

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.ny.gov>

CONTRACT AWARD NOTIFICATION

Title	:	Group 32100 – TREATED SALT (DOT & Others)	
		Classification Code(s): 12	
Award Number	:	<u>22303-SW</u>	(Replaces Award 22036)
Contract Period	:	December 5, 2011 through October 31, 2012	
Bid Opening Date	:	June 16, 2011	
Date of Issue	:	December 7, 2011	
Specification Reference	:	As Incorporated In The Invitation For Bids	
Contractor Information	:	Appears on Page 2 of this Award	

Address Inquiries To:

State Agencies & Vendors	Political Subdivisions & Others
Name : Joseph Hodder Title : Team Leader Phone : 518-474-3668 Fax : 518-474-8676 E-mail : joseph.hodder@ogs.ny.gov	Procurement Services Group Customer Services Phone : 518-474-6717 Fax : 518-474-2437 E-mail : customer.services@ogs.ny.gov

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

Description

Granular Sodium Chloride (Rock Salt) Treated with Corrosion Inhibited Liquid Magnesium Chloride – Types 1 and 2

PR #22303

(continued)

NOTE: See individual contract items to determine actual awardees.

<u>CONTRACT #</u>	<u>CONTRACTOR & ADDRESS</u>	<u>TELEPHONE #</u>	<u>FEIN/ Vendor ID</u>
PC65672	AMERICAN ROCK SALT CO., LLC P.O. Box 190 Mt. Morris, NY 14510	888/762-7258 585/243-9510 Ext. 1407 Marcia C. Gavin Fax No.: 585/243-7676 E-mail: marcia.gavin@americanrocksalt.com	161516458 1000008297
	PLACE ORDERS W/CARGILL:		
PC65673	CARGILL INCORPORATED DBA CARGILL INC. DEICING TECHNOLOGY 24950 Country Club Boulevard Suite 450 North Olmsted, OH 44070	800/600-7258 Customer Service Fax No.: 440/716-0763 E-mail: monica_petkac@cargill.com Web Site: www.cargilldeicing.com	410177680 1000048669
	REMIT PAYMENT TO CARGILL:		
	CARGILL INCORPORATED D/B/A CARGILL INC. DEICING TECHNOLOGY BUSINESS UNIT P.O. Box 415927 Boston, MA 02241-5927		
PC65674	NORTH AMERICAN SALT COMPANY A COMPASS MINERALS COMPANY 900 West 109 th Street Overland Park, KS 66210 <i>Accepts NYS Procurement Card for Orders up to \$15,000</i>	800/693-3334 913/344-9390 Jason Bagley Fax No. 913/338-7945 E-mail: bagleyj@compassminerals.com Web Site: www.compassminerals.com	481047632 1000031899
PC65675 SB	SWP ENTERPRISES LLC 11399 State Route 21 Wayland, NY 14572	John L. Hooker 585/728-3770 Fax No.: 585/728-9901 E-mail: jhooker@swpenterprises.com	161605664 1000008463

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.

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RECYCLED, REMANUFACTURED AND ENERGY EFFICIENT PRODUCTS:

The Procurement Services Group supports and encourages the purchase of recycled, remanufactured, energy efficient and "energy star" products. If one of the following codes appears as a suffix in the Award Number or is noted under the individual Contract Number(s) in this Contract Award Notification, please look at the individual awarded items for more information on products meeting the suffix description.

RS,RP,RA	Recycled
RM	Remanufactured
SW	Solid Waste Impact
EE	Energy Efficient
E*	EPA Energy Star
ES	Environmentally Sensitive

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).

CONTRACT BILLINGS AND PAYMENTS:

a. Billings. Contractor and the dealers/distributors/resellers designated by the Contractor, if any, shall provide complete and accurate billing invoices to each Authorized User in order to receive payment. Billing invoices submitted to an Authorized User must contain all information required by the Contract and the State Comptroller or other appropriate fiscal officer. Submission of an invoice and payment thereof shall not preclude the Commissioner from requesting reimbursement or demanding a price adjustment in any case where the Product delivered is found to deviate from the terms and conditions of the Contract or where the billing was inaccurate.

