

**VILLAGE OF VERNON HILLS  
ORDINANCE 2023-015**

**AN ORDINANCE AUTHORIZING APPROVAL TO WAIVE THE COMPETITIVE BIDDING PROCESS AND AWARD A CONTRACT TO TRANE COMMERCIAL SYSTEMS AND SERVICES TO REPLACE THE EXISTING BOILER SYSTEM AT THE POLICE COMMUNICATIONS CENTER FOR AN AMOUNT NOT TO EXCEED \$750,920**

**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 Public Works Department maintains several municipal buildings, including the Police Communications Center; and

**WHEREAS**, the existing boilers and controllers at the Police Communications Center are at the end of their useful life and they are beginning to fail and are no longer able to maintain the HVAC system adequately; and

**WHEREAS**, \$726,000 is currently budgeted within the FY2023 budget accounts (0209115-550070) and (0803032-550070) to replace said boilers and controllers; and

**WHEREAS**, Trane Commercial Systems and Services provided a proposal to replace the boiler system for a net price of \$750,920; and

**WHEREAS**, Trane Commercial Systems and Services is a member of the US Communities/OMNIA Partners which utilizes cooperative purchasing guidelines; and

**WHEREAS**, Trane Commercial Systems and Services is known to be a reliable source for this type of work and has performed HVAC RTU replacements at the Village Hall, Golf Course, and Public Works buildings; and

**WHEREAS**, the Village desires to waive the competitive bidding process and award a contract to replace the existing boiler system at the Police Communications building to Trane Commercial Systems and Services for an amount not to exceed \$750,920 which will require a budget transfer of \$24,920 into FY2023 budget account (0209115-550070).

**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 documents required with Trane Commercial Systems and Services to provide a boiler system replacement at the Police Communications Center for an amount not to exceed \$750,920.

**SECTION 2: AUTHORIZATION & RELEASE OF PAYMENT:**

The Finance Director is hereby authorized to transfer \$24,920 into FY2023 budget account (0209115-550070) and to make payments to Trane Commercial Systems and Services for an amount not to exceed \$750,920.

**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 2023-015.

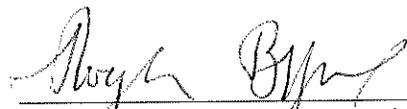
Dated the 7th of February, 2023

Adopted by roll call votes as follows:

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

NAYS: 0 - None

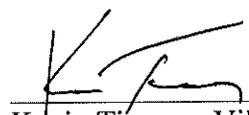
ABSENT AND NOT VOTING: 1 – Takaoka

  
\_\_\_\_\_  
Roger L. Byrne, Village President

PASSED: 02/07/2023

APPROVED: 02/07/2023

ATTEST: 02/07/2023

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



VILLAGE OF VERNON HILLS

ORDINANCE NO. 2023-015

AN ORDINANCE AUTHORIZING APPROVAL TO WAIVE THE COMPETITIVE BIDDING  
PROCESS AND AWARD A CONTRACT TO TRANE COMMERCIAL SYSTEMS AND  
SERVICES TO REPLACE THE EXISTING BOILER SYSTEM AT THE POLICE  
COMMUNICATIONS CENTER FOR AN AMOUNT NOT TO EXCEED \$750,920

THE 7<sup>th</sup> DAY OF FEBRUARY 2023

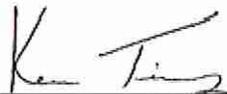
Published in pamphlet form by the Authority of the  
President and Board of Trustees of the Village of  
Vernon Hills, Lake County, Illinois, this  
7<sup>th</sup> day of February, 2023



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. 2023-015 AN ORDINANCE AUTHORIZING APPROVAL TO WAIVE THE COMPETITIVE BIDDING PROCESS AND AWARD A CONTRACT TO TRANE COMMERCIAL SYSTEMS AND SERVICES TO REPLACE THE EXISTING BOILER SYSTEM AT THE POLICE COMMUNICATIONS CENTER FOR AN AMOUNT NOT TO EXCEED \$750,920 TO BE POSTED IN THE VILLAGE HALL AS REQUIRED BY LAW FROM FEBRUARY 7, 2023 TO FEBRUARY 17, 2023.

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

SUBSCRIBED AND SWORN TO BEFORE  
THIS 7<sup>th</sup> DAY OF FEBRUARY 2023

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



**CONTRACT BETWEEN  
VILLAGE OF VERNON HILLS  
AND  
TRANE COMMERCIAL SYSTEMS**

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 Trane Commercial Systems ("Contractor"), make this Contract as of the 2<sup>nd</sup> day of March, 20 23, 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.

