

State of New York Executive Department
Office Of General Services
Procurement Services Group
Corning Tower Building - 38th Floor
Empire State Plaza
Albany, New York 12242
<http://www.ogs.state.ny.us>

CONTRACT AWARD NOTIFICATION

Title	:	Group 01800 ROAD SALT (All State Agencies and Political Subdivisions) Classification Code: 12
Award Number	:	<u>20883</u> Replaces Awards 02303 and 18391 (Partially Replaces Awards 19826 and 19132)
Contract Period	:	September 1, 2007 through August 31, 2008
Bid Opening Date	:	July 11, 2007
Date of Issue	:	September 5, 2007
Specification Reference	:	As Incorporated In The Invitation For Bids & Purchasing Memoranda dated July 2, 2007, July 9, 2007 & July 10, 2007.
Contractor Information	:	Appears on Page 2 of this Award

Address Inquiries To:

State Agencies & Vendors	Political Subdivisions & Others
Name : Karol Garrison Title : Purchasing Officer Phone : 518-486-1564 Fax : 518-474-8676 E-mail : karol.garrison@ogs.state.ny.us	Customer Services Phone : 518-474-6717 Fax : 518-474-2437 E-mail : customer.services@ogs.state.ny.us

**The Procurement Services Group values your input.
Complete and return "Contract Performance Report" at end of document.**

Description

Road Salt is used for snow and ice control. This is a filed requirement contract which requires the contract user to purchase 70% of their filed requirement if awarded county is for rock salt or 50% of their filed requirement if awarded county is for solar salt. Automatic price increases become effective once deliveries exceed 120% of the contract user's filed requirement.

PR #20883-T

NOTE: See individual contract items to determine actual awardees.

<u>CONTRACT #</u>	<u>CONTRACTOR & ADDRESS</u>	<u>TELEPHONE #</u>	<u>FED.IDENT.#</u>
PC63267	AMERICAN ROCK SALT CO., LLC PO BOX 190 MT. MORRIS, NY 14510	888/762-7258 Mark Assini 585/243-9510 Ext. 1406 Fax No. 585/243-7676 E-mail: michele.boohar@americanrocksalt.com	161516458
PC63268	ATLANTIC SALT, INC. 130 PLAIN STREET LOWELL, MA 01851	978/453-4911 Leo D. Mahoney Fax No. 978/458-7150	132914699
PC63269	CARGILL INCORPORATED DEICING TECHNOLOGY 24950 COUNTRY CLUB BLVD. SUITE 450 NORTH OLMSTEAD, OH 44070	800/600-7258 Nadine Gilbert Fax No. 440/716-0763 E-mail: nadine_gilbert@cargill.com Web Site: www.cargilldeicing.com	410177680
PC63270	INTERNATIONAL SALT COMPANY, LLC 655 NORTHERN BLVD. CLARKS SUMMIT, PA 18411-9025 Offers Electronic Access Ordering	888/388-4726, Ext. 1 570/587-5000 Daniel P. Thompson Fax No. 570/586-6463 Toll Free Fax: 888/977-2499 E-mail: bids@iscosalt.com Web Site: www.iscosalt.com	522034785
PC63271	NORTH AMERICAN SALT CO. 9900 W 109 th Street SUITE 600 OVERLAND PARK, KS 6210 Accepts Procurement Card for orders Up to \$10,000	800/323-1641 Ext. 9330 Rodney Underdown 913/344-9330 Fax No. 913/338-7945 E-mail: lierzs@compassminerals.com Web Site: www.compassminerals.com	481047632

Cash Discount, If Shown, Should be Given Special Attention.

INVOICES MUST BE SENT DIRECTLY TO THE ORDERING AGENCY FOR PAYMENT.

(See "Contract Payments" and "Electronic Payments" in this document.)

AGENCIES SHOULD NOTIFY THE PROCUREMENT SERVICES GROUP PROMPTLY IF THE CONTRACTOR FAILS TO MEET DELIVERY OR OTHER TERMS OF THIS CONTRACT. PRODUCTS OR SERVICES WHICH DO NOT COMPLY WITH THE SPECIFICATIONS OR ARE OTHERWISE UNSATISFACTORY TO THE AGENCY SHOULD ALSO BE REPORTED TO THE PROCUREMENT SERVICES GROUP.

SMALL, MINORITY AND WOMEN-OWNED BUSINESSES:

The letters SB listed under the Contract Number indicate the contractor is a NYS small business. Additionally, the letters MBE and WBE indicate the contractor is a Minority-owned Business Enterprise and/or Woman-owned Business Enterprise.

NOTE TO AUTHORIZED USERS:

When placing purchase orders under the contract(s), the authorized user should be familiar with and follow the terms and conditions governing its use which usually appears at the end of this document. The authorized user is accountable and responsible for compliance with the requirements of public procurement processes. The authorized user must periodically sample the results of its procurements to determine its compliance. In sampling its procurements, an authorized user should test for reasonableness of results to ensure that such results can withstand public scrutiny.

The authorized user, when purchasing from OGS contracts, should hold the contractor accountable for contract compliance and meeting the contract terms, conditions, specifications, and other requirements. Also, in recognition of market fluctuations over time, authorized users are encouraged to seek improved pricing whenever possible.

Authorized users have the responsibility to document purchases, particularly when using OGS multiple award contracts for the same or similar product(s)/service(s), which should include:

- a statement of need and associated requirements,
- a summary of the contract alternatives considered for the purchase,
- the reason(s) supporting the resulting purchase (e.g., show the basis for the selection among multiple contracts at the time of purchase was the most practical and economical alternative and was in the best interests of the State).

PRICE:

Price is net per ton, F.O.B. destination designated on purchase order, including unloading of the bulk salt. Contract prices shall be firm except that price revisions and price escalations will be permitted in accordance with "Fuel Price Adjustments" clause and "Price Escalation" clause.

Please reference the Award No. and Contract No. shown on the following pages when placing purchase order and processing for payment.

Price Escalation Based On Exceeding 120% Of Filed Requirement:

A price escalation will be permitted when delivery quantities exceed 120% of filed requirement per delivery location. Customers with multiple delivery sites (e.g. NYS DOT and County Highways) shall have their minimum/maximum delivery quantities based on the sum of all their sites serviced by a supplier.

An automatic unit price increase of 10% will be allowed once quantities delivered are over 120% of a user's filed requirement. Once deliveries exceed 130% of a user's filed requirement the automatic price increase will change to 15%. At that time, if contractor's costs exceed 15%, contractors may apply for a greater than 15% escalation. Contractors must provide documentation which substantiates the requested increase. This documentation will be reviewed by PSG and, if approved, will be applied retroactively. Contractors will receive the 15% increase in the interim and will be required to continue delivery to all customers including those over 120%. Failure to deliver may result in a "Buy Against" or a delivery deduction to the contractor. Once the contractor has requested and received a price increase, agencies are allowed to solicit prices from other contractors who are a part of the award. If a lower price is secured, the contractor for the specific location must be given an opportunity to match or better the offered price. If the contractor will not or cannot match or better the offered price, agencies may obtain their needs from the lower priced State contract holder.

Fuel Price Adjustments:

A fuel price adjustment may be made to contract pricing in accordance with the following procedure:

- Fuel Price adjustments will be made for deliveries of road salt during the contract period. Deliveries made after August 31 to meet minimum filed requirement obligations will use the fuel price adjustment in effect for August 31.
- Additional amount may be added to contract pricing based on prices posted in the "EIA Retail On-Highway Diesel Prices". The New England PADD 1A shall be the designated posting for the adjustments. (If this source becomes unavailable, unworkable, unsuitable, then another source may be selected by NYS OGS Procurement Services.)
- Procurement Services Group will compute additional amount based on the difference between the "base" rate in effect on the date of the bid opening and the price of diesel fuel as reported for the New England Region by the US Department of Energy's weekly "EIA Retail On-Highway Diesel Prices" on each Monday. If there is no posting on Monday, the next day's published posting will be used for the adjustment.

PRICE: (Cont'd)

Fuel Price Adjustments: (Cont'd)

- The base rate used for calculating adjustments shall be the rate shown in the referenced EIA on the date of the bid opening (7/11/07 - \$2.942) and adjustments will be permitted weekly. Adjustments will be rounded to two decimal places to the nearest cent.
- If the published rate goes below the published rate in effect on the date of the bid opening (July 11, 2007), there shall be no deduction, no price reduction.

EXAMPLE:

Published rate on July 11, 2007	\$2.942
August 20, 2007 posting	\$3.000

$\$3.000 - \$2.942 = \$0.058$ or $\$0.06 =$ Additional amount allowed to be added to price per ton.

- The price adjustments will be calculated using the current week's posting for the following week. In the example shown above, the posting date is August 20, 2007. The August 20, 2007 price adjustment would be for the week beginning August 28, 2007.

Additional Notes on Fuel Price Adjustment:

Should postings differ from current description and/or format, a posting determined by the Commissioner in his/her sole discretion to be most reflective of market conditions will be used. Corrections to posted prices will be considered only when caused by a typographical or clerical error on the part of said posting.

The following shall apply to all additional price amounts under any contract awarded:

1. Price adjustments are limited to changes in pre-selected posting as noted above. Increases in contract costs or prices to compensate for other increases in the cost of doing business, regardless of the cause or nature of such costs of the contractor, will not be allowed during the contract period, except as indicated under the fuel price adjustment and price escalation clause herein.
2. Should the price structure utilized by the parties become unworkable for the State, detrimental or injurious to the State, or result in prices which are not truly reflective of current market conditions and the price is deemed unreasonable or excessive by the Commissioner, and no adjustment in price is mutually agreeable, the Commissioner reserves the sole right upon 10 days written notice mailed to the contractor to terminate any contract resulting from this bid opening. If the contractor is unable or unwilling to meet contractual requirements in whole or in part, it shall immediately notify the State of that fact in order that the State may take appropriate action. Such notification shall be in writing and shall be directed to the Office of General Services, Procurement Services Group. Such notification shall not relieve the contractor of its responsibilities under the contract.
3. In the event of an extension, the base rate for calculating adjustments will be the rate shown in the referenced EIA one year after this bid opening date and for subsequent years additional extensions would follow this format. If the date is not a business date when the posting occurs, the next business day will be the date used for the adjustment.

Price Adjustment For Renewals:

Price Adjustments for extensions or renewals shall be negotiated and mutually agreed upon by the Procurement Services Group and the Contractors. Procurement Services Group's review may include appropriate indices as determined by the Procurement Services Group, market conditions reflecting supply and demand, and other economic factors deemed appropriate by the Procurement Services Group.

Although each contractor's review will be independent, the percentage increase or the monetary increase (or combination of a percentage and monetary increase) granted on a renewal shall be the same for all contractors.

ELECTRONIC PAYMENTS:

The Office of the State Comptroller (OSC) offers an "electronic payment" option in lieu of issuing checks. To obtain an electronic payment authorization form visit the OSC website at www.osc.state.ny.us or contact them by e-mail at epunit@osc.state.ny.us or by phone at 518-474-4032.

