

**VILLAGE OF DOWNERS GROVE
REPORT FOR THE VILLAGE COUNCIL MEETING
JULY 6, 2010 AGENDA**

SUBJECT:	TYPE:	SUBMITTED BY:
Bid: Liquid Deicer	Resolution Ordinance ✓ Motion Discussion Only	Nan Newlon, P.E. Director of Public Works

SYNOPSIS

A motion is requested to approve the purchase of 35,000 gallons of Geomelt liquid deicer from Wellspring Management, Ltd., of Oak Park, Illinois as a sole source supplier in the amount of \$68,433.50.

STRATEGIC PLAN ALIGNMENT

The Five Year Plan and Goals identified *Exceptional Services*.

FISCAL IMPACT

The FY10 budget includes \$105,000 in the General Fund for the purchase of liquid deicing chemicals.

UPDATE & RECOMMENDATION

This item was discussed at the June 15, 2010 meeting. Staff recommends approval on the July 6, 2010 consent agenda.

BACKGROUND

A key component of the Village's snow and ice removal program is the use of liquid deicers. These liquids can be applied directly to the pavement in advance of a winter storm (anti-icing), following a storm (de-icing), or used to pre-treat the Village's salt stockpile. By itself, road salt is ineffective below 15° - 20° Fahrenheit and coating the salt with liquid deicer before it is applied to the roadway provides several important advantages including:

- Reduction in Corrosion to Roadway Surfaces, Equipment and Vehicles of up to 80%
- Improved melting of snow and ice to -25° to -30° Fahrenheit
- Decreased salt usage by up to one-third
- Remains on the roadway for up to five days

The use of Geomelt would be a change from last year's use of Magic Minus Zero. Often referred to as "beet juice", Geomelt is a patented sugar beet-based compound. Last year's contract for the Magic Minus Zero from BMS Deicing cost the Village \$86,210. The proposed contract for Geomelt would be \$68,433.50, resulting in a savings of \$17,776.50 for liquid deicing chemicals. Staff is continually evaluating changes within the marketplace and believes that Geomelt would provide comparable performance with advantages in stockpile treatment efficiency and local availability that would make it a more economical choice for the coming winter. Geomelt products have also been independently tested to ensure their efficacy and environmental effects by the Pacific Northwest Snowfighters (PNS).

Staff is requesting that Wellspring Management, Ltd. of Oak Park, Illinois be approved as a sole source supplier for this purchase. Geomelt is a patented product that is sold through territorial distributorships. Wellspring Management is the only authorized distributor for Downers Grove. As a result, there are no other suitable options for the Village to obtain this product other than through Wellspring Management.

ATTACHMENTS

Contract Documents
Sole Source Letter



Environmental Chemical Contractor

26 April 2010

Mr. Stan Balicki
Assistant Director of Public Works
Village of Downers Grove
5101 Walnut Avenue
Downers Grove, IL 60515

RE: GEOMELT Exclusive Territory

Dear Mr. Balicki:

Please accept this as a confirmation of Wellspring Management's status as a dealer-distributor for SNI Solutions, Inc.

Our company has exclusive rights to 'GEOMELT' product sales in IL-WI-MN-IA and within our areas of operation, extended areas of representation to certain Dealers and Distributors. Wellspring Management is the Distributor for your village.

With this arrangement we can better serve, through stable pricing and resource management, the best interest of our clients in all areas.

If there is any further information necessary to assist in your municipalities purchasing requirement, please contact me at your convenience.

I appreciate the opportunity to have our products considered in support of your Village's winter operations.

Respectfully,


Michael J. Bellovics, President

Village of Downers Grove

II. CONTRACT SCOPE AND AMOUNT

Contractor agrees to treat 4,000 tons of salt with 20,000 gallons of GEO 55 and to provide the Village with 15,000 gallons of SC 217 pursuant to the terms set forth in Exhibit A dated 4/27/2010 attached hereto and herein incorporated. Delivery of SC 217 and treatment of salt with GEO 55 shall occur at a time agreed to by both parties, but prior to October 15, 2010.

III. CONTRACT FORM

WELLSPRING:	
WellSpring Management, Ltd Company Name	Date: May 26, 2010
818 N. Marion St Street Address of Company	w.king@wellspringHd.com Email Address
Oak Park, IL 60302 City, State, Zip	Warren King Contact Name (Print)
(708) 383-0835 Business Phone	(708) 856-2212 24-Hour Telephone
(708) 383-3468 Fax	Warren S.K. Signature of Officer, Partner or Sole Proprietor
ATTEST: If a Corporation	Warren King - President Print Name & Title
Warren S.K. Signature of Corporation Secretary	

VILLAGE OF DOWNERS GROVE:

Authorized Signature

Title

Date

ATTEST:

Signature of Village Clerk

Date

Village of Downers Grove

CAMPAIGN DISCLOSURE CERTIFICATE

CAMPAIGN DISCLOSURE CERTIFICATE

Any contractor, proposer or vendor who responds by submitting a bid or proposal to the Village of Downers Grove shall be required to submit with its bid submission, an executed Campaign Disclosure Certificate, attached hereto.

The Campaign Disclosure Certificate is required pursuant to the Village of Downers Grove Council Policy on Ethical Standards and is applicable to those campaign contributions made to any member of the Village Council.

Said Campaign Disclosure Certificate requires any individual or entity bidding to disclose campaign contributions, as defined in Section 9-1.4 of the Election Code (10 ILCS 5/9-1.4), made to current members of the Village Council within the five (5) year period preceding the date of the bid or proposal release.

By signing the bid documents, contractor/proposer /vendor agrees to refrain from making any campaign contributions as defined in Section 9-1.4 of the Election Code (10 ILCS 5/9-1.4) to any Village Council member and any challengers seeking to serve as a member of the Downers Grove Village Council.

Under penalty of perjury, I declare:

WELLSPRING has not contributed to any elected Village position within the last five (5) years.

Warren King
Signature

Warren King
Print Name

WELLSPRING has contributed a campaign contribution to a current member of the Village Council within the last five (5) years.

Print the following information:

Name of Contributor: _____
(company or individual)

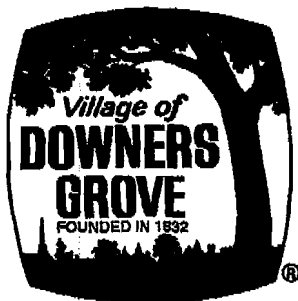
To whom contribution was made: _____

Year contribution made: _____ Amount: \$ _____

Signature

Print Name

Village of Downers Grove



CONTRACT FOR THE PROVISION OF SALT TREATMENT, ANTI-ICING AND DEICING

The Village of Downers Grove ("Village") and Wellspring Management, Ltd. ("WELLSPRING") enter into this contract this 26th day of May, 2010. The Village and WELLSPRING hereby agree as follows:

I. TERMS AND CONDITIONS

- 1. VILLAGE ORDINANCES**
WELLSPRING will strictly comply with all ordinances of the Village of Downers Grove and laws of the State of Illinois.
- 2. USE OF VILLAGE'S NAME**
WELLSPRING is specifically denied the right of using in any form or medium the name of the Village for public advertising unless the Village grants express permission.
- 3. DELIVERIES**
All materials shipped to the Village of Downers Grove must be shipped F.O.B. designated location, Downers Grove, Illinois.
- 4. SPECIAL HANDLING**
Prior to delivery of any product that is caustic, corrosive, flammable or dangerous to handle, WELLSPRING will provide written directions as to methods of handling such products, as well as the antidote or neutralizing material required for its first aid before delivery. WELLSPRING shall also notify the Village and provide material safety data sheets for all substances used in connection with this contract which are defined as toxic under the Illinois Toxic Substances Disclosure to Employees Act.
- 5. COMPLIANCE WITH OSHA STANDARDS**
Equipment supplied to the Village must comply with all requirements and standards as specified by the Occupational Safety and Health Act. All guards and protectors as well as appropriate markings will be in place before delivery. Items not meeting any OSHA specifications will be refused.

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6. CERCLA INDEMNIFICATION

WELLSPRING shall, to the maximum extent permitted by law, indemnify, defend, and hold harmless the Village, its officers, employees, agents, and attorneys from and against any and all liability, including without limitation, costs of response, removal, remediation, investigation, property damage, personal injury, damage to natural resources, health assessments, health settlements, attorneys' fees, and other related transaction costs arising under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) of 1980, 42 U.S.C.A. Sec. 9601, *et seq.*, as amended, and all other applicable statutes, regulations, ordinances, and under common law for any release or threatened release of the waste material collected by WELLSPRING, both before and after its disposal.

7. CAMPAIGN DISCLOSURE

Any contractor, proposer, or vendor who responds by submitting a bid or proposal to the Village of Downers Grove shall be required to submit with its bid submission, an executed Campaign Disclosure Certificate, attached hereto.

The Campaign Disclosure Certificate is required pursuant to the Village of Downers Grove Council Policy on Ethical Standards and is applicable to those campaign contributions made to any member of the Village Council.

Said Campaign Disclosure Certificate requires any individual or entity bidding to disclose campaign contributions, as defined in Section 9-1.4 of the Election Code (10 ILCS 5/9-1.4), made to current members of the Village Council within the five (5) year period preceding the date of the bid or proposal release.

By signing the bid documents, WELLSPRING agrees to refrain from making any campaign contributions as defined in Section 9-1.4 of the Election Code (10 ILCS 5/9-1.4) to any Village Council member and any challengers seeking to serve as a member of the Downers Grove Village Council.

8. BACKING PRECAUTIONS

Pursuant to Sections 14-139(b) and 14-171.1 of the Downers Grove Municipal Code, any motor vehicle which has an obstructed view to the rear and is to be operated at any time in reverse gear on the public streets of the Village of Downers Grove by WELLSPRING or any subcontractor shall either be equipped with a reverse signal alarm (backup alarm) audible above and distinguishable from the surrounding noise level, or shall provide an observer to signal that it is safe to back up.

9. OVERWEIGHT, OVERWIDTH AND OVERHEIGHT PERMITS

The Village has and supports an overweight truck enforcement program. Contractors are required to comply with weight requirements and safety requirements as established by Illinois Law or Village Ordinance, for vehicles, vehicle operators and specialty equipment. In some instances, specialty equipment for road repairs or construction projects requires the movement of overweight, overwidth, or overheight loads utilizing a Village of Downers Grove roadway. Such movement will require obtaining a permit and permission from the

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Downers Grove Police Department.

10. COPYRIGHT/PATENT INFRINGEMENT

WELLSPRING agrees to indemnify, defend, and hold harmless the Village against any suit, claim, or proceeding brought against the Village for alleged use of any equipment, systems, or services provided by WELLSPRING that constitutes a misuse of any proprietary or trade secret information or an infringement of any patent or copyright.

11. INDEMNITY AND HOLD HARMLESS AGREEMENT

To the fullest extent permitted by law, WELLSPRING shall indemnify, keep and save harmless the Village and its agents, officers, and employees, against all injuries, deaths, strikes, losses, damages, claims, suits, liabilities, judgments, costs and expenses, which may arise directly or indirectly from any negligence or from the reckless or willful misconduct of WELLSPRING, its employees, or its subcontractors, and WELLSPRING, its employees, or its subcontractors, and WELLSPRING shall at its own expense, appear, defend and pay all charges of attorneys and all costs and other expenses arising therefrom or incurred in connection therewith, and, if any judgment shall be rendered against the Village in any such action, WELLSPRING shall, at its own expense, satisfy and discharge the same. This Agreement shall not be construed as requiring WELLSPRING to indemnify the Village for its own negligence. WELLSPRING shall indemnify, keep and save harmless the Village only where a loss was caused by the negligent, willful or reckless acts or omissions of WELLSPRING, its employees, or its Subcontractors.

12. NONDISCRIMINATION

WELLSPRING shall, as a party to a public contract:

- (a) Refrain from unlawful discrimination in employment and undertake affirmative action to assure equality of employment opportunity and eliminate the effects of past discrimination;
- (b) By submission of this bid, WELLSPRING certifies that he is an "equal opportunity employer" as defined by Section 2000(e) of Chapter 21, Title 42, U.S. Code Annotated and Executive Orders #11246 and #11375, which are incorporated herein by reference. The Equal Opportunity clause, Section 6.1 of the Rules and Regulations of the Department of Human Rights of the State of Illinois, is a material part of any contract awarded on the basis of this bid.
- (c) It is unlawful to discriminate on the basis of race, color, sex, national origin, ancestry, age, marital status, physical or mental handicap or unfavorable discharge for military service. WELLSPRING shall comply with standards set forth in Title VII of the Civil Rights Act of 1964, 42 U.S.C. Secs. 2000 et seq., The Human Rights Act of the State of Illinois, 68 ILL. Rev. Stat. Secs. 1-101 et seq., and The Americans With Disabilities Act, 42 U.S.C. Secs. 12101 et. seq.

13. SEXUAL HARASSMENT POLICY

WELLSPRING or supplier, as a party to a public contract, shall have a written sexual harassment policy that:

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Notes the illegality of sexual harassment;
Sets forth the State law definition of sexual harassment;
Describes sexual harassment utilizing examples;
Describes WELLSRING's internal complaint process including penalties;
Describes the legal recourse, investigative and complaint process available through the Illinois Department of Human Rights and the Human Rights Commission and how to contact these entities; and
Describes the protection against retaliation afforded under the Illinois Human Rights Act.

14. **EQUAL EMPLOYMENT OPPORTUNITY**

In the event of WELLSRING's non-compliance with the provisions of this Equal Employment Opportunity Clause, the Illinois Human Rights Act or the Rules and Regulations of the Illinois Department of Human Rights ("Department"), WELLSRING may be declared ineligible for future contracts or subcontracts with the State of Illinois or any of its political subdivisions or municipal corporations, and the contract may be canceled 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. During the performance of this contract, WELLSRING agrees as follows:

That it will not discriminate against any employee or applicant for employment because of race, color, religion, sex, marital status, national origin or ancestry, age, physical or mental handicap unrelated to ability, sexual orientation, sexual identity, or an unfavorable discharge from military service; 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.

That, if it hires additional employees in order to perform this contract or any portion thereof, it will determine the availability (in accordance with the Department's Rules and Regulations) of minorities and women in the area(s) from which it may reasonably recruit and it will hire for each job classification for which employees are hired in such a way that minorities and women are not underutilized.

That, in all solicitations or advertisements for employees placed by it or on its behalf, it will state that all applicants will be afforded equal opportunity without discrimination because of race, color, religion, sex, marital status, national origin or ancestry, age, physical or mental handicap unrelated to ability, or an unfavorable discharge from military services.

That it will send to each labor organization or representative of workers with which it has or is bound by a collective bargaining or other agreement or understanding, a notice advising such labor organization or representative of WELLSRING's obligations under the Illinois Human Rights Act and the Department's Rules and Regulations. If any such labor organization or representative fails or refuses to cooperate with WELLSRING in its efforts to comply with such Act and Rules and Regulations, WELLSRING will promptly so notify the Department and the contracting agency and will recruit employees

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from other sources when necessary to fulfill its obligations thereunder.

That it will submit reports as required by the Department's Rules and Regulations, furnish all relevant information as may from time to time be requested by the Department or the contracting agency, and in all respects comply with the Illinois Human Rights Act and the Department's Rules and Regulations.

That it will permit access to all relevant books, records, accounts and work sites by personnel of the contracting agency and the Department for purpose of investigation to ascertain compliance with the Illinois Human Rights Act and the Department's Rules and Regulations.

That it will include verbatim or by reference the provisions of this clause in every subcontract it awards under which any portion of the contract obligations are undertaken or assumed, so that such provisions will be binding upon such subcontractor. In the same manner as with other provisions of this contract, WELLSRING will be liable for compliance with applicable provisions of this clause by such subcontractors; and further it will promptly notify the contracting agency and the Department in the event any subcontractor fails or refuses to comply therewith. In addition, WELLSRING will not utilize any subcontractor declared by the Illinois Human Rights Commission to be ineligible for contracts or subcontracts with the State of Illinois or any of its political subdivision or municipal corporations.

15. DRUG FREE WORK PLACE

WELLSRING, as a party to a public contract, certifies and agrees that it will provide a drug free workplace by:

Publishing a statement: (1) Notifying employees that the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance, including cannabis, is prohibited in the Village's or WELLSRING's workplace. (2) Specifying the actions that will be taken against employees for violations of such prohibition. (3) Notifying the employee that, as a condition of employment on such contract or grant, the employee will: (A) abide by the terms of the statement; and (B) notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction.

Establishing a drug free awareness program to inform employee's about: (1) the dangers of drug abuse in the workplace; (2) the Village's or WELLSRING's policy of maintaining a drug free workplace; (3) any available drug counseling, rehabilitation and employee assistance programs; (4) the penalties that may be imposed upon employees for drug violations.

Providing a copy of the statement required by subparagraph .1 above to each employee engaged in the performance of the contract or grant and to post the statement in a prominent place in the workplace.

Notifying the contracting or granting agency within ten (10) days after receiving notice

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under part (3)(B) of subparagraph .1 above from an employee or otherwise receiving actual notice of such conviction.

Imposing a sanction on, or requiring the satisfactory participation in a drug abuse assistance or rehabilitation program by any employee who is so convicted as required by section 5 of the Drug Free Workplace Act.

Assisting employees in selecting a course of action in the event drug counseling, treatment and rehabilitation is required and indicating that a trained referral team is in place.

Making a good faith effort to continue to maintain a drug free workplace through implementation of the Drug Free Workplace Act.

16. PATRIOT ACT COMPLIANCE

WELLSPRING represents and warrants to the Village 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 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. WELLSPRING further represents and warrants to the Village that WELLSPRING 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 Agreement on behalf of any person or entity named as a Specially Designated National and Blocked Person. WELLSPRING hereby agrees to defend, indemnify and hold harmless the Village, and its elected or appointed officers, employees, agents, representatives, engineers and attorneys, from and against any and all claims, damages, losses, risks, liabilities and expenses(including reasonable attorney's fees and costs) arising from or related to any breach of the foregoing representations and warranties.

17. INSURANCE REQUIREMENTS

Prior to starting the work, Contractor and any Subcontractors shall procure, maintain and pay for such insurance as will protect against claims for bodily injury or death, or for damage to property, including loss of use, which may arise out of operations by WELLSPRING or Subcontractor or any Sub-Sub Contractor or by anyone employed by any of them, or by anyone for whose acts any of them may be liable. Such insurance shall not be less than the greater of coverages and limits of liability specified below or any coverages and limits of liability specified in the Contract Documents or coverages and limits required by law unless otherwise agreed to by the Village.

Workers Compensation	\$500,000	Statutory
Employers Liability	\$1,000,000	Each Accident
	\$1,000,000	Disease Policy Limit
	\$1,000,000	Disease Each Employee

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Comprehensive General Liability	\$2,000,000	Each Occurrence
	\$2,000,000	Aggregate
		<i>(Applicable on a Per Project Basis)</i>
Commercial Automobile Liability	\$1,000,000	Each Accident
Professional Errors & Omissions	\$2,000,000	Each Claim
(pursuant to section .9 below)	\$2,000,000	Annual Aggregate
Umbrella Liability	\$ 5,000,000	

Commercial General Liability Insurance required under this paragraph shall be written on an occurrence form and shall include coverage for Products/Completed Operations, Personal Injury with Employment Exclusion (if any) deleted, Blanket XCU and Blanket Contractual Liability insurance applicable to defense and indemnity obligations and other contractual indemnity assumed under the Contract Documents. The limit must be on a "Per Project Basis"

Comprehensive Automobile Liability Insurance required under this paragraph shall include coverage for all owned, hired and non-owned automobiles.

Workers Compensation coverage shall include a waiver of subrogation against the Village of Downers Grove.

Comprehensive General Liability, Employers Liability and Commercial Automobile Liability Insurance may be arranged under single policies for full minimum limits required, or by a combination of underlying policies with the balance provided by Umbrella and/or Excess Liability policies.

Contractor and all Subcontractors shall have their respective Comprehensive General Liability (including products/completed operations coverage), Employers Liability, Commercial Automobile Liability, and Umbrella/Excess Liability policies endorsed to add the "Village of Downers, its officers, officials, employees and volunteers" as "additional insureds" with respect to liability arising out of operations performed; claims for bodily injury or death brought against Village of Downers Grove by any Contractor of Subcontractor employees, or the employees of Subcontractor's subcontractors of any tier, however caused, related to the performance of operations under the Contract Documents. Such insurance afforded to the Village of Downers Grove shall be endorsed to provide that the insurance provided under each policy shall be *Primary and Non-Contributory*.

Contractor and all Subcontractors shall maintain in effect all insurance coverages required by the Contract Documents at their sole expense and with insurance carriers

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licensed to do business in the State of Illinois and having a current A. M. Best rating of no less than A- VIII. In the event that WELLSRING or any Subcontractor fails to procure or maintain any insured required by the Contract Documents, the Village of Downers Grove may, at its option, purchase such coverage and deduct the cost thereof from any monies due to WELLSRING or Subcontractor, or withhold funds in an amount sufficient to protect the Village of Downers Grove, or terminate this Agreement pursuant to its terms.

All insurance policies shall contain a provision that coverages and limits afforded hereunder shall not be canceled, materially changed, non-renewed or restrictive modifications added, without thirty (30) days prior written notice to the Village of Downers Grove. Renewal certificates shall be provided to the Village of Downers Grove not less than five (5) prior to the expiration date of any of the required policies. All Certificates of Insurance shall be in a form acceptable to Village of Downers Grove and shall provide satisfactory evidence of compliance with all insurance requirements. The Village of Downers Grove shall not be obligated to review such certificates or other evidence of insurance, or to advise Contractor or Subcontractor of any deficiencies in such documents, and receipt thereof shall not relieve WELLSRING or Subcontractor from, nor be deemed a waiver the right to enforce the terms of the obligations hereunder. The Village of Downers Grove shall have the right to examine any policy required and evidenced on the Certificate of Insurance.

If the Work under the Contract Documents includes design, consultation, or any other professional services, Contractor or the Subcontractor shall procure, maintain, and pay for Professional Errors and Omissions insurance with limits of not less than \$2,000,000 per claim and \$2,000,000 annual aggregate. If such insurance is written on a claim made basis, the retrospective date shall be prior to the start of the Work under the Contract Documents. Contractor and all Subcontractors agree to maintain such coverage for three (3) years after final acceptance of the Project by the Owner or such longer period as the Contract Documents may require. Renewal policies during this period shall maintain the same retroactive date.

Any deductibles or self-insured retentions shall be the sole responsibility of the Insured. At the option of the Municipality, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the Municipality, its officers, officials, employees and volunteers; or the Proposer shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

18. SUBLETTING OF CONTRACT

No contract awarded by the Village of Downers Grove shall be assigned or any part sub-contracted without the written consent of the Village Manager. In no case shall such consent relieve WELLSRING from his obligation or change the terms of the contract.

19. TERM OF CONTRACT This contract may be extended no more than twice for subsequent annual periods (two annual extensions) by mutual agreement of both parties, providing such agreement complies with Village purchasing policies and the availability of

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funds. However, if this contract is not one that is subject to extension, such information will be available in the detailed specifications or special conditions sections, supra.

20. TERMINATION OF CONTRACT

The Village reserves the right to terminate the whole or any part of this contract, upon written notice to WELLSRING, for any reason and/or in the event that sufficient funds to complete the contract are not appropriated by the Village of Downers Grove.

The Village further reserves the right to terminate the whole or any part of this contract, upon ten (10) days' written notice to WELLSRING, in the event of default by WELLSRING. Default is defined as failure of WELLSRING to perform any of the provisions of this contract or failure to make sufficient progress so as to endanger performance of this contract in accordance with its terms. In the event that WELLSRING fails to cure the default upon notice, and the Village declares default and termination, the Village may procure, upon such terms and in such manner as the Purchasing Manager may deem appropriate, supplies or services similar to those so terminated. WELLSRING shall be liable for any excess costs for such similar supplies or services unless acceptable evidence is submitted to the Purchasing Manager that failure to perform the contract was due to causes beyond the control and without the fault or negligence of WELLSRING. Any such excess costs incurred by the Village may be set-off against any monies due and owing by the Village to WELLSRING.

21. BILLING & PAYMENT PROCEDURES

This is a pre-paid contract and shall be pre-paid by July 16, 2010. Total contract amount shall not exceed \$68,433.50. Payment will be made upon receipt of an invoice referencing Village of Downers Grove purchase order number. Once an invoice has been verified, the invoice will be processed for payment in accordance with the Village of Downers Grove payment schedule. The Village of Downers Grove will comply with the Local Government Prompt Payment Act, 50 ILCS 505/1 et seq., in that any bill approved for payment must be paid or the payment issued to WELLSRING within 60 days of receipt of a proper bill or invoice. If payment is not issued to WELLSRING within this 60 day period, an interest penalty of 1.0% of any amount approved and unpaid shall be added for each month or fraction thereof after the end of this 60 day period, until final payment is made.

The Village of Downers Grove shall review in a timely manner each bill or invoice after its receipt. If the Village of Downers Grove determines that the bill or invoice contains a defect making it unable to process the payment request, the Village shall notify WELLSRING requesting payment as soon as possible after discovering the defect pursuant to rules promulgated under 50 ILCS 505/1 et seq. The notice shall identify the defect and any additional information necessary to correct the defect.

If this contract is for work defined as a "fixed public work" project under the Illinois Prevailing Wage Act, 820 ILCS 130/2, any contractor or subcontractor is required to submit certified payroll records along with the invoice. No invoice shall be paid without said records.

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Please send all invoices to the attention of Village of Downers Grove, Accounts Payable, 801 Burlington, Downers Grove, IL 60515.

22. RELATIONSHIP BETWEEN WELLSPRING AND THE VILLAGE

The relationship between the Village and WELLSPRING is that of a buyer and seller of professional services and it is understood that the parties have not entered into any joint venture or partnership with the other.

23. STANDARD OF CARE

Any services performed by WELLSPRING under this Agreement will be conducted in a manner consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing in the same locality under similar conditions. No other representations express or implied, and no warranty or guarantee is included or intended in this Agreement or in any report, opinions, and documents or otherwise.

If WELLSPRING fails to meet the foregoing standard, WELLSPRING will perform at its own cost, and without reimbursement from the Village, the professional services necessary to correct errors and omissions caused by WELLSPRING's failure to comply with the above standard and reported to WELLSPRING within one (1) year from the completion of WELLSPRING's services for the Project.

For Professional Service Agreements (i.e. Engineer, Consultant): Project site visits by WELLSPRING during construction or equipment installation or the furnishing of Project representatives shall not make WELLSPRING responsible for: (i) construction means, methods, techniques, sequences or procedures; (ii) for construction safety precautions or programs; (iii) or for any construction contractor(s)' failure to perform its work in accordance with contract documents.

24. SUCCESSORS AND ASSIGNS

The terms of this Agreement will be binding upon and inure to the benefit of the parties and their respective successors and assigns; provided, however, that neither party will assign this Agreement in whole or in part without the prior written approval of the other. WELLSPRING will provide a list of key staff, titles, responsibilities, and contact information to include all expected sub-WELLSPRINGS.

25. WAIVER OF CONTRACT BREACH

The waiver by one party of any breach of this Agreement or the failure of one party to enforce at any time, or for any period of time, any of the provisions hereof will be limited to the particular instance and will not operate or be deemed to waive any future breaches of this Agreement and will not be construed to be a waiver of any provision except for the particular instance.

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26. CHANGE ORDERS

The contract price is a "not-to-exceed" cost. At any time additional work is necessary or requested, and the not-to-exceed price is increased thereby, all parties must agree to any change, addition or price increase in writing. The appropriate authorizing signature for the Village is the Village Manager.

Change orders for public works projects which authorize an increase in the contract price that is 50% or more of the original subcontract price or that authorize or necessitate any increase in the price of a subcontract under the contract that is 50% or more of the original subcontract price must be resubmitted for bidding in the same manner by which the original contract was bid. (50 ILCS 525/1)

27. SEVERABILITY OF INVALID PROVISIONS

If any provisions of this Agreement are held to contravene or be invalid under the laws of any state, country or jurisdiction, contravention will not invalidate the entire Agreement, but it will be construed as if not containing the invalid provision and the rights or obligations of the parties will be construed and enforced accordingly.

28. GOVERNING LAW

This Agreement will be governed by and construed in accordance with the laws of the State of Illinois. Venue is proper only in the County of DuPage for state cases or the Northern District of Illinois for federal cases.

29. NOTICE

Any notice will be in writing and will be deemed to be effectively served when deposited in the mail with sufficient first class postage affixed, and addressed to the party at the party's place of business. Notices shall be addressed to the Village as follows:

**Village Manager
Village of Downers Grove
801 Burlington Ave.
Downers Grove, IL 60515**

And to WELLSPRING as specified on the Contract Form.

30. AMENDMENT

This Agreement will not be subject to amendment unless made in writing and signed by all parties.

31. FOIA COMPLIANCE

Contractor acknowledges that the Freedom of Information Act may apply to public records in possession of the Contractor or a subcontractor. Contractor and all of its subcontractors shall cooperate with the Village in its efforts to comply with the Freedom of Information Act. 5 ILCS 140/1 et.seq.

Village of Downers Grove

II. CONTRACT SCOPE AND AMOUNT

Contractor agrees to treat 4,000 tons of salt with 20,000 gallons of GEO 55 and to provide the Village with 15,000 gallons of SC 217 pursuant to the terms set forth in Exhibit A dated 4/27/2010 attached hereto and herein incorporated. Delivery of SC 217 and treatment of salt with GEO 55 shall occur at a time agreed to by both parties, but prior to October 15, 2010.

III. CONTRACT FORM

WELLSPRING:	
WellSpring Management, Ltd Company Name	Date: May 26, 2010
818 N. Marion St Street Address of Company	w.king@wellspringHd.com Email Address
Oak Park, IL 60302 City, State, Zip	Warren King Contact Name (Print)
(708) 383-0835 Business Phone	(708) 856-2212 24-Hour Telephone
(708) 383-3468 Fax	Warren S.K. Signature of Officer, Partner or Sole Proprietor
ATTEST: If a Corporation	Warren King - President Print Name & Title
Warren S.K. Signature of Corporation Secretary	

VILLAGE OF DOWNERS GROVE:

Authorized Signature

Title

Date

ATTEST:

Signature of Village Clerk

Date

Village of Downers Grove



VENDOR W-9 REQUEST FORM

The law requires that we maintain accurate taxpayer identification numbers for all individuals and partnerships to whom we make payments, because we are required to report to the I.R.S all payments of \$600 or more annually. We also follow the I.R.S. recommendation that this information be maintained for all payees including corporations.

Please complete the following substitute W-9 letter to assist us in meeting our I.R.S. reporting requirements. The information below will be used to determine whether we are required to send you a Form 1099. Please respond as soon as possible, as failure to do so will delay our payments.

BUSINESS (PLEASE PRINT OR TYPE):

NAME: WellSpring Management, Ltd
ADDRESS: 818 N. Marion St.
CITY: Oak Park, IL
STATE: IL
ZIP: 60302
PHONE (708) 383-0835 FAX (708) 383-3468
TAX ID #(TIN): 20-1705932

(If you are supplying a social security number, please give your full name)

REMIT TO ADDRESS (IF DIFFERENT FROM ABOVE):

NAME: _____
ADDRESS: _____
CITY: _____
STATE: _____ ZIP: _____

TYPE OF ENTITY (CIRCLE ONE):

- Individual
- Sole Proprietor
- Partnership
- Medical
- Charitable/Nonprofit
- Limited Liability Company -Individual/Sole Proprietor
- Limited Liability Company-Partnership
- Limited Liability Company-Corporation
- Corporation
- Government Agency

SIGNATURE: Warral [Signature] DATE: May 26, 2010

Village of Downers Grove

WELLSPRING'S CERTIFICATION (page 1 of 3)

With regard to Salt treatment, anti-icing and deicing, WELLSPRING _____ hereby certifies

(Name of Project)

(Name of WELLSPRING)

the following:

1. WELLSPRING is not barred from bidding this contract as a result of violations of Section 720 ILCS 5/33E-3 (Bid Rigging) or 720 ILCS 5/33E-4 (Bid-Rotating);
2. WELLSPRING certifies that it has a written sexual harassment policy in place and full compliance with 775 ILCS §12-105(A)(4);
3. WELLSPRING certifies that not less than the prevailing rate of wages as determined by the Village of Downers Grove, DuPage County or the Illinois Department of Labor shall be paid to all laborers, workers and mechanics performing work for the Village of Downers Grove. All bonds shall include a provision as will guarantee the faithful performance of such prevailing wage clause. WELLSPRING agrees to comply with the Illinois Prevailing Wage Act, 820 ILCS 130/1 *et seq.*, for all work completed. WELLSPRING agrees to pay the prevailing wage and require that all of its subcontractors pay prevailing wage to any laborers, workers or mechanics who perform work pursuant to this contract or related subcontract. WELLSPRING and each subcontractor shall keep or cause to be kept an accurate record of names, occupations and actual wages paid to each laborer, workman and mechanic employed by WELLSPRING in connection with the contract. This record shall be sent to the Village on a monthly basis along with the invoice and shall be open to inspection at all reasonable hours by any representative of the Village or the Illinois Department of Labor and must be preserved for four (4) years following completion of the contract. WELLSPRING certifies that WELLSPRING and any subcontractors working on the project are aware that filing false payroll records is a class B misdemeanor and that the monetary penalties for violations are to be paid pursuant to law by WELLSPRING, contractor and subcontractor. The Village shall not be liable for any underpayments. If applicable: Since this is a contract for a fixed public works project, as defined in 820 ILCS 130/2, Contractor agrees to post at the job site in an easily accessible place, the prevailing wages for each craft or type of worker or mechanic needed to execute the contract or work to be performed;
4. WELLSPRING certifies that it is in full compliance with the Federal Highway Administrative Rules on Controlled Substances and Alcohol Use and Testing, 49 C.F.R. Parts 40 and 382 and that all employee drivers are currently participating in a drug and alcohol testing program pursuant to the Rules;
5. WELLSPRING further certifies that it is not delinquent in the payment of any tax administered by the Department of Revenue, or that WELLSPRING is contesting its liability for the tax delinquency or the amount of a tax delinquency in accordance with the procedures established by the appropriate Revenue Act. WELLSPRING further certifies that if it owes any tax payment(s) to the Department of Revenue, WELLSPRING has entered into an agreement

Village of Downers Grove

with the Department of Revenue for the payment

WELLSPRING'S CERTIFICATION (page 2 of 3)

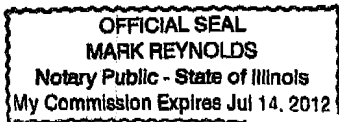
of all such taxes that are due, and WELLSPRING is in compliance with the agreement.

BY: Warren King
WELLSPRING's Authorized Agent

20-1705932

FEDERAL TAXPAYER IDENTIFICATION NUMBER

OR
Social Security Number



Subscribed and sworn to before me
this 27th day of MAY,
2010
Mark Reynolds
Notary Public

(Fill Out Applicable Paragraph Below)

(a) **Corporation**

WELLSPRING is a corporation organized and existing under the laws of the State of ILLINOIS, which operates under the Legal name of WellSpring Management, Ltd, and the full names of its Officers are as follows:

President: Warren King

Secretary: Warren King

Treasurer: Katherine King

and it does have a corporate seal. (In the event that this bid is executed by other than the President, attach hereto a certified copy of that section of Corporate By-Laws or other authorization by the Corporation which permits the person to execute the offer for the corporation.)