E. **Bonds.** The Contractor shall furnish to the Owner at the time of execution of the contract, a bond in the full amount of the contract sum, securing the full and faithful performance of this contract and the payment for all labor and material furnished by the

Contractor or anyone furnishing such under the Contractor's contract or a subcontract of any tier. Said bond shall be in conformance as set forth below and any additional specifications imposed by other contract documents, including, but not limited to, the prevailing wage requirements set forth in the contract documents. Said bond shall be written by a surety that is acceptable to the Owner, in the Owner's discretion. Such bonds shall be obtained from a company with a minimum A.M. Best Rating of A- and to which the Owner has no reasonable objection.

The Contractor shall provide Performance and Labor and Material Payment Bond as follows:

1. Provide a 100 percent Performance Bond in conformance with AIA Document 312 as modified by Owner and Contractor.
2. Deliver bond within 10 days after execution of the Contract.
3. The bond must be from a reputable company acceptable to the Owner set forth above and authorized to do surety business in Illinois.

1.2 **Commencement and Completion Dates.** This contract shall commence on the first day of the month after the contract signature date and extend until completion of the work, which period shall not exceed 90 days. ("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: David H. Brown  
Director of Public Works/ Village Engineer

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:

Trane Commercial Systems and Services  
Chicago/Central Illinois District  
Ingersoll Rand  
7100 S. Madison Street  
Willowbrook, IL 60527

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.

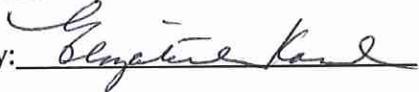
7.11 **Amendments.** No modification, addition, deletion, revision, alteration or other change to this Contract shall be effective unless and until such change is reduced to writing and executed and delivered by Owner and Contractor.

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: 

Title: EXECUTIVE SECRETARY

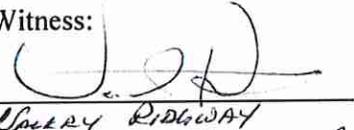
By: 

Title: Village Manager

**CONTRACTOR:**

**TRANE U.S. Inc.**

Attest/Witness:

By: 

Title: CONTRACTING PROJECT ADMIN

By: 

Title: Theodore L. Mutzner, Sr. Contract Manager

\* NOTE: Subject to the U.S. Communities Contract # 15-JLP-023 and Trane's Terms and Conditions as referenced in Trane Proposal dated 12/05/2022.

## 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       )  
  )  
COUNTY OF                )       SS

**CONTRACTOR'S CERTIFICATION**

Michael Abbott, 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.

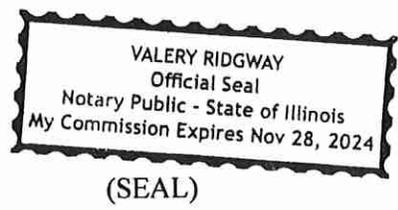
Contractor deposes, states, and certifies that Contractor is not barred from contracting with a unit of state or local government as a result of a violation of either 720 ILCS 5/33E-3 or 33E-4 of the Criminal Code of 1961.

DATED this 2nd day of March, 2023.

Attest/Witness  
By: [Signature]  
Title: Contracting Project Admin

By: [Signature]  
Title: Area General Manager

Subscribed and Sworn to  
before me this day 2nd  
of MARCH, 2023.  
[Signature]  
Notary Public



**ATTACHMENT A**

**DESCRIPTION OF WORK/PROPOSAL**



**TRANE**

Vernon Hills: 911 Center

**Village of Vernon Hills:  
911 Center HVAC Replacement**

*December 5, 2022*

Village of  
*Vernon Hills*

People Planning With Pride

**Illinois**

HIGH PERFORMANCE BUILDINGS FROM TRANE

**TRANE**  
TECHNOLOGIES



**Prepared For:**  
Village of Vernon Hills

**Date:**  
December 5, 2022

**Job Name:**  
Vernon Hills – 911 Center TK

**Payment Terms:**  
Net 30

**Delivery Terms:**  
Freight Allowed and Prepaid – F.O.B Factory

**Proposal Expiration Date:**  
30 Days

**Cooperative Quote Number:** 30-601275-20-004  
**Cooperative Quote Contract Number:** USC 15-JLP-023

## Scope of Work

"Scope of Work" and notations within are based on the existing as built drawings of the building and on multiple site survey performed by the Trane team with Vernon Hills staff's assistance.