Contractor shall provide, upon request of the Commissioner, any and all information necessary to verify the accuracy of the billings. Such information shall be provided in the format requested by the Commissioner and in a media commercially available from the Contractor. The Commissioner may direct the Contractor to provide the information to the State Comptroller or to any Authorized User of the Contract.

b. Payment of Contract purchases made by an Authorized User when the State Comptroller is responsible for issuing such payment. The Authorized User and Contractor agree that payments for invoices submitted by the Contractor shall only be rendered electronically unless payment by paper check is expressly authorized by the Commissioner, in the Commissioner's sole discretion, due to extenuating circumstances. Such electronic payments shall be made in accordance with ordinary State procedures and practices. The Contractor shall comply with the State Comptroller's procedures to authorize electronic payments. Authorization forms are available at the State Comptroller website at www.osc.state.ny.us, by e-mail at epunit@osc.state.ny.us, or by telephone at 518-486-1255. Contractor acknowledges that it will not receive payment on any invoices submitted under this Contract that are payable by the State Comptroller if it does not comply with the State Comptroller's electronic payment procedures, except where the Commissioner has expressly authorized payment by paper check as set forth above.

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CONTRACT BILLINGS AND PAYMENTS: (Cont'd.)

c. Payment of Contract purchases made by an Authorized User when the State Comptroller is not responsible for issuing such payment. The Authorized User and Contractor agree that payments for such Contract purchases shall be billed directly by Contractor on invoices/vouchers, together with complete and accurate supporting documentation as required by the Authorized User. Such payments shall be as mandated by the appropriate governing law from the receipt of a proper invoice. Such Authorized User and Contractor are strongly encouraged to establish electronic payments.

OPTIONAL DELAYED BILLING PROGRAM:

Contractor, at its option, may participate in a delayed billing program for the benefit of political subdivisions for orders delivered during October and November 2011. Payment would not be required until January 2012. This program would be available to encourage fall season filling of stockpiles and storage sheds and accommodate the budget process of the political subdivisions. This program would be coordinated directly by the end user with the particular contractor. Contractor may also delay crediting/debiting fuel price adjustments until the end of the contract with the concurrence of the end users. Contractor must advise end users how they intend to process invoices upon receipt of first purchase order for salt. No changes to agreed-upon processing methodology may be made during the contract period.

CONTRACTOR REQUIREMENTS AND PROCEDURES FOR EQUAL EMPLOYMENT AND BUSINESS PARTICIPATION OPPORTUNITIES FOR MINORITY GROUP MEMBERS AND NEW YORK STATE CERTIFIED MINORITY/WOMEN-OWNED BUSINESSES

In accordance with Article 15-A of the New York State Executive Law (Participation by Minority Group Members and Women with Respect to State Contracts) and in conformance with the Regulations promulgated by the Minority and Women's Business Development Division of the New York State Department of Economic Development set forth at 5 NYCRR Parts 140-144, the Offerer/Contractor agrees to be bound by the following to promote equality of economic opportunities for minority group members and women, and the facilitation of minority and women-owned business enterprise participation on all covered OGS contracts.

a. Equal Employment Opportunity Requirements

By submission of a bid or proposal in response to this solicitation, the Offerer agrees with all of the terms and conditions of Appendix A including Clause 12 - Equal Employment Opportunities for Minorities and Women. The contractor is required to ensure that the provisions of Appendix A clause 12 – Equal Employment Opportunities for minorities and women, are included in every subcontract in such a manner that the requirements of these provisions will be binding upon each subcontractor as to work in connection with the State contract.

b. Participation Opportunities for New York State Certified Minorities and Women-Owned Businesses

Authorized Users are encouraged to make every good faith effort to promote and assist the participation of New York State Certified Minority and Women-owned Business Enterprises (M/WBE) as subcontractors and suppliers on this contract for the provision of services and materials. To locate New York State Certified M/WBEs, the directory of Certified Businesses can be viