable, are not, directly or indirectly, engaged in, and are not facilitating, the transactions contemplated by this contract on behalf of any person or entity named as a Specially Designated National and Blocked Person. Contractor agrees to defend, indemnify and hold harmless the Village, its respective corporate authorities, and all of the Village's elected or appointed officials, officers, employees, agents, representatives, and attorneys, from and against any and all claims, damages, losses, risks, liabilities, and expenses (including reasonable attorneys' fees and costs) arising from or related to any breach of the representations and warranties in this subsection.

7.9 **Time.** The Contract Time is of the essence of this Contract. Except where otherwise stated, references in this Contract to days shall be construed to refer to calendar days.

7.10 **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.

7.11 **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 Owner and Contractor.

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

**OWNER:**

**VILLAGE OF VERNON HILLS**

Attest/Witness

By: Elizabeth Koehl

By: [Signature]

Title: Executive Secretary

Title: Village Manager

**CONTRACTOR:**

**AVALON PETROLEUM COMPANY**

Attest/Witness:

By: [Signature]

By: [Signature]

Title: Ops. Manager

Title: V.P. of Sales

## EXHIBIT A INSURANCE REQUIREMENTS

CONTRACTOR AGREES TO MAINTAIN THE FOLLOWING:

### **Property Insurance:**

#### **Minimum Limits of Insurance**

Contractor shall maintain limits no less than:

- Comprehensive General Liability: \$3,000,000 combined single limit per occurrence for bodily injury, personal injury, and property damage. Minimum General Aggregate shall be no less than \$5,000,000 per person per aggregate; or Villages and Contractors Protective Liability: \$2,000,000 combined single limit per occurrence.
- Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury and property damage.
- Worker's Compensation and Employers' Liability: Worker's Compensation limits as required by the Labor Code of the State of Illinois and Employers' Liability limits of \$500,000 per accident.
- If Contractor's current policies do not provide the required coverage in this Exhibit A, proof of umbrella or excess coverage meeting these requirements shall be presented to the Village in advance of the execution of this Contract.

#### **Deductibles and Self-Insured Retentions**

Any deductibles or self-insured retentions must be declared to and approved by The Village. At the option of The Village, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects The Village, its officials, employees and volunteers; or Contractor shall procure a bond guaranteeing payment of losses and related investigation, claim administration and defense expenses.

#### **Other Insurance Provisions**

The policies are to contain, or be endorsed to contain the following provisions:

Commercial General Liability, The Village's and Contractor's Protective Liability and Automobile Liability Coverage

- a. **The Village, its officers, officials, employees, and volunteers shall be covered as additional insureds on Contractor's Commercial General Liability policy with respect to liability arising out of work or operations performed by or on behalf of Contractor including materials, parts, or equipment furnished in connection with such work or operations and automobiles owned, leased, hired, or borrowed by or on behalf of Contractor.** General liability coverage can be provided in the form of an endorsement to Contractor's insurance (at least as broad as ISO Form CG 20 10, CG 11 85 or both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 forms if later revisions used). The coverage shall

contain no special limits on the scope of the protection afforded to The Village, its officials, employees or volunteers.

- b. For any claims related to this project, Contractor's insurance coverage shall be primary insurance coverage at least as broad as ISO CG 20 01 04 13 with respect to the Village, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the Village, its officers, officials, employees, or volunteers shall be excess of Contractor's insurance and shall not contribute with it. Contractor shall procure and maintain for the duration of the contract, and for 2 years thereafter, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by Contractor, his agents, representatives, employees, or subcontractors. Contractor's policy or policies of insurance shall specifically recognize and cover Contractor's indemnification obligations under this contract, and shall contain cross-liability endorsements
- c. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Village, its officials, employees or volunteers.
- d. Coverage shall state that Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits or the insurer's liability.

#### **Worker's Compensation and Employers' Liability Coverage**

Contractor hereby agrees to waive rights of subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the Entity for all work performed by the Contractor, its employees, agents and subcontractors.

#### **All Coverages**

Each insurance policy required by this clause shall be endorsed to state that the coverage shall not be suspended, voided; canceled, reduced in coverage or in limits except after thirty (30) day's prior written notice by certified mail, return receipt requested, has been given to The Village. In the event of the cancellation of any insurance policy required herein, or upon Contractor's failure to procure said insurance, the Village shall have the right to terminate this contract.

#### **Acceptability of Insurers**

The insurance carrier used by Contractor shall have a minimum insurance rating of A- according to the AM Best insurance Rating Schedule and licensed to do business in the State of Illinois.

#### **Certificates of Insurance**

**Contractor shall furnish the Village with certificates of insurance naming The Village, its officials, agents, employees and volunteers as additional insureds, and with original endorsements affecting coverage required by this clause as follows:**

- **Additional insured endorsement on the General liability**
- **Additional insured endorsement on the Automobile**
- **Primary non-contributory endorsement on the General Liability**
- **Primary non-contributory endorsement on the Automobile**
- **Waiver of Subrogation endorsement on the Workers Compensation**

The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements may be on forms provided by the municipality and are to be received and approved by the municipality before any work commences. **The Village reserves the right to request full certified copies of the insurance policies. Contractor shall furnish evidence of such insurance to the Village prior to the Effective Date,** and then on an annual basis thereafter, in the form of a Certificate of Insurance that names the Village and its elected officials, officers, agents, attorneys and employees as additional insureds. The Village shall have the right to approve the coverage and carrier, which approval shall not be unreasonably withheld.

#### **Subcontractors' Insurance**

Contractor shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that the Village is an additional insured on insurance required from subcontractors. For Commercial General Liability coverage, subcontractors shall provide coverage with a form at least as broad as CG 20 38 04 13.

STATE OF ILLINOIS )  
 ) SS  
COUNTY OF )

**CONTRACTOR'S CERTIFICATION**

William Katzenberger, being first duly sworn on oath, deposes and states that all statements herein are made on behalf of Contractor, that this deponent is authorized to make them, and that all statements contained herein are true and correct.

Contractor deposes, states, and certifies that Contractor is not barred from contracting with a unit of state or local government as a result of a violation of either 720 ILCS 5/33E-3 or 33E-4 of the Criminal Code of 1961.

DATED this 17<sup>th</sup> day of July, 2025.

Attest/Witness

By: Juan Garcia

Title: Ops. Manager

By: Wm Katzenberger  
Title: V.P. of Sales

Subscribed and Sworn to  
before me this day 17<sup>th</sup>  
of July, 2025.

Jennifer M. Griffith  
Notary Public



(SEAL)

**ATTACHMENT A**

**DESCRIPTION OF WORK/PROPOSAL**

VILLAGE OF VERNON HILLS

ORDINANCE NO. 2025-034

AN ORDINANCE AWARDING A TWO-YEAR CONTRACT TO AVALON PETROLEUM CO. FOR THE PURCHASE AND DELIVERY OF GASOLINE AND DIESEL FUEL, AND AUTHORIZING PAYMENT FOR SAID SERVICES FOR AN AMOUNT NOT TO EXCEED \$300,000 WITHIN FISCAL YEAR 2026

THE 31<sup>st</sup> DAY OF MARCH 2025

Published in pamphlet form by the Authority of the President and Board of Trustees of the Village of Vernon Hills, Lake County, Illinois, this 31<sup>st</sup> day of March, 2025



AFFIDAVIT OF SERVICE

STATE OF ILLINOIS        )  
  )  
COUNTY OF LAKE         )

I, KEVIN TIMONY, 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 NO. 2025-034 AN ORDINANCE AWARDING A TWO-YEAR CONTRACT TO AVALON PETROLEUM CO. FOR THE PURCHASE AND DELIVERY OF GASOLINE AND DIESEL FUEL, AND AUTHORIZING PAYMENT FOR SAID SERVICES FOR AN AMOUNT NOT TO EXCEED \$300,000 WITHIN FISCAL YEAR 2026 TO BE POSTED IN THE VILLAGE HALL AS REQUIRED BY LAW FROM MARCH 31, 2025 TO APRIL 14, 2025.

  
\_\_\_\_\_  
Kevin Timony, Village Clerk

SUBSCRIBED AND SWORN TO BEFORE ME  
THIS 31<sup>st</sup> DAY OF MARCH 2025

  
\_\_\_\_\_  
Notary Public