### Base Bid: Turnkey Replacement of Existing Boiler System

#### Engineering and Project Management Services

- Provide for a complete engineered retrofit of the existing Boiler Plant, (26) new VAV boxes with HW heat, and an upgrade of the controls system
  - Inclusive of tie in of existing AHU/CU to controls system
- Engineering drawings
- Coordination of installation with other Trades to meet the Village of Vernon Hills project timeline
- Start-up of all equipment and controls
- Post testing of System
- One year labor and material warranty on equipment, controls, and installation work
- New Front End (Tracer SC) Control System

#### Equipment

- Furnish and install (2) new Boilers
  - 100% redundancy included
- Furnish and install (4) new pumps for primary secondary system
  - Variable speed on secondary system
- Furnish and install new piping specialties
- Furnish and install new Hot Water Heat VAV boxes
  - number to be finalized upon design completion and review with customer (18-21 in total)
- Furnish and install (1) new Hot Water Coil to replace existing in AHU
- Furnish and install (1) new Tracer SC



## Demolition Work

- Demo existing boiler plant and removal from site
- Demo existing zone pump system
- Demo existing VAV boxes and removal from site
- Demo existing AHU HW Coil

## Mechanical Work

- Installation of new boilers, pumps, and piping specialties
- Installation of hot water piping to new boilers
- Insulation of hot water piping
- Installation of new VAV boxes
- Installation of hose kits for connection to exiting HW piping
- Installation of AHU HW coil into same location as existing
- Disconnect/reconnect HW piping for VAV boxes
- Conversion of all current zone pumps into zone controls to be adjusted by BAS system
- All required gas piping to boilers
- Connection to flues
- Daily cleanup of construction area as necessary

## Electrical Work

- Disconnect/reconnect of power wiring to new VAVs
- All required power wiring to new boilers and pumps (and associated VFDs)
- All required DDC low voltage wiring as necessary for control system
- Installation of emergency boiler shut down system

## Building Automation Work

- (1) New Tracer SC for new Front-End Control System with Remote Capability
- Tie into existing Tracer Ensemble Enterprise System provided in earlier Vernon Hills project

## Turnkey Services not included

- Asbestos abatement
- Premium time
- Upgrading existing non-compliant code issues outside of our Scope of Work
- Unforeseen conditions
- Building Automation work outside that listed above
  - Controls retrofits of VAV boxes
- Permits and fees
- Temporary HVAC services



### Proposal Notes/ Clarifications

- All work to be performed during normal business hours (8am to 5pm, M-F, non-holidays)
- Proposal does not include "Premium Time" or Price Contingency therefor
- Equipment Order Release and Services rendered are dependent on receipt of PO/Subcontract and credit approval
- Controls for any systems not listed above are excluded
- Trane will not perform any work if working conditions could endanger or put at risk the safety of our employees or subcontractors
- The customer is requested to provide Trane with an Ethernet connection. The cable and actual connection will be provided by the customer to ensure all necessary network conditions and requirements for cabling meet the integrity of the customer's network and security is not compromised. This connection process is provided to ensure proper integration with the customer's network infrastructure. Trane will require an IP address from the customer's IT department for each Trane Facility Infrastructure network device installed on the customer's network. Trane will provide the customer with a Mac address for each network device needed.
- In an effort to ensure the customer will be provided with proactive service and facility issue resolutions, Trane is requesting VPN access to the facility infrastructure systems specifically associated with the systems being monitored and or controlled by Trane's automation and monitoring system. The intent is to provide the customer with infrastructure support from our local or national Trane Intelligent Services Staff.



## Pricing and Acceptance

### Base Bid Price

**Total Net Base Price.....\$750,920.00**

### Financial items not included

- Bid Bond
- Liquidated or Consequential Damages
- Demurrage or Storage Charges
- Participation in OCIP or CCIP Insurance Programs

Respectfully submitted,

**Vanessa Iorio**

Sales Engineer

312.459.4724

[Vanessa.lorio@trane.com](mailto:Vanessa.lorio@trane.com)

Trane Commercial Systems and Services

Chicago/Central Illinois District

Ingersoll Rand

7100 S. Madison Street

Willowbrook, IL 60527

[www.trane.com/chicago](http://www.trane.com/chicago)



**COVID-19 NATIONAL EMERGENCY CLAUSE**

The parties agree that they are entering into this Agreement while the nation is in the midst of a national emergency due to the Covid-19 pandemic ("Covid-19 Pandemic"). With the continued existence of Covid-19 Pandemic and the evolving guidelines and executive orders, it is difficult to determine the impact of the Covid-19 Pandemic on Trane's performance under this Agreement. Consequently, the parties agree as follows:

1. Each party shall use commercially reasonable efforts to perform its obligations under the Agreement and to meet the schedule and completion dates, subject to provisions below;
2. Each party will abide by any federal, state or local orders, directives, or advisories regarding the Covid-19 Pandemic with respect to its performance of its obligations under this Agreement and each shall have the sole discretion in determining the appropriate and responsible actions such party shall undertake to so abide or to safeguard its employees, subcontractors, agents and suppliers;
3. Each party shall use commercially reasonable efforts to keep the other party informed of pertinent updates or developments regarding its obligations as the Covid-19 Pandemic situation evolves; and
4. If Trane's performance is delayed or suspended as a result of the Covid-19 Pandemic, Trane shall be entitled to an equitable adjustment to the project schedule and/or the contract price.

**TERMS AND CONDITIONS – COMMERCIAL INSTALLATION**

"Company" shall mean Trane U.S. Inc..

1. **Acceptance; Agreement.** These terms and conditions are an integral part of Company's offer and form the basis of any agreement (the "Agreement") resulting from Company's proposal (the "Proposal") for the commercial goods and/or services described (the "Work"). **COMPANY'S TERMS AND CONDITIONS ARE SUBJECT TO PERIODIC CHANGE OR AMENDMENT.** The Proposal is subject to acceptance in writing by the party to whom this offer is made or an authorized agent ("Customer") delivered to Company within 30 days from the date of the Proposal. If Customer accepts the Proposal by placing an order, without the addition of any other terms and conditions of sale or any other modification, Customer's order shall be deemed acceptance of the Proposal subject to Company's terms and conditions. If Customer's order is expressly conditioned upon Company's acceptance or assent to terms and/or conditions other than those expressed herein, return of such order by Company with Company's terms and conditions attached or referenced serves as Company's notice of objection to Customer's terms and as Company's counter-offer to provide Work in accordance with the Proposal and the Company terms and conditions. If Customer does not reject or object in writing to Company within 10 days, Company's counter-offer will be deemed accepted. Customer's acceptance of the Work by Company will in any event constitute an acceptance by Customer of Company's terms and conditions. This Agreement is subject to credit approval by Company. Upon disapproval of credit, Company may delay or suspend performance or, at its option, renegotiate prices and/or terms and conditions with Customer. If Company and Customer are unable to agree on such revisions, this Agreement shall be cancelled without any liability, other than Customer's obligation to pay for Work rendered by Company to the date of cancellation.

2. **Pricing and Taxes.** Unless otherwise noted, the price in the Proposal includes standard ground transportation and, if required by law, all sales, consumer, use and similar taxes legally enacted as of the date hereof for equipment and material installed by Company. Tax exemption is contingent upon Customer furnishing appropriate certificates evidencing Customer's tax exempt status. Company shall charge Customer additional costs for bonds agreed to be provided. Equipment sold on an uninstalled basis and any taxable labor/labour do not include sales tax and taxes will be added. Following acceptance without addition of any other terms and condition of sale or any other modification by Customer, the prices stated are firm provided that notification of release for immediate production and shipment is received at the factory not later than 3 months from order receipt. If such release is received later than 3 months from order receipt date, prices will be increased a straight 1% (not compounded) for each one-month period (or part thereof) beyond the 3 month firm price period up to the date of receipt of such release. If such release is not received within 6 months after date of order receipt, the prices are subject to renegotiation, or at Company's option, the order will be cancelled. Any delay in shipment caused by Customer's actions will subject prices to increase equal to the percentage increase in list prices during that period of delay and Company may charge Customer with incurred storage fees.



**3. Exclusions from Work.** Company's obligation is limited to the Work as defined and does not include any modifications to the Work site under the Americans With Disabilities Act or any other law or building code(s). In no event shall Company be required to perform work Company reasonably believes is outside of the defined Work without a written change order signed by Customer and Company.

**4. Performance.** Company shall perform the Work in accordance with industry standards generally applicable in the area under similar circumstances as of the time Company performs the Work. Company may refuse to perform any Work where working conditions could endanger property or put at risk the safety of persons. Unless otherwise agreed to by Customer and Company, at Customer's expense and before the Work begins, Customer will provide any necessary access platforms, catwalks to safely perform the Work in compliance with OSHA or state industrial safety regulations.

**5. Payment.** Customer shall pay Company's invoices within net 30 days of invoice date. Company may invoice Customer for all equipment or material furnished, whether delivered to the installation site or to an off-site storage facility and for all Work performed on-site or off-site. No retention shall be withheld from any payments except as expressly agreed in writing by Company, in which case retention shall be reduced per the contract documents and released no later than the date of substantial completion. Under no circumstances shall any retention be withheld for the equipment portion of the order. If payment is not received as required, Company may suspend performance and the time for completion shall be extended for a reasonable period of time not less than the period of suspension. Customer shall be liable to Company for all reasonable shutdown, standby and start-up costs as a result of the suspension. Company reserves the right to add to any account outstanding for more than 30 days a service charge equal to 1.5% of the principal amount due at the end of each month. Customer shall pay all costs (including attorneys' fees) incurred by Company in attempting to collect amounts due and otherwise enforcing these terms and conditions. If requested, Company will provide appropriate lien waivers upon receipt of payment. Customer agrees that, unless Customer makes payment in advance, Company will have a purchase money security interest in all equipment from Company to secure payment in full of all amounts due Company and its order for the equipment, together with these terms and conditions, form a security agreement. Customer shall keep the equipment free of all taxes and encumbrances, shall not remove the equipment from its original installation point and shall not assign or transfer any interest in the equipment until all payments due Company have been made.

