



INDEPENDENT CONTRACTOR AGREEMENT

THIS INDEPENDENT CONTRACTOR AGREEMENT (hereinafter referred to as “Contract” or “Agreement”) is entered into on the _____ day of October, 2023, by and between the Village of Oak Park, an Illinois home rule municipal corporation (hereinafter referred to as the “Village”), and Pavement Systems, Inc., an Illinois Corporation (hereinafter referred to as the “Contractor”).

WHEREAS, Contractor submitted a Proposal dated October 6, 2023, attached hereto and incorporated herein by reference, pursuant to the Village’s “2023 Parking Lot Improvements” Request for Bids (hereinafter referred to as the “Project”), incorporated herein by reference as though fully set forth; and

WHEREAS, the Contractor represented in said Proposal that it has the necessary personnel, experience, and competence to promptly complete the work for the Project required hereunder (hereinafter referred to as the “Work”); and

WHEREAS, it is the intent of the Village and Contractor that the Contractor shall perform the Work for the Project pursuant to the terms and conditions of this Contract.

NOW, THEREFORE, in consideration of the premises and the mutual promises contained in this Contract, and other good and valuable consideration received and to be received, it is mutually agreed by and between the parties as follows:

1. RECITALS INCORPORATED

The above recitals are incorporated herein as though fully set forth.

2. SCOPE OF WORK

The Contractor shall perform the Project in accordance with its Proposal for a price not to exceed \$146,799.00 (“Contract Price”). The Contractor shall complete all Work for the Project in accordance with any applicable manufacturers’ warranties and in accordance with the Village’s Request for Proposals, the Contractor’s Proposal and this Contract, all of which together shall constitute the “Contract Documents.” The Contractor hereby represents and warrants that it has the skill and experience necessary to complete this project in a good and workmanlike manner. The Contractor further represents and warrants that the work for the Project will be completed in a good and workmanlike manner in accordance with the Contract Documents, and will be free from defects. The Contractor shall achieve completion of all work required pursuant to the Contract Documents (“Contract Time”). The Contract Time is of the essence. The Contractor shall have no claim for damages, for compensation in excess of the Contract Price, or for a

delay or extension of the Contract Time based upon conditions found at, or in the vicinity of, the site.

3. DESIGNATED REPRESENTATIVES

The Contractor shall designate in writing a person to act as its designated representative with respect to the Work to be performed under this Contract. Such person shall have complete authority to transmit and receive instructions and information, interpret and define the Contractor's policies and decisions with respect to the Work governed by this Contract. The Village's Development Services Director or the Director's designee shall have complete authority to transmit and receive instructions and information, interpret and define the Village's policies and decisions with respect to the Work governed by this Contract, or such other person as designated in writing by the Village Manager.

4. TERM OF CONTRACT

Contractor shall perform the Project pursuant to this Contract beginning on the effective date as defines herein and ending on December 31, 2023. Contractor shall invoice the Village for the Project provided pursuant to this Contract at the rates set forth in its Proposal. The term of this Contract may be extended in writing for additional periods of time pursuant to the consent of the parties.

5. PAYMENT SCHEDULE

The Contractor shall, as a condition precedent to its right to receive any payment, submit to the Village an application for payment and such receipts, vouchers, and other documents as may be necessary to establish the Contractor's payment for all labor and material and the absence of any interest whether in the nature of a lien or otherwise of any party in any property, work, or fund with respect to the Work performed hereunder. Such documents shall include, where relevant, the following forms, copies of which are attached hereto:

- (i) Contractor's sworn statement;
- (ii) Contractor's partial or final waiver of lien;
- (iii) Subcontractor's sworn statement(s); and
- (iv) Subcontractor's partial or final waiver of lien.

Payment by the Village shall be conditioned upon an inspection by the Village of the work completed and submission of required waivers by the Contractor. Payment by the Village shall in no way constitute a waiver of, or relieve the Contractor from, any defects in the work. All payments shall be made in accordance with the Illinois Local Government Prompt Payment Act, 50 ILCS 505/1 *et seq.* Final payment for any Work performed by the Contractor pursuant to an invoice by the Contractor shall be made by the Village to the Contractor when the Contractor has fully performed the work and the work has been approved by the Village and submission of required waivers and paperwork by

Contractor. Approval of the work and issuance of the final payment by the Village shall not constitute a waiver of, or release the Contractor from, any defects in the work.

The Village shall have the right to withhold from any payment due hereunder such amount as may reasonably appear necessary to compensate the Village for any actual or prospective loss due to Work which is defective or does not conform to the Contract Documents; damage for which the Contractor is liable hereunder; liens or claims of liens; claims of third parties, subcontractors, or material men; or any failure of the Contractor to perform any of its obligations under this Contract. The Village may apply any money withheld or due Contractor hereunder to reimburse itself for any and all costs, expenses, losses, damages, liabilities, suits, judgments, awards, and attorney's fees incurred, suffered, or sustained by the Village and chargeable to the Contractor.

6. TERMINATION

The Village may terminate this Contract for cause, which includes but is not necessarily limited to, the Contractor's failure to perform the work pursuant to this Contract. The Village shall provide the Contractor with five (5) days' written notice of a termination for cause pursuant to the provisions of Section 12 below. The Village may also terminate this Contract when it determines the same to be in its best interests by giving fourteen (14) days' written notice to the Contractor pursuant to the provisions of Section 12 below. In such event, the Village shall pay to the Contractor all amounts due for the work performed up to the date of termination.

7. COMPLIANCE WITH APPLICABLE LAWS

The Contractor shall comply with all applicable laws, regulations, and rules promulgated by any federal, state, county, municipal and/or other governmental unit or regulatory body now in effect during the performance of the work. By way of example only and not as a limitation, the following are included within the scope of the laws, regulations and rules with which the Contractor must comply: all forms of Workers Compensation Laws, all terms of the equal employment opportunity rules and regulations of the Illinois Department of Human Rights, statutes relating to contracts let by units of government, and all applicable civil rights and anti-discrimination laws and regulations.

8. INDEMNIFICATION

To the fullest extent permitted by law, the Contractor shall waive any right of contribution against the Village and shall indemnify and hold harmless the Village and its officers, officials, employees, volunteers and agents from and against all claims, damages, losses and expenses, including, but not limited to, legal fees (attorney's and paralegal's fees, expert fees and court costs) arising out of or resulting from the performance of the Contractor's work, provided that any such claim, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or injury to or destruction of property, other than the work itself, including the loss of use resulting therefrom, or is attributable to

misuse or improper use of trademark or copyright-protected material or otherwise protected intellectual property, to the extent it is caused in whole or in part by any wrongful or negligent act or omission of the Contractor, any subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable. Such obligation shall not be construed to negate, abridge or otherwise reduce any other right to indemnity which the Village, and its officers, officials, employees, volunteers and agents would otherwise have. The Contractor shall similarly protect, indemnify and hold and save harmless, the Village and its officers, officials, employees, volunteers and agents against and from any and all claims, costs, causes, actions and expenses, including, but not limited to, legal fees incurred by reason of the Contractor's breach of any of its obligations under, or the Contractor's default of, any provisions of this Contract. The indemnification obligations under this Section shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for the Contractor or any subcontractor under workers' compensation or disability benefit acts or employee benefit acts.

9. INSURANCE

Contractor shall at Contractor's expense secure and maintain in effect throughout the duration of this Contract, insurance of the following kinds and limits set forth in this Section. Contractor shall furnish "Certificates of Insurance" to the Village before beginning work on the Project pursuant to this Contract. All insurance policies shall be written with insurance companies licensed to do business in the State of Illinois and having a rating of at least A according to the latest edition of the Best's Key Rating Guide; and shall include a provision preventing cancellation of the insurance policy unless thirty (30) days prior written notice is given to the Village. This provision shall also be stated on each Certificate of Insurance: "Should any of the above described policies be canceled before the expiration date, the issuing company shall mail fifteen thirty (30) days written notice to the certificate holder named to the left."

The limits of liability for the insurance required shall provide coverage for not less than the following amounts, or greater where required by law:

(A) Commercial General Liability:

i. Coverage to include Broad Form Property Damage, Contractual and Personal Injury.

ii. Limits:

General Aggregate	\$ 2,000,000.00
Each Occurrence	\$ 1,000,000.00
Personal Injury	\$ 1,000,000.00

iii. Coverage for all claims arising out of the Contractor's operations or premises and anyone directly or indirectly employed by the Contractor.

(B) **Workers' Compensation:**

i. Workers' compensation insurance shall be provided in accordance with the provisions of the laws of the State of Illinois, including occupational disease provisions, for all employees who perform the Work pursuant to this Contract, and if work is subcontracted pursuant to the provisions of this Contract, Contractor shall require each subcontractor similarly to provide workers' compensation insurance. In case employees engaged in hazardous work under this Contract are not protected under the Workers' Compensation Act, Contractor shall provide, and shall cause each subcontractor to provide, adequate and suitable insurance for the protection of employees not otherwise provided.

(C) **Comprehensive Automobile Liability:**

i. Comprehensive Automobile Liability coverage shall include all owned, hired, non-owned vehicles, and/or trailers and other equipment required to be licensed, covering personal injury, bodily injury and property damage.

ii. Limits:

Combined Single Limit	\$1,000,000.00
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(D) **Umbrella:**

i. Limits:

Each Occurrence/Aggregate	\$5,000,000.00
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(E) The Village and its officers, officials, employees, agents and volunteers shall be named as additional insureds on all insurance policies set forth herein except Workers' Compensation. The Contractor shall be responsible for the payment of any deductibles for said insurance policies. The coverage shall contain no special limitations on the scope of protection afforded to the Village and its officers, officials, employees, agents, and volunteers.

(F) The Contractor understands and agrees that any insurance protection required by this Contract or otherwise provided by Contractor, shall in no way limit the responsibility to indemnify, keep and save harmless, and defend the Village and its officers, officials, employees, agents and volunteers as herein provided. The Contractor waives and shall have its insurers waive, its rights of subrogation against the Village and its officers, officials, employees, agents and volunteers.

10. GUARANTY

The Contractor warrants and guarantees that its Work provided for the Project to be performed under this Contract, and all workmanship, materials, equipment, and supplies performed, furnished, used, or installed under this Contract, performed, furnished, used, or installed under this Contract, shall be free from defects and flaws in workmanship or design; shall strictly conform to the requirements of this Contract; and shall be fit and sufficient for the purposes expressed in, or reasonably inferred from, this Contract. The Contractor further warrants and guarantees that the strength of all parts of all manufactured materials, equipment, and supplies shall be adequate and as specified and that the performance requirements of this Contract shall be fulfilled.

The Contractor shall, at no expense to the Village, correct any failure to fulfill the above guaranty that may appear at any time. In any event, the guaranty herein expressed shall not be sole and exclusive, and is additional to any other guaranty or warranty expressed or implied.

11. AFFIDAVIT OR CERTIFICATE

The Contractor shall furnish any affidavit or certificate in connection with the work covered by this Contract as required by law.

12. NOTICES

Any notice required to be given by this Contract shall be deemed sufficient if made in writing and sent by certified mail, return receipt requested, by email or personal service to the persons and addresses indicated below or to such addresses and persons as either party hereto shall notify the other party of in writing pursuant to the provisions of this Section:

To the Village:

Village Manager
Village of Oak Park
123 Madison Street
Oak Park, Illinois 60302
Email: villagemanager@oak-park.us

To the Contractor:

Ismael Alvarez Jr.
Pavement Systems, Inc.
13820 California Avenue
Blue Island, Illinois 60406
ismael@pavingsystems.com

Mailing of such notice as and when above provided shall be equivalent to personal notice and shall be deemed to have been given at the time of mailing. Notice by email transmission shall be effective as of date and time of transmission, provided that the notice transmitted shall be sent on business days during business hours (9:00 a.m. to 5:00 p.m. Chicago time). In the event email notice is transmitted during non-business hours, the effective date and time of notice is the first hour of the first business day after transmission.

13. EFFECTIVE DATE

The effective date of this Contract as reflected above shall be the last date of its execution by one of the Parties as set forth below.

14. ENTIRE CONTRACT; APPROVAL OF SUBCONTRACTORS

This Contract, including the documents incorporated by reference herein, sets forth the entire Contract of the parties with respect to the accomplishment of the Work. No right or interest in this Contract shall be assigned, in whole or in part, by either party without the prior written consent of the other party. The Village reserves the right to approve the use of subcontractors to complete any portion of the Work and to approve any applicable contract between the Contractor and a proposed subcontractor to perform any of the Work. This Contract shall be binding upon the parties and upon their respective heirs, executors, administrators, personal representatives, successors, and assigns, except as herein provided.

15. INDEPENDENT CONTRACTOR

The Contractor shall have the full control of the ways and means of performing the work referred to above and that the Contractor and its employees, representatives or subcontractors are not employees of the Village, it being specifically agreed that the Contractor bears the relationship of an independent contractor to the Village. The Contractor shall solely be responsible for the payment of all salaries, benefits and costs of supplying personnel for the Work.

16. BOND

The Contractor, before commencing the work under this Contract, shall furnish a Contract Bond. The Contract Bond shall remain in effect during the term of this Agreement. The Contract Bond shall be in an amount equal to 100% of the full amount of the Contract Price as security for the faithful performance of its obligations pursuant to the Contract Documents and as security for the payment of all persons performing labor and furnishing materials in connection with the Contract Documents. Such bond shall be on standard AIA Documents, shall be issued by a surety satisfactory to the Village, and shall name the Village as a primary co-obligee. The Contract Bond shall become a part of the Contract Documents. The failure of Contractor to supply the required Contract Bond within ten (10) days after the Notice of Award or within such extended period as the Village may grant if the Contract Bond does not meet its approval shall constitute a default, and the Village may either award the Contract to the next lowest responsible proposer or re-advertise for proposals. A charge against the defaulting Contractor may be made for the difference between the amount of the Contractor's Proposal and the amount for which a contract for the work is subsequently executed, irrespective of whether the amount thus due exceeds the amount of the proposal guarantee.

17. DEFAULT/THE VILLAGE'S REMEDIES.

If it should appear at any time prior to payment for the Work provided pursuant to this Contract that the Contractor has failed or refused to prosecute, and is in default, or has delayed in the prosecution of, the Work to be provided pursuant to this Contract with diligence at a rate that assures completion of the Work in full compliance with the requirements of this Contract, or has attempted to assign this Contract or the Contractor's rights under this Contract, either in whole or in part, or has falsely made any representation or warranty, 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, or has reasonably commenced to cure any such Event of Default within fifteen (15) business days after Contractor's receipt of written notice of such Event of Default, then the Village shall have the right, at its election and without prejudice to any other remedies provided by law or equity, to pursue any one or more of the following remedies:

(A) The Village may require Contractor, within such reasonable time as may be fixed by the Village, to complete or correct all or any part of the Work that are defective, damaged, flawed, unsuitable, nonconforming, or incomplete and to take any or all other action necessary to bring Contractor and the Work into compliance with this Contract;

(B) The Village may accept the defective, damaged, flawed, unsuitable, nonconforming, incomplete, or dilatory Work or part thereof and make an equitable reduction;

(C) The Village may terminate this Contract without liability for further payment of amounts due or to become due under this Contract except for amounts due for Services properly performed prior to termination;

(D) The Village may withhold any payment from Contractor, whether or not previously approved, or may recover from Contractor any and all costs, including attorneys' fees and administrative expenses, incurred by the Village as the result of any Event of Default or as a result of actions taken by the Village in response to any Event of Default; or

(E) The Village may recover any damages suffered by the Village as a result of Contractor's Event of Default.

(F) In addition to the above, if Contractor fails to complete any required Work pursuant to this Contract, the Village shall be entitled to liquidated damages in the amount of five hundred dollars (\$500.00) per day for each day the Work remains uncompleted. This amount is not a penalty, and the parties agree to said amount given

the difficulties associated with determining or calculating damages to the Village in the event the required Work is not completed on time.

18. GOVERNING LAW AND VENUE

This Contract shall be governed by the laws of the State of Illinois both as to interpretation and performance. Venue for any action pursuant to this Contract shall be in the Circuit Court of Cook County, Illinois.

19. AMENDMENTS AND MODIFICATIONS

This Contract may be modified or amended from time-to-time provided, however, that no such amendment or modification shall be effective unless reduced to writing and duly authorized and signed by the authorized representative of the Village and the authorized representative of the Contractor.

20. NON-WAIVER OF RIGHTS

No failure of either party to exercise any power given to it hereunder or to insist upon strict compliance by the other party with its obligations hereunder, and no custom or practice of the parties at variance with the terms hereof, nor any payment under this Contract shall constitute a waiver of either party's right to demand exact compliance with the terms hereof.

21. CONFLICT

In case of a conflict between any provision(s) of the Village's Request for Bids or the Contractor's Proposal and this Contract, this Contract and the Village's Request for Bids shall control to the extent of such conflict.

22. HEADINGS AND TITLES

The headings and titles provided in this Contract are for convenience only and shall not be deemed a part of this Contract.

23. COOPERATION OF THE PARTIES

The Village and Contractor shall cooperate in the provision of the Work to be provided by Contractor pursuant to this Contract and in compliance with applicable laws, including, but not limited to, the Illinois Freedom of Information Act, 5 ILCS 140/1 *et seq.* ("FOIA"), and the provision of any documents and information pursuant to a FOIA request. Contractor shall provide any and all responsive documents to the Village pursuant to a FOIA request at no cost to the Village.

24. COUNTERPARTS; FACSIMILE OR PDF SIGNATURES

This Contract may be executed in counterparts, each of which shall be considered an original and together shall be one and the same Contract. A facsimile or pdf copy of this Agreement and any signature(s) thereon will be considered for all purposes as an original.

25. PREVAILING WAGES

Contractor and any applicable subcontractor shall pay prevailing wages as established by the Illinois Department of Labor and determined by the Village for each craft or type of work needed to execute the contract in accordance with the Illinois Prevailing Wage Act, 820 ILCS 130/0.01 *et seq.* ("Act") as applicable. Contractor shall prominently post the current schedule of prevailing wages at the Project site(s) and shall notify immediately in writing all of its subcontractors of all changes in the schedule of prevailing wages. Any increases in costs to Contractor due to changes in the prevailing rate of wage during the terms of any Contract shall be at the sole expense of Contractor and not at the expense of the Village, and shall not result in an increase to the Contract Price. Contractor shall be solely responsible to maintain accurate records as required by the Act and shall submit certified payroll records to the Village evidencing its compliance with the Act on no less than a monthly basis as required by the Act. Contractor shall be solely liable for paying the difference between prevailing wages and any wages actually received by laborers, workmen and/or mechanics engaged in the Work for the Project.

Contractor shall indemnify, hold harmless, and defend the Village, its officers, officials, employees, agents and volunteers ("Indemnified Parties") against all regulatory actions, complaints, damages, claims, suits, liabilities, liens, judgments, costs and expenses, including reasonable attorney's fees, which may in any way arise from or accrue against the Indemnified Parties as a consequence of noncompliance with the Act or which may in any way result therefrom, including a complaint by the Illinois Department of Labor under Section 4(a-3) of the Act, 820 ILCS 130/4(a-3) that any or all of the Indemnified Parties violated the Act by failing to give proper notice to the Grantee or any other party performing work on the Public Improvements that not less than the prevailing rate of wages shall be paid to all laborers, workers and mechanics performing Work on the Project, including interest, penalties or fines under Section 4(a-3). The indemnification obligations of this section on the part of Contractor shall survive the termination or expiration of this Agreement. In any such claim, complaint or action against the Indemnified Parties, Contractor shall, at its own expense, appear, defend and pay all charges of reasonable attorney's fees and all reasonable costs and other reasonable expenses arising therefrom or incurred in connection therewith, and, if any judgment or award shall be rendered against the Indemnified Parties in any such action, Contractor shall at its own expense, satisfy and discharge such judgment or award.

26. CERTIFIED PAYROLL

Contractor shall be solely responsible to maintain accurate records reflecting its payroll for its employees who perform any of the Work for the Village pursuant to this Contract and shall submit certified payroll records to the Village at any time during the term of this Contract. Contractor shall provide said certified payroll records within seven (7) days upon the request of the Village.

27. EQUAL OPPORTUNITY EMPLOYER

Contractor is an equal opportunity employer and the requirements of 44 Ill. Adm. Code 750 APPENDIX A are incorporated herein if applicable.

The Contractor shall not discriminate against any employee or applicant for employment because of race, sex, gender identity, gender expression, color, religion, ancestry, national origin, veteran status, sexual orientation, age, marital status, familial status, source of income, disability, housing status, military discharge status, or order of protection status or physical or mental disabilities that do not impair ability to work, and further that it will examine all job classifications to determine if minority persons or women are underutilized and will take appropriate affirmative action to rectify any such underutilization. The Contractor shall comply with all requirements of Chapter 13 ("Human Rights") of the Oak Park Village Code.

In the event of the Contractor's noncompliance with any provision of Chapter 13 ("Human Rights") of the Oak Park Village Code, the Illinois Human Rights Act or any other applicable law, the Contractor may be declared non-responsible and therefore ineligible for future Agreements or subcontracts with the Village, and the Agreement may be cancelled or voided in whole or in part, and such other sanctions or penalties may be imposed or remedies invoked as provided by statute or regulation.

In all solicitations or advertisements for employees placed by it on its behalf, the Contractor shall state that all applicants will be afforded equal opportunity without discrimination because of race, sex, gender identity, gender expression, color, religion, ancestry, national origin, veteran status, sexual orientation, age, marital status, familial status, source of income, disability, housing status, military discharge status, or order of protection status or physical or mental disabilities that do not impair ability to work.

28. AUTHORIZATIONS

Contractor's authorized representatives who have executed this Agreement warrant that they have been lawfully authorized by Contractor's board of directors or its by-laws to execute this Agreement on its behalf. The Village Manager warrants that he has been lawfully authorized to execute this Agreement. Contractor and the Village shall deliver upon request to each other copies of all articles of incorporation, bylaws, resolutions,

ordinances or other documents which evidence their legal authority to execute this Agreement on behalf of their respective parties.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK –
SIGNATURE PAGE FOLLOWS]**

VILLAGE OF OAK PARK

By: Kevin J. Jackson
Its: Village Manager

Date: _____, 2023

ATTEST

By: Christina M. Waters
Its: Village Clerk

Date: _____, 2023

PAVEMENT SYSTEMS, INC.

By: Ismael Alvarez Jr.
Its: President

Date: _____, 2023

ATTEST

By:
Its:

Date: _____, 2023