REQUEST FOR CHANGE:

Any request by the agency or contractor regarding changes in any part of the contract must be made in writing to the Office of General Services, Procurement Services Group, prior to effectuation.

PSG's DISPUTE RESOLUTION POLICY:

It is the policy of the Office of General Services' Procurement Services Group (PSG) to provide vendors with an opportunity to administratively resolve disputes, complaints or inquiries related to PSG bid solicitations or contract awards. PSG encourages vendors to seek resolution of disputes through consultation with PSG staff. All such matters will be accorded impartial and timely consideration. Interested parties may also file formal written disputes. A copy of PSG's Dispute Resolution Procedures for Vendors may be obtained by contacting the person shown on the front of this document or through the OGS website (www.ogs.state.ny.us).

DELIVERY SCHEDULE:

In accordance with Clause 39 of the General Specifications, the contracts issued as a result of the referenced Invitation for Bids are extended to Political Subdivisions and others authorized by law as well as State agencies. The Delivery Schedule can be found on the Office of General Services, Procurement Services Group web site at: <http://www.ogs.state.ny.us/purchase/spg/awards/01800DS00.HTM>

It is provided as a guide to indicate proposed delivery points and estimated annual requirements. Contractors shall be obligated to deliver under the resulting contract to any State agency which places a purchase order under contract, whether or not such delivery location is identified in the delivery schedule.

Any political subdivision or other non-state entity which has not filed a requirement with the Procurement Services Group as of the date of the bid opening shall be eligible to receive deliveries at contractor's option only, upon placement of valid purchase order to the contractor's address as indicated in the award.

Contractors will be advised regarding political subdivisions or other non-State entities which have filed on a timely basis but do not appear on the delivery schedule.

SALT (Road)

(Minimum Truckload - see page 12 for truckload size)
 (BULK DELIVERY)

WHEN PLACING ORDERS OR PROCESSING FOR PAYMENT, PLEASE USE THE APPROPRIATE CONTRACT NO. (PC#) FOR YOUR COUNTY

COUNTY	FILED REQUIREMENT DELIVERED BULK (TONS)	PRICE PER TON (BULK)	AWARD ON ROCK SALT OR SOLAR SALT	CONTRACTOR	AWARD #	PC#	2007-2008 RENEWAL OR REBID
ALBANY	78,528	\$40.24	ROCK	American Rock Salt	19826	PC61940	RENEW
ALLEGANY	32,775	\$33.19	ROCK	American Rock Salt	20883	PC63267	REBID
BRONX, NEW YORK, KINGS, QUEENS, RICHMOND	1,158	\$54.00	ROCK	Atlantic Salt	20883	PC63268	REBID
BROOME	72,266	\$33.02	ROCK	Cargill Inc.	20883	PC63269	REBID
CATTARAUGUS	63,602	\$33.47	ROCK	American Rock Salt	20883	PC63267	REBID
CHAUTAUQUA	93,144	\$34.74	ROCK	American Rock Salt	20883	PC63267	REBID
CHENANGO	39,002	\$35.41	ROCK	Cargill Inc.	20883	PC63269	REBID
CLINTON	38,097	\$53.83	ROCK	North American Salt	20343	PC62614	RENEW
COLUMBIA	30,432	\$44.64	ROCK	Cargill Inc.	19132	PC61323	RENEW
DELAWARE	48,345	\$38.64	ROCK	Cargill Inc.	20883	PC63269	REBID
DUTCHESS	85,302	\$52.20	ROCK	International Salt	19132	PC61324	RENEW
ERIE	215,769	\$29.58	ROCK	American Rock Salt	20883	PC63267	REBID
ESSEX	51,505	\$51.02	ROCK	American Rock Salt	19826	PC61940	RENEW
FRANKLIN	37,444	\$42.63	ROCK	North American Salt	19826	PC61942	RENEW
GREENE	26,197	\$44.45	ROCK	Cargill Inc.	20883	PC63269	REBID
HAMILTON	17,090	\$45.60	ROCK	Cargill Inc.	19826	PC61941	RENEW
HERKIMER	32,224	\$35.96	ROCK	Cargill Inc.	20883	PC63269	REBID
JEFFERSON	50,834	\$43.73	ROCK	American Rock Salt	20343	PC62613	RENEW
LEWIS	25,625	\$42.01	ROCK	American Rock Salt	20343	PC62613	RENEW
MADISON	33,425	\$31.40	ROCK	Cargill Inc.	20883	PC63269	REBID
MONROE	165,281	\$31.84	ROCK	Cargill Inc.	20883	PC63269	REBID
NASSAU*	37,455	\$51.79	SOLAR	Atlantic Salt	20883	PC63268	REBID
NIAGARA	77,346	\$30.39	ROCK	American Rock Salt	20883	PC63267	REBID

*Customers in Nassau County will receive solar salt. These customers are required to take a minimum of 50% of their filed requirement.