**6. Time for Completion.** Except to the extent otherwise expressly agreed in writing signed by an authorized representative of Company, all dates provided by Company or its representatives for commencement, progress or completion are estimates only. While Company shall use commercially reasonable efforts to meet such estimated dates, Company shall not be responsible for any damages for its failure to do so.

**7. Access.** Company and its subcontractors shall be provided access to the Work site during regular business hours, or such other hours as may be requested by Company and acceptable to the Work site' owner or tenant for the performance of the Work, including sufficient areas for staging, mobilization, and storage. Company's access to correct any emergency condition shall not be restricted. Customer grants to Company the right to remotely connect (via phone modem, internet or other agreed upon means) to Customer's building automation system (BAS) and/or HVAC equipment to view, extract, or otherwise collect and retain data from the BAS, HVAC equipment, or other building systems, and to diagnose and remotely make repairs at Customer's request.

**8. Completion.** Notwithstanding any other term or condition herein, when Company informs Customer that the Work has been completed, Customer shall inspect the Work in the presence of Company's representative, and Customer shall either (a) accept the Work in its entirety in writing, or (b) accept the Work in part and specifically identify, in writing, any exception items. Customer agrees to re-inspect any and all excepted items as soon as Company informs Customer that all such excepted items have been completed. The initial acceptance inspection shall take place within ten (10) days from the date when Company informs Customer that the Work has been completed. Any subsequent re-inspection of excepted items shall take place within five (5) days from the date when Company informs Customer that the excepted items have been completed. Customer's failure to cooperate and complete any of said inspections within the required time limits shall constitute complete acceptance of the Work as of ten (10) days from date when Company informs Customer that the Work, or the excepted items, if applicable, has/have been completed.

**9. Permits and Governmental Fees.** Company shall secure (with Customer's assistance) and pay for building and other permits and governmental fees, licenses, and inspections necessary for proper performance and completion of the Work which are legally required when bids from Company's subcontractors are received, negotiations thereon concluded, or the effective date of a relevant Change Order, whichever is later. Customer is responsible for necessary approvals, easements, assessments and charges for construction, use or occupancy of permanent structures or for permanent changes to existing facilities. If the cost of such permits, fees, licenses and inspections are not included in the Proposal, Company will invoice Customer for such costs.

**10. Utilities During Construction.** Customer shall provide without charge to Company all water, heat, and utilities required for performance of the Work.

**11. Concealed or Unknown Conditions.** In the performance of the Work, if Company encounters conditions at the Work site that are (i) subsurface or otherwise concealed physical conditions that differ materially from those indicated on drawings expressly incorporated herein or (ii) unknown physical



conditions of an unusual nature that differ materially from those conditions ordinarily found to exist and generally recognized as inherent in construction activities of the type and character as the Work, Company shall notify Customer of such conditions promptly, prior to significantly disturbing same. If such conditions differ materially and cause an increase in Company's cost of, or time required for, performance of any part of the Work, Company shall be entitled to, and Customer shall consent by Change Order to, an equitable adjustment in the Contract Price, contract time, or both.

**12. Pre-Existing Conditions.** Company is not liable for any claims, damages, losses, or expenses, arising from or related to conditions that existed in, on, or upon the Work site before the Commencement Date of this Agreement ("Pre-Existing Conditions"), including, without limitation, damages, losses, or expenses involving Pre-Existing Conditions of building envelope issues, mechanical issues, plumbing issues, and/or indoor air quality issues involving mold/mould and/or fungi. Company also is not liable for any claims, damages, losses, or expenses, arising from or related to work done by or services provided by individuals or entities that are not employed by or hired by Company.

**13. Asbestos and Hazardous Materials.** Company's Work and other services in connection with this Agreement expressly excludes any identification, abatement, cleanup, control, disposal, removal or other work connected with asbestos, polychlorinated biphenyl ("PCB"), or other hazardous materials (hereinafter, collectively, "Hazardous Materials"). Customer warrants and represents that, except as set forth in a writing signed by Company, there are no Hazardous Materials on the Work site that will in any way affect Company's Work and Customer has disclosed to Company the existence and location of any Hazardous Materials in all areas within which Company will be performing the Work. Should Company become aware of or suspect the presence of Hazardous Materials, Company may immediately stop work in the affected area and shall notify Customer. Customer will be exclusively responsible for taking any and all action necessary to correct the condition in accordance with all applicable laws and regulations. Customer shall be exclusively responsible for and, to the fullest extent permitted by law, shall indemnify and hold harmless Company (including its employees, agents and subcontractors) from and against any loss, claim, liability, fees, penalties, injury (including death) or liability of any nature, and the payment thereof arising out of or relating to any Hazardous Materials on or about the Work site, not brought onto the Work site by Company. Company shall be required to resume performance of the Work in the affected area only in the absence of Hazardous Materials or when the affected area has been rendered harmless. In no event shall Company be obligated to transport or handle Hazardous Materials, provide any notices to any governmental agency, or examine the Work site for the presence of Hazardous Materials.

**14. Force Majeure.** Company's duty to perform under this Agreement is contingent upon the non-occurrence of an Event of Force Majeure. If Company shall be unable to carry out any material obligation under this Agreement due to an Event of Force Majeure, this Agreement shall at Company's election (i) remain in effect but Company's obligations shall be suspended until the uncontrollable event terminates or (ii) be terminated upon 10 days notice to Customer, in which event Customer shall pay Company for all parts of the Work furnished to the date of termination. An "Event of Force Majeure" shall mean any cause or event beyond the control of Company. Without limiting the foregoing, "Event of Force Majeure" includes: acts of God; acts of terrorism, war or the public enemy; flood; earthquake; tornado; storm; fire; civil disobedience; pandemic insurrections; riots; labor/labour disputes; labor/labour or material shortages; sabotage; restraint by court order or public authority (whether valid or invalid), and action or non-action by or inability to obtain or keep in force the necessary governmental authorizations, permits, licenses, certificates or approvals if not caused by Company; and the requirements of any applicable government in any manner that diverts either the material or the finished product to the direct or indirect benefit of the government.

**15. Customer's Breach.** Each of the following events or conditions shall constitute a breach by Customer and shall give Company the right, without an election of remedies, to terminate this Agreement or suspend performance by delivery of written notice: (1) Any failure by Customer to pay amounts when due; or (2) any general assignment by Customer for the benefit of its creditors, or if Customer becomes bankrupt or insolvent or takes the benefit of any statute for bankrupt or insolvent debtors, or makes or proposes to make any proposal or arrangement with creditors, or if any steps are taken for the winding up or other termination of Customer or the liquidation of its assets, or if a trustee, receiver, or similar person is appointed over any of the assets or interests of Customer; (3) Any representation or warranty furnished by Customer in this Agreement is false or misleading in any material respect when made; or (4) Any failure by Customer to perform or comply with any material provision of this Agreement. Customer shall be liable to Company for all Work furnished to date and all damages sustained by Company (including lost profit and overhead).

**16. Indemnity.** To the fullest extent permitted by law, Company and Customer shall indemnify, defend and hold harmless each other from any and all claims, actions, costs, expenses, damages and liabilities, including reasonable attorneys' fees, resulting from death or bodily injury or damage to real or tangible personal property, to the extent caused by the negligence or misconduct of their respective employees or other authorized agents in connection with their activities within the scope of this Agreement. Neither party shall indemnify the other against claims, damages, expenses or liabilities to the extent attributable to the acts or omissions of the other party. If the parties are both at fault, the obligation to indemnify shall be proportional to their relative fault. The duty to indemnify will continue in full force and effect, notwithstanding the expiration or early termination hereof, with respect to any claims based on facts or conditions that occurred prior to expiration or termination.

**17. Limitation of Liability.** NOTWITHSTANDING ANYTHING TO THE CONTRARY, IN NO EVENT SHALL COMPANY BE LIABLE FOR ANY SPECIAL, INCIDENTAL, INDIRECT CONSEQUENTIAL, OR PUNITIVE OR EXEMPLARY DAMAGES (INCLUDING WITHOUT LIMITATION



BUSINESS INTERRUPTION, LOST DATA, LOST REVENUE, LOST PROFITS, LOST DOLLAR SAVINGS, OR LOST ENERGY USE SAVINGS, EVEN IF A PARTY HAS BEEN ADVISED OF SUCH POSSIBLE DAMAGES OR IF SAME WERE REASONABLY FORESEEABLE AND REGARDLESS OF WHETHER THE CAUSE OF ACTION IS FRAMED IN CONTRACT, NEGLIGENCE, ANY OTHER TORT, WARRANTY, STRICT LIABILITY, OR PRODUCT LIABILITY). In no event will Company's liability in connection with the provision of products or services or otherwise under this Agreement exceed the entire amount paid to Company by Customer under this Agreement.

18. Patent Indemnity. Company shall protect and indemnify Customer from and against all claims, damages, judgments and loss arising from infringement or alleged infringement of any United States patent by any of the goods manufactured by Company and delivered hereunder, provided that in the event of suit or threat of suit for patent infringement, Company shall promptly be notified and given full opportunity to negotiate a settlement. Company does not warrant against infringement by reason of Customer's design of the articles or the use thereof in combination with other materials or in the operation of any process. In the event of litigation, Customer agrees to reasonably cooperate with Company. In connection with any proceeding under the provisions of this Section, all parties concerned shall be entitled to be represented by counsel at their own expense.

19. Limited Warranty. Company warrants for a period of 12 months from the date of substantial completion ("Warranty Period") commercial equipment manufactured and installed by Company against failure due to defects in material and manufacture and that the labor/labour furnished is warranted to have been properly performed (the "Limited Warranty"). Trane equipment sold on an uninstalled basis is warranted in accordance with Company's standard warranty for supplied equipment. Product manufactured by Company that includes required startup and is sold in North America will not be warranted by Company unless Company performs the product start-up. Substantial completion shall be the earlier of the date that the Work is sufficiently complete so that the Work can be utilized for its intended use or the date that Customer receives beneficial use of the Work. If such defect is discovered within the Warranty Period, Company will correct the defect or furnish replacement equipment (or, at its option, parts therefor) and, if said equipment was installed pursuant hereto, labor/labour associated with the replacement of parts or equipment not conforming to this Limited Warranty. Defects must be reported to Company within the Warranty Period. Exclusions from this Limited Warranty include damage or failure arising from: wear and tear; corrosion, erosion, deterioration; Customer's failure to follow the Company-provided maintenance plan; refrigerant not supplied by Trane; and modifications made by others to Company's equipment. Company shall not be obligated to pay for the cost of lost refrigerant. Notwithstanding the foregoing, all warranties provided herein terminate upon termination or cancellation of this Agreement. No warranty liability whatsoever shall attach to Company until the Work has been paid for in full and then said liability shall be limited to the lesser of Company's cost to correct the defective Work and/or the purchase price of the equipment shown to be defective. Equipment, material and/or parts that are not manufactured by Company are not warranted by Company and have such warranties as may be extended by the respective manufacturer. THE WARRANTY AND LIABILITY SET FORTH IN THIS AGREEMENT ARE IN LIEU OF ALL OTHER WARRANTIES AND LIABILITIES, WHETHER IN CONTRACT OR IN NEGLIGENCE, EXPRESS OR IMPLIED, IN LAW OR IN FACT, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND/OR OTHERS ARISING FROM COURSE OF DEALING OR TRADE. COMPANY MAKES NO REPRESENTATION OR WARRANTY EXPRESS OR IMPLIED REGARDING PREVENTION BY THE WORK, OR ANY COMPONENT THEREOF, OF MOLD/MOULD, FUNGUS, BACTERIA, MICROBIAL GROWTH, OR ANY OTHER CONTAMINATES. COMPANY SPECIFICALLY DISCLAIMS ANY LIABILITY IF THE WORK OR ANY COMPONENT THEREOF IS USED TO PREVENT OR INHIBIT THE GROWTH OF SUCH MATERIALS.

20. Insurance. Company agrees to maintain the following insurance while the Work is being performed with limits not less than shown below and will, upon request from Customer, provide a Certificate of evidencing the following coverage:

Commercial General Liability	\$2,000,000 per occurrence
Automobile Liability	\$2,000,000 CSL
Workers Compensation	Statutory Limits

If Customer has requested to be named as an additional insured under Company's insurance policy, Company will do so but only subject to Company's manuscript additional insured endorsement under its primary Commercial General Liability policies. In no event does Company waive its right of subrogation.

21. Commencement of Statutory Limitation Period. Except as to warranty claims, as may be applicable, any applicable statutes of limitation for acts or failures to act shall commence to run, and any alleged cause of action stemming therefrom shall be deemed to have accrued, in any and all events not later than the last date that Company or its subcontractors physically performed work on the project site.

22. General. Except as provided below, to the maximum extent provided by law, this Agreement is made and shall be interpreted and enforced in accordance with the laws of the state or province in which the Work is performed, without regard to choice of law principles which might otherwise call for the application of a different state's or province's law. Any dispute arising under or relating to this Agreement that is not disposed of by agreement shall be decided by litigation in a court of competent jurisdiction located in the state or province in which the Work is performed. Any action or suit arising



out of or related to this Agreement must be commenced within one year after the cause of action has accrued. To the extent the Work site is owned and/or operated by any agency of the Federal Government, determination of any substantive issue of law shall be according to the Federal common law of Government contracts as enunciated and applied by Federal Judicial bodies and boards of contract appeals of the Federal Government. This Agreement contains all of the agreements, representations and understandings of the parties and supersedes all previous understandings, commitments or agreements, oral or written, related to the subject matter hereof. This Agreement may not be amended, modified or terminated except by a writing signed by the parties hereto. No documents shall be incorporated herein by reference except to the extent Company is a signatory thereon. If any term or condition of this Agreement is invalid, illegal or incapable of being enforced by any rule of law, all other terms and conditions of this Agreement will nevertheless remain in full force and effect as long as the economic or legal substance of the transaction contemplated hereby is not affected in a manner adverse to any party hereto. Customer may not assign, transfer, or convey this Agreement, or any part hereof, or its right, title or interest herein, without the written consent of the Company. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of Customer's permitted successors and assigns. This Agreement may be executed in several counterparts, each of which when executed shall be deemed to be an original, but all together shall constitute but one and the same Agreement. A fully executed facsimile copy hereof or the several counterparts shall suffice as an original.