(b) **Partnership**

Signatures and Addresses of All Members of Partnership:

Village of Downers Grove

WELLSPRING'S CERTIFICATION (page 3 of 3)

The partnership does business under the legal name of: _____
which name is registered with the office of _____ in the state of _____

(c) Sole Proprietor

The Supplier is a Sole Proprietor whose full name is: _____
and if operating under a trade name, said trade name is: _____
which name is registered with the office of _____ in the state of _____

5. Are you willing to comply with the Village's preceding insurance requirements within 13 days of the award of the contract? YES

INSURER'S NAME PEKIN INSURANCE
AGENT MUNSON INSURANCE AGENCY, INC.
Street Address 336 E. Lincoln Hwy
City, State, Zip Code DeKalb, IL 60115
Telephone Number (815) 756-8565

I/We hereby affirm that the above certifications are true and accurate and that I/we have read and understand them.

Print Name of Company: WellSpring Management, Ltd

Print Name and Title of Authorizing Signature: Warren King / President

Signature: Warren King

Date: May 27, 2010



Suspension or Debarment Certificate

Non-Federal entities are prohibited from contracting with or making sub-awards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred. Covered transactions include procurement for goods or services equal to or in excess of \$100,000.00 contractors receiving individual awards for \$100,000.00 or more and all sub-recipients must certify that the organization and its principals are not suspended or debarred.

By submitting this offer and signing this certificate, WELLSRING certifies to the best of its knowledge and belief, that the company and its principals:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any federal, state or local governmental entity, department or agency.
2. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction, or convicted of or had a civil judgment against them for a violation of Federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
3. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (2) of this certification: and
4. Have not within a three-year period preceding this application/proposal/contract had one or more public transactions (Federal, State or local) terminated for cause or default.

If WELLSRING is unable to certify to any of the statements in this certification, WELLSRING shall attach an explanation to this certification.

Company Name: Well-Spring Management, Ltd

Address: 818 N. Marion St

City: Oak Park, IL Zip Code: 60302

Telephone: (708) 383-0835 Fax Number: (708) 383-3468

Village of Downers Grove

E-mail Address: W.King@wellspringltd.com

Authorized Company Signature: Warren King

Print Signature Name: Warren King Title of Official: President/Secretary

Date: May 26, 2010

Village of Downers Grove

CAMPAIGN DISCLOSURE CERTIFICATE

CAMPAIGN DISCLOSURE CERTIFICATE

Any contractor, proposer or vendor who responds by submitting a bid or proposal to the Village of Downers Grove shall be required to submit with its bid submission, an executed Campaign Disclosure Certificate, attached hereto.

The Campaign Disclosure Certificate is required pursuant to the Village of Downers Grove Council Policy on Ethical Standards and is applicable to those campaign contributions made to any member of the Village Council.

Said Campaign Disclosure Certificate requires any individual or entity bidding to disclose campaign contributions, as defined in Section 9-1.4 of the Election Code (10 ILCS 5/9-1.4), made to current members of the Village Council within the five (5) year period preceding the date of the bid or proposal release.

By signing the bid documents, contractor/proposer /vendor agrees to refrain from making any campaign contributions as defined in Section 9-1.4 of the Election Code (10 ILCS 5/9-1.4) to any Village Council member and any challengers seeking to serve as a member of the Downers Grove Village Council.

Under penalty of perjury, I declare:

WELLSPRING has not contributed to any elected Village position within the last five (5) years.

Warren King
Signature

Warren King
Print Name

WELLSPRING has contributed a campaign contribution to a current member of the Village Council within the last five (5) years.

Print the following information:

Name of Contributor: _____
(company or individual)

To whom contribution was made: _____

Year contribution made: _____ Amount: \$ _____

Signature

Print Name

WELLSPRING ENVIRONMENTAL PRODUCTS				REV: 27 APRIL 2010
				FILE: DOWNERS GROVE PRICING TEMPLATE
VILLAGE OF DOWNERS GROVE: PRICING FOR 2010-2011 SEASON				
ITEM	QUANTITY OF SALT TO BE TREATED (TONS)	QUANTITY OF LIQUIDS (GALLONS)	PRICE (LIQUIDS BASIS DELIVERED TO DOWNERS GROVE)	NOTES
Salt Treatment Service with GEO 55	4,000	20,000	\$44,600.00	Includes GEO 55 + salt treatment.
Anti-icing and de-icing with SC 217 *	N/A	15,000	\$25,950.00	
		<i>Total before global discount</i>	\$70,550.00	
* SC 217: 20% Geomelt; 10% calcium chloride; 70% salt brine.		<i>Global discount</i>	-\$2,116.50	Basis payment by July 16, 2010.
		<i>Total after global discount</i>	\$68,433.50	
Look-Ups and Reference Figures				
1 Base price Salt Treatment Service per ton of salt (not including cost of GEO 55)	\$1.25			
2 Base price GEO 55 per gallon (delivered to Downers Grove)	\$1.98			
3 Base price SC 217 per gallon (delivered to Downers Grove)	\$1.73			
4 Gals/ton GEO 55 pre-treatment	5			
5 Gals/ton SC 217 pre-wet for untreated salt	11			4-6 gals/ton if salt was pre-treated with GEO 55.
6 Gals/lane mile SC 217 anti-icing	30-35			
7 Gals/lane mile SC 217 de-icing	60-70			
8 Minimum tanker size for delivery of liquids (gallons)	2,000			
9 Global discount rate	3.00%			