SALT (Road)

(Minimum Truckload - see page 12 for truckload size)
 (BULK DELIVERY)

WHEN PLACING ORDERS OR PROCESSING FOR PAYMENT, PLEASE USE THE APPROPRIATE CONTRACT NO. (PC#) FOR YOUR COUNTY

COUNTY	FILED REQUIREMENT DELIVERED BULK (TONS)	PRICE PER TON (BULK)	AWARD ON ROCK SALT OR SOLAR SALT	CONTRACTOR	AWARD #	PC#	2007-2008 RENEWAL OR REBID
ONEIDA	106,855	\$31.82	ROCK	Cargill Inc.	20883	PC63269	REBID
ONONDAGA	62,792	\$28.98	ROCK	Cargill Inc.	20883	PC63269	REBID
ONTARIO	84,818	\$28.82	ROCK	American Rock Salt	20883	PC63267	REBID
ORANGE	85,793	\$47.17	ROCK	Cargill Inc.	19132	PC61323	RENEW
OSWEGO	85,415	\$35.09	ROCK	American Rock Salt	20343	PC62613	RENEW
OTSEGO	64,444	\$36.48	ROCK	Cargill Inc.	20883	PC63269	REBID
PUTNAM	37,350	\$56.91	ROCK	International Salt	19132	PC61324	RENEW
RENSSELAER	62,860	\$40.47	ROCK	American Rock Salt	19826	PC61940	RENEW
ROCKLAND	47,017	\$50.09	ROCK	Cargill Inc.	20883	PC63269	REBID
ST. LAWRENCE	39,237	\$39.17	ROCK	North American Salt	20883	PC63271	REBID
SARATOGA	26,446	\$41.82	ROCK	Cargill Inc.	19132	PC61323	RENEW
SCHENECTADY	42,639	\$36.79	ROCK	Cargill Inc.	19132	PC61323	RENEW
SCHOHARIE	26,505	\$40.20	ROCK	Cargill Inc.	19132	PC61323	RENEW
STEBEN	65,195	\$28.90	ROCK	American Rock Salt	20883	PC63267	REBID
SUFFOLK*	73,873	\$53.99	SOLAR	Atlantic Salt	20883	PC63268	REBID
SULLIVAN	60,610	\$41.91	ROCK	Cargill Inc.	19132	PC61323	RENEW
ULSTER	29,293	\$45.70	ROCK	Cargill Inc.	19132	PC61323	RENEW
WARREN	46,270	\$48.14	ROCK	Cargill Inc.	20883	PC63269	REBID
WASHINGTON	35,004	\$44.59	ROCK	American Rock Salt	19826	PC61940	RENEW
WAYNE	54,015	\$27.96	ROCK	Cargill Inc.	20883	PC63269	REBID
WESTCHESTER	134,525	\$52.89	ROCK	International Salt	20883	PC63270	REBID
CAYUGA & SENECA	50,470	\$29.03	ROCK	Cargill Inc.	20883	PC63269	REBID
CHEMUNG & TIOGA	53,822	\$32.83	ROCK	Cargill Inc.	20883	PC63269	REBID
CORTLAND & TOMPKINS	73,138	\$30.17	ROCK	Cargill Inc.	20883	PC63269	REBID

*Customers in Suffolk County will receive solar salt. These customers are required to take a minimum of 50% of their filed requirement.

SALT (Road)

(Minimum Truckload - see page 12 for truckload size)

(BULK DELIVERY)

WHEN PLACING ORDERS OR PROCESSING FOR PAYMENT, PLEASE USE THE APPROPRIATE CONTRACT NO. (PC#) FOR YOUR COUNTY

COUNTY	FILED REQUIREMENT DELIVERED BULK (TONS)	PRICE PER TON (BULK)	AWARD ON ROCK SALT OR SOLAR SALT	CONTRACTOR	AWARD #	PC#	2007-2008 RENEWAL OR REBID
FULTON & MONTGOMERY	51,756	\$38.76	ROCK	Cargill Inc.	19132	PC61323	RENEW
GENESEE & ORLEANS	32,305	\$31.81	ROCK	American Rock Salt	20883	PC63267	REBID
LIVINGSTON & WYOMING	29,458	\$31.91	ROCK	American Rock Salt	20883	PC63267	REBID
SCHUYLER & YATES	14,266	\$29.08	ROCK	Cargill Inc.	20883	PC63269	REBID

DELIVERY:

For locations having a minimum storage capacity of 50% of their filed requirement, completed delivery, at the latest, is required as follows:

<u>Orders Placed</u>	<u>600 Tons or Less</u>	<u>601 - 800 Tons</u>	<u>801 -1000 Tons</u>	<u>Over 1000 Tons</u>
Monday	Thursday	Friday	Monday	200 Tons/Day/Location
Tuesday	Friday	Monday	Tuesday	200 Tons/Day/Location
Wednesday	Monday	Tuesday	Wednesday	200 Tons/Day/Location
Thursday	Tuesday	Wednesday	Thursday	200 Tons/Day/Location
Friday	Wednesday	Thursday	Friday	200 Tons/Day/Location

For example, an order of 1,400 tons placed on Monday will be delivered as follows (or sooner):

<u>Order Placed</u>	<u>Thursday Delivery</u>	<u>Friday Delivery</u>	<u>Monday Delivery</u>	<u>Tuesday Delivery</u>	<u>Wednesday Delivery</u>
Monday	600 tons	200 tons	200 tons	200 tons	200 tons

Orders must be placed before 2 p.m. If an order is placed after 2 p.m., it counts as being placed the next day.

If a scheduled delivery occurs on a holiday, the next weekday will be the delivery date.

For locations having less than 50% of their filed requirement, completed delivery, at the latest, is required within five (5) days after receipt of order exclusive of Saturday or Sunday.

Contractor will be required to deliver a minimum of 200 tons per day after the initial 600 ton delivery. Contract users will be advised not to place orders that exceed their maximum storage capacity. Multiple orders placed for the same delivery site will be viewed as a single order still subject to the overall 200 tons per day minimum delivery.

The guaranteed delivery in number of calendar day(s) required to make delivery after receipt of a written or verbal purchase order shall be applicable and the contractor is obligated to honor same through May 31 of each year. However, from June 1 through August 31 of each year, delivery shall be at the option and discretion of the contractor. Although contractors are expected to make every effort to meet these delivery rates, some allowances may be made for extreme road and/or weather conditions (i.e., road closures which severely restrict truck traffic). Allowances must be approved by the Office of General Services Procurement Services Group whose decision will be final. Delivery will be allowed during the weekend only if the contractor and the ordering agency mutually agree. No additional remuneration will be made for a Saturday or Sunday delivery.

Delivery shall be made in accordance with instructions on Purchase Order from each agency and delivery instructions/conditions as shown in the referenced Delivery Schedule. Contractors should carefully review the delivery schedule and make note of these requirements. If there is a discrepancy between the purchase order and what is listed on the contract, it is the contractor's obligation to seek clarification from the ordering agency and, if applicable, from the Office of General Services, Procurement Services Group.

Delivery trucks shall be inspected (and cleaned if necessary) prior to loading to prevent contamination of salt loads by residual materials found in the truck bodies. Any loads found to be contaminated may be subject to rejection with all related cleanup and/or replacement costs to be borne by the supplier.

PERSON/PERSONS TO CONTACT FOR EXPEDITING NEW YORK STATE CONTRACT ORDERS:

<u>Company</u>	<u>Name</u>	<u>Phone Numbers</u>
American Rock Salt	Marcia Gavin	585/243-9510, Ext. 1407 Toll Free Phone: 888/762-7258 Fax: 585/243-7676 E-mail: marcia.gavin@americanrocksalt.com
Atlantic Salt, Inc.	Thomas Sullivan	978/453-4911 Fax: 978/458-7150 E-mail: TSullivan@easternminerals.com
Cargill Inc. Deicing Technology	Customer Service	800/600-7258 Fax: 440/716-4728 E-mail: nadine_gilbert@cargill.com
International Salt Company	Corrine Scagliotti, Betsey Davis or Any Customer Service Representative	888/388-4726 and press option 1 Fax: 570/586-6463 Toll Free Fax: 888/977-2499 E-mail: bids@iscosalt.com
North American Salt	Sean Lierz	913/344-9330 Toll Free Phone: 800/323-1641 Fax: 913/338-7945 E-mail: lierzs@compassminerals.com

***PERSON/PERSONS TO CONTACT IN THE EVENT OF AN EMERGENCY OCCURRING AFTER BUSINESS HOURS OR ON WEEKENDS/HOLIDAYS:**

<u>Company</u>	<u>Name</u>	<u>Phone Numbers</u>
American Rock Salt	Marcia Gavin	888/762-7258 585/243-9510, Ext. 1407 Fax: 585/243-7676 E-mail: marcia.gavin@americanrocksalt.com
Atlantic Salt, Inc.	Joseph Casey	718/816-7200 Fax: 718/981-8420 Cell #: 617/513-2417
Cargill Inc. Deicing Technology	Customer Service	888/600-7258* Fax: 440/716-0763 *After-hours calls will be given an option to leave a message or be forwarded to an after-hour cell phone
International Salt Company	Customer Service	888/388-4726 and press option 1 Fax: 570/586-6463 Toll Free Fax: 888/977-2499 E-mail: bids@iscosalt.com In emergencies or on weekends someone from the answering Service will contact the person who is on call and they will call back immediately

***PERSON/PERSONS TO CONTACT IN THE EVENT OF AN EMERGENCY OCCURRING AFTER BUSINESS HOURS OR ON WEEKENDS/HOLIDAYS: (Cont'd)**

<u>Company</u>	<u>Name</u>	<u>Phone Numbers</u>
North American Salt	Sean Lierz	800/323-1641 Fax 913/338-7945 Cell#: 913/669-7399 E-mail: lierzs@compassminerals.com

*Normal business hours for American Rock Salt are 8 a.m. to 4:30 p.m Monday through Friday and Saturday and Sunday when necessary; Atlantic Salt business hours are 8a.m. to 5p.m. Monday through Friday. Cargill hours are April -October from 8 a.m. - 5 p.m. and November - March from 7 a.m. to 6 p.m - Monday - Friday and weekends and holidays as needed; International hours are 8 a.m. to 5 p.m., Monday through Friday; North American Salt's business hours are 8 a.m. to 5 p.m. CST (one hour behind Eastern Standard Time) Monday - Friday.

LIQUIDATED DAMAGES:

During the period November 1 through April 1 deliveries that do not meet the daily delivery tonnage requirements and/or the established order completions period specified, shall be considered cause for interruption of the proper implementation of the State's winter roadway safety. OGS and the awarded contractor, therefore, presume that in the event of any such delay, the amount of damage that is sustained from a delay in daily delivery tonnage requirements and/or the established order completions period specified, is \$100.00 per business day per purchase order, and they agree that in the event of any such delay, the awarded contractor shall pay such amount as liquidated damages.

The following options may be used for deducting amounts due to the contract user as liquidated damages:

1. May deduct such from any money payable to the awarded contractor or
2. May bill the awarded contractor as a separate item.

Liquidated Damages may be placed on the contractor by the end user only after consultation with the contractor and OGS. Claims for liquidated damages must be requested with thirty (30) days of event.

Other price deductions may be applied in conjunction with liquidated damages.

MINIMUM/MAXIMUM OBLIGATIONS:

State agencies and political subdivisions are obligated to take 70% minimum for counties in which rock salt is the winning bid, **OR 50% minimum** of their filed requirements for Nassau and Suffolk counties (where solar salt is the winning bid) during the contract period and contractors are obligated to deliver up to 150% of the filed requirement for rock salt and solar salt. However, customers with multiple delivery sites (e.g., NYSDOT and County Highways) shall have their minimum/maximum delivery quantities based on the sum of all their sites serviced by a supplier.

When the end user is not able to take the minimum required amount, the salt contractor will store salt for the end user until December 31 of that calendar year (i.e., user did not take minimum by 8/31/08 – contractor will store through 12/31/08).

CONTRACTOR STORAGE CHARGES:

American Rock Salt -	\$3.60 per ton
Atlantic Salt Inc. -	\$2.00 per ton
Cargill -	\$3.50 per ton
International Salt Co. -	\$3.60 per ton
North American Salt -	\$3.60 per ton

CONTRACTOR TRUCKLOAD DELIVERIES:

American Rock Salt -	30 tons
Atlantic Salt Inc. -	22 tons
Cargill Deicing Technology -	22-37 tons
International Salt Company -	22 tons
North American -	22 tons

REPORT OF CONTRACT PURCHASES:

Contractor shall furnish report of contract purchases made from contract on a monthly basis. The first report shall be submitted electronically in Excel Format which will be provided to successful bidders/contractors. The contractors will provide subsequent reports using the format supplied by OGS Procurement Services Group.

If necessary, the report may be required on more frequent intervals at which time contractors will be notified by the Office of General Services, Procurement Services Group.

The above shall also apply to any contract extension but with the appropriate year used in place of 2008.

PURCHASE ORDERS:

Purchase orders submitted to the contractor shall contain specific information concerning date and point of delivery. If it becomes necessary to order on any other basis, for example, "as needed", or for delivery following the close of the contract period, the agency should obtain the agreement of the contractor.

All available storage areas should be utilized, and be replenished as often as necessary to ensure that the most complete inventory possible is maintained at all times.

BUY AGAINST:

Contractors must supply in accordance with instructions on purchase orders and within the required delivery time. In the event of the contractor's failure to so deliver, purchases will be made from the Emergency Standby Contract to be established by the Procurement Services Group. Purchases made under the Emergency Standby contract will result in chargeback to the awarded contractor in this Invitation for Bids who fail to comply with delivery terms. In those instances where the Emergency Standby contract does not provide coverage for the customer, purchases in the open market will be made of the undelivered quantity. In either instance, the customer **MUST** obtain authorization from the Procurement Services Group **PRIOR** to making an emergency standby purchase or a purchase in the open market.

CONTRACT PAYMENTS:

Payments cannot be processed by State facilities until the contract products have been delivered in satisfactory condition or services have been satisfactorily performed. Payment will be based on any invoice used in the supplier's normal course of business. However, such invoice must contain sufficient data including but not limited to contract number, description of product or service, quantity, unit and price per unit as well as federal identification number.

State facilities are required to forward properly completed vouchers to the Office of the State Comptroller for audit and payment. All facilities are urged to process every completed voucher expeditiously giving particular attention to those involving cash discounts for prompt payment.

If the contract terms indicate political subdivisions and others authorized by law are allowed to participate, those entities are required to make payments directly to the contractor. Prior to processing such payment, the contractor may be required to complete the ordering non-State agency's own voucher form.

See "Contract Billings" in Appendix B, OGS General Specifications.

EMERGENCY PURCHASING:

In the event that a disaster emergency is declared by Executive Order under Section 28 of Article 2-B of the Executive Law, or that the Commissioner determines pursuant to his/her authority under Section 163(10)(b) of the State Finance Law that an emergency exists requiring the prompt and immediate delivery of commodities or services, the Commissioner reserves the right to obtain such commodities or services from any source, including but not limited to this contract, as the Commissioner in his/her sole discretion determines will meet the needs of such emergency. Contractor shall not be entitled to any claim or lost profits for commodities or services procured from other sources pursuant to this paragraph.

NOTE TO CONTRACTOR:

This Contract Award Notification is not an order. Do not take any action under this contract except on the basis of purchase order(s) from the agency or agencies.

SHORT-TERM EXTENSION:

In the event the replacement contract has not been issued, any contract let and awarded hereunder by the State, may be extended unilaterally by the State for an additional period of up to one month upon notice to the contractor with the same terms and conditions as the original contract including, but not limited to, quantities (prorated for such one month extension), prices, and delivery requirements. With the concurrence of the contractor, the extension may be for a period of up to three months in lieu of one month. However, this extension terminates should the replacement contract be issued in the interim.

CANCELLATION FOR CONVENIENCE:

The State of New York retains the right to cancel the contract, in whole or in part without reason provided that the Contractor is given at least sixty (60) days notice of its intent to cancel. This provision should not be understood as waiving the State's right to terminate the contract for cause or stop work immediately for unsatisfactory work, but is supplementary to that provision. Any such cancellation shall have no effect on existing Agency agreements, which are subject to the same 60 day discretionary cancellation or cancellation for cause by the respective user Agencies.

NON-STATE AGENCIES PARTICIPATION IN CENTRALIZED CONTRACTS:

Upon request, all eligible non-State agencies must furnish contractors with the proper tax exemption certificates and documentation certifying eligibility to use State contracts. A list of categories of eligible entities is available on the OGS web site (www.ogs.state.ny.us). Questions regarding an organization's eligibility to purchase from New York State Contracts may also be directed to OGS Procurement Services Group's Customer Services at 518-474-6717.

NOTE TO ALL NON-STATE AGENCIES AND CONTRACTORS:

All such participating non-State agencies and Contractors understand, acknowledge and agree that the primary responsibility in regard to performance of the contract, of any obligation, covenant, condition or term thereunder by either such party thereto shall be borne and is expressly assumed by the participating non-State agencies and contractors and not by the State. In the event of a failure or breach in performance of any such contract by a non-State agency or contractor, the State specifically and expressly disclaims any and all liability for such defective performance or breach, and the eligible participating non-State agencies and contractors guarantee to save the State, its officers, agents and employees harmless from any liability that may be or is imposed by the failure of either party to perform in accordance with its obligations, covenants and the terms and conditions of the State centralized contract.

EXTENSION OF USE:

Any contract resulting from this bid solicitation may be extended to additional States or governmental jurisdictions upon mutual written agreement between New York State (the lead contracting State) and the contractor. Political subdivisions and other authorized entities within each participating State or governmental jurisdiction may also participate in any resultant contract if such State normally allows participation by such entities. New York State reserves the right to negotiate additional discounts based on any increased volume generated by such extensions.

WEIGHT TICKETS:

All shipments of bulk salt shall be accompanied by a weight ticket of a licensed weighmaster indicating the producer, net weight of the delivery, and in the case of bulk delivery, the stockpile source. The certification must bear the weighmaster's signature; weights shall be recorded from a scale equipped with a weight printing device. Handwritten weights are not acceptable.

DETAILED SPECIFICATIONS

1. ROAD SALT, (CRUSHED & SOLAR) TYPE A

SCOPE:

It is the intent of this specification to describe sodium chloride (ASTM D632 Type 1, Grade 1) crushed rock salt and/or solar salt, to be used for removal of ice and snow.

1.1 CHEMICAL COMPOSITION:

Shall be not less than 95% sodium chloride. Percent of sodium chloride shall be determined in accordance with current ASTM-D-632.

1.2 SIZE GRADING - ROCK SALT:

The salt, when tested in accordance with ASTM D632 (*1) shall conform to the following requirements for particle size distribution:

<u>Sieve Size</u>	<u>Percent Passing (*2)</u>
1/2" - (12.5 MM)	100
3/8" - (9.5 MM)	95 - 100
No. 4 - (4.75 MM)	20 - 90
No. 8 - (2.36 MM)	10 - 60
No. 30 - (600 MICRONS)	0 - 15

(*1) A drying temperature of 110°C ± 5°C may be used.
(*2) Tolerance of 5 percentage points on the maximum value of the range for each sieve except 1/2" (12.5 mm) and 3/8" (9.5 mm) sizes, on which no tolerance will be allowed.

1.2.1 SIZE GRADING - SOLAR SALT:

The solar salt, when tested in accordance with AST D632 (*1) shall conform to the following size for particle size distribution:

<u>Sieve Size</u>	<u>Percent Passing (*2)</u>
3/4" - (19.05 MM)	100
1/2" - (12.5 MM)	99-100
3/8" - (9.5 MM)	95-100
1/4" - (6.35 MM)	65-90
No. 4 - (4.75 MM)	20-80
No. 8 - (2.36 MM)	10-30
No. 30 - (600 MICRONS)	0-15

(*1) A drying temperature of 110°C ± 5°C may be used.
(*2) Tolerance of 5 percentage points on the maximum value of the range for each sieve except 1/2" (12.5 mm) and 3/8" (9.5 mm) sizes, on which no tolerance will be allowed.

DETAILED SPECIFICATIONS (Cont'd)

1.3 MOISTURE CONTENT (CRUSHED ROCK SALT):

Moisture content upon delivery shall not exceed 1-1/2%* when determined as follows:

$$\% \text{ Moisture} = \frac{(W^1 - W^2)}{(W^1)} \times 100$$

W¹ = initial weight of sample

W² = weight of sample after drying to a constant weight at 110°±5°C.

* Procedure shall be in accordance with American Water Works Association B200-88, Sec. 4.3. A tolerance of 0.5% will be allowed before a deduction is assessed.

1.3A MOISTURE CONTENT (SOLAR SALT):

Moisture content upon delivery shall not exceed 2.5%* when determined as follows:

$$\% \text{ Moisture} = \frac{(W^1 - W^2)}{(W^1)} \times 100$$

W¹ = initial weight of sample

W² = weight of sample after drying to a constant weight at 110°±5°C.

* Procedure shall be in accordance with American Water Works Association B200-88, Sec. 4.3. A tolerance of 0.5% will be allowed before a deduction is assessed.

1.4 INHIBITOR TREATMENT:

Salt shall be treated with an anticaking conditioner. The quantity of inhibitor used shall be in the range of 0.1 to 0.2 lbs/ton. Potential contractors shall supply with their bid a description of the inhibitor treatment used, quantity of inhibitor used per ton of salt, method of determining the presence of the treatment and information relative to the solubility and photodecomposition of the treating agent. Potential harm to the ecology caused by inhibitor treatment may be cause for rejection of a bid.

Salt delivered in a lumpy condition which requires reprocessing in order to make it usable shall be cause for rejection of the entire delivery, with a replacement delivery to be made at no additional charge to the agency or political subdivision.

If, because of emergency conditions, it is necessary to accept and reprocess the Salt for use, all costs will be charged to the contractor.

1.5 SAMPLING:

Sampling shall be done in accordance with current ASTM-D632. The Office of General Services, or any of its authorized representatives, reserves the right to take samples from the contractor's stockpile or transfer point or from shipments at the point of destination.

The right is also reserved to consider truckloads of salt delivered by the contractor to any one agency on a single day to be a single delivery. Price deductions imposed because of deviation from specifications may be imposed on the total day's delivery.

DETAILED SPECIFICATIONS (Cont'd)

1.5 SAMPLING: (Cont'd)

Sampling: Not less than three sample increments shall be selected at random from the lot. Each increment should be obtained by moving aside at least the top 1" of material and then taking an approximately 1 pound sample to a depth of at least 6" using any method that will assure a uniform cross section of the material being sampled. The sample increments shall be thoroughly mixed to produce a composite sample representative of the lot. Sample shall be placed in a clean, dry, moisture proof container for transport to the laboratory.

A certified laboratory should perform the testing according to our detailed specification herein. The following laboratory has agreed to do Moisture Content, Particle Size Distribution and Sodium Chloride Content for a reasonable rate:

PW Laboratories, Inc.
5879 Fisher Rd.
East Syracuse, NY 13057
Attn: Gina Thoma
(315) 437-1420
Fax: (315) 437-1752

Clients should make sure that they provide the lab with a properly collected, labeled and documented sample as well as a copy of the relevant section of the NYS Detailed Specification.

1.6 DELIVERY:

Road salt shall be shipped bulk delivery in the time frame specified in the Delivery section.

All shipments of salt shall be totally covered with a waterproof tarpaulin or similar sheeting material. Torn or ripped coverings may be cause for rejection of shipment. Also, evidence of free flowing water/brine in particular shipments may be cause for rejection.

1.6 A CONTAMINATION:

Upon inspection of delivered salt, the material shall be uniform in appearance, free flowing and free from visual evidence of foreign matter including but not limited to dirt, stone, chips, trash or any other material that could reasonably be expected to interfere with the use, handling or storage of the salt. Salt shall be received in a free-flowing and usable condition.

1.7 ACCEPTANCE:

The salt may be rejected if it fails to conform to any of the requirements of this specification.

1.8 PRICE DEDUCTIONS:

1.8.1 Moisture - ROCK SALT:

If, after delivery the moisture content is found to be above 2.0% , a price deduction for moisture content will be made from the delivered bid price based on the following formula:

$$\text{Reduced price per ton} = \text{delivered contract price per ton} \times (1.02 - 2X)$$

where X = moisture content of the sample (expressed as the decimal equivalent of the percentage of the original sample weight to the nearest 1%).

DETAILED SPECIFICATIONS (Cont'd)

1.8 PRICE DEDUCTIONS: (Cont'd)

1.8.1A Moisture - SOLAR SALT:

If, after delivery the moisture content is found to be above 2.5%, a price deduction for moisture content will be made from the delivered bid price base based on the following formula:

$$\text{Reduced price per ton} = \text{delivered contract price per ton} \times (1.03 - 2X)$$

where X = moisture content of the sample (expressed as the decimal equivalent of the percentage of the original sample weight to the nearest 1%).

Solar salt with a moisture content higher than 3% may be rejected.

1.8.2 Gradation: (Particle Size Distribution)

If, after delivery, the gradation of the Salt is found to be out of tolerance a deduction from the price shall be made based on the following formula:

$$\text{Reduced price per ton} = \text{delivered contract price} \times (1.00 - X)$$

X = the decimal equivalent of the total % out of gradation less the tolerance. The % out of tolerance for each sieve shall be to the nearest 1%. The total of the individual sieve tolerance deviations shall be used as X.

1.8.3 General:

No price deduction is to be assessed unless the proper analysis and test procedures are followed.

If the contractor consistently delivers salt found to be above 2% moisture content for rock salt or 2.5% moisture content for solar salt or consistently not conforming to the gradation requirements, the contract shall be subject to cancellation.

1.8.4 Contamination:

If the end user accepts contaminated salt as defined in Section 1.6A for operational reasons, a 10% price deduction may be placed on the contractor by the end user after consultation with the contractor and OGS.

1.8.5 Delivery:

If, delivery is not in the timeframe specified in the Delivery Section, a price deduction from the price shall be made based on the actual costs incurred as a result of the late/non-delivery. Cost incurred include, but are not limited to the following:

- Increased personnel costs due to demurrage
- Increased costs incurred for treatment of salt on hand to extend usage
- Costs for clean-up after required application of a "treated" salt product (i.e. salt mixed with sand)

AGENCIES WILL SUBMIT TO OGS SUPPORTING DOCUMENTATION FOR DELIVERY PRICE DEDUCTION. OGS PSG WILL REVIEW AND WILL HAVE FINAL APPROVAL AS TO DELIVERY DEDUCTION APPLIED.

1.9 CALCULATIONS:

Calculations performed relative to this specification shall be made using the rounding off method of "ASTM Recommended Practice E-29 for Designating Significant Places in Specified Limiting Values".

**State of New York
 Office of General Services
 PROCUREMENT SERVICES GROUP
 Contract Performance Report**

Please take a moment to let us know how this contract award has measured up to your expectations. If reporting on more than one contractor or product, please make copies as needed. This office will use the information to improve our contract award, where appropriate. **Comments should include those of the product's end user.**

Contract No.: _____ **Contractor:** _____

Describe Product* Provided (Include Item No., if available): _____

***Note:** "Product" is defined as a deliverable under any Bid or Contract, which may include commodities (including printing), services and/or technology. The term "Product" includes Licensed Software.

	Excellent	Good	Acceptable	Unacceptable
• Product meets your needs				
• Product meets contract specifications				
• Pricing				

CONTRACTOR

	Excellent	Good	Acceptable	Unacceptable
• Timeliness of delivery				
• Completeness of order (fill rate)				
• Responsiveness to inquiries				
• Employee courtesy				
• Problem resolution				

Comments: _____

Agency: _____ Prepared by: _____

Address: _____ Title: _____

_____ Date: _____

_____ Phone: _____

_____ E-mail: _____

Please detach or photocopy this form & return by FAX to 518/474-2437 or mail to:

OGS PROCUREMENT SERVICES GROUP
 Customer Services, 37th Floor
 Corning 2nd Tower - Empire State Plaza
 Albany, New York 12242

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