**23. Equal Employment Opportunity/Affirmative Action Clause.** Company is a federal contractor that complies fully with Executive Order 11246, as amended, and the applicable regulations contained in 41 C.F.R. Parts 60-1 through 60-60, 29 U.S.C. Section 793 and the applicable regulations contained in 41 C.F.R. Part 60-741; and 38 U.S.C. Section 4212 and the applicable regulations contained in 41 C.F.R. Part 60-250 Executive Order 13496 and Section 29 CFR 471, appendix A to subpart A, regarding the notice of employee rights in the United States and with Canadian Charter of Rights and Freedoms Schedule B to the Canada Act 1982 (U.K.) 1982, c. 11 and applicable Provincial Human Rights Codes and employment law in Canada.

**24. U.S. Government Work.**

The following provision applies only to direct sales by Company to the US Government. The Parties acknowledge that all items or services ordered and delivered under this Agreement are Commercial Items as defined under Part 12 of the Federal Acquisition Regulation (FAR). In particular, Company agrees to be bound only by those Federal contracting clauses that apply to "commercial" suppliers and that are contained in FAR 52.212-5(e)(1). Company complies with 52.219-8 or 52.219-9 in its service and installation contracting business.

The following provision applies only to indirect sales by Company to the US Government. As a Commercial Item Subcontractor, Company accepts only the following mandatory flow down provisions in effect as of the date of this subcontract: 52.203-19; 52.204-21; 52.204-23; 52.219-8; 52.222-21; 52.222-26; 52.222-35; 52.222-36; 52.222-50; 52.225-26; 52.247-64. If the Work is in connection with a U.S. Government contract, Customer certifies that it has provided and will provide current, accurate, and complete information, representations and certifications to all government officials, including but not limited to the contracting officer and officials of the Small Business Administration, on all matters related to the prime contract, including but not limited to all aspects of its ownership, eligibility, and performance. Anything herein notwithstanding, Company will have no obligations to Customer unless and until Customer provides Company with a true, correct and complete executed copy of the prime contract. Upon request, Customer will provide copies to Company of all requested written communications with any government official related to the prime contract prior to or concurrent with the execution thereof, including but not limited to any communications related to Customer's ownership, eligibility or performance of the prime contract. Customer will obtain written authorization and approval from Company prior to providing any government official any information about Company's performance of the work that is the subject of the Proposal or this Agreement, other than the Proposal or this Agreement.

**25. Limited Waiver of Sovereign Immunity.** If Customer is an Indian tribe (in the U.S.) or a First Nation or Band Council (in Canada), Customer, whether acting in its capacity as a government, governmental entity, a duly organized corporate entity or otherwise, for itself and for its agents, successors, and assigns: (1) hereby provides this limited waiver of its sovereign immunity as to any damages, claims, lawsuit, or cause of action (herein "Action") brought against Customer by Company and arising or alleged to arise out of the furnishing by Company of any product or service under this Agreement, whether such Action is based in contract, tort, strict liability, civil liability or any other legal theory; (2) agrees that jurisdiction and venue for any such Action shall be proper and valid (a) if Customer is in the U.S., in any state or United States court located in the state in which Company is performing this Agreement or (b) if Customer is in Canada, in the superior court of the province or territory in which the work was performed; (3) expressly consents to such Action, and waives any objection to jurisdiction or venue; (4) waives any requirement of exhaustion of tribal court or administrative remedies for any Action arising out of or related to this Agreement; and (5) expressly acknowledges and agrees that Company is not subject to the jurisdiction of Customer's tribal court or any similar tribal forum, that Customer will not bring any action against Company in tribal court, and that Customer will not avail itself of any ruling or direction of the tribal court permitting or directing it to suspend its payment or other obligations under this Agreement. The individual signing on behalf of Customer warrants and represents that such individual is duly authorized to provide this waiver and enter into this Agreement and that this Agreement constitutes the valid and legally binding obligation of Customer, enforceable in accordance with its terms.



**TRANE**

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**Vernon Hills: 911 Center**

1-26.251-10(1019)

Supersedes 1-26.251-10(0315)

**ATTACHMENT B**

**DESCRIPTION OF WORK SITE**

Vernon Hills Communications Center, 740 Lakeview Pkwy, Vernon Hills, IL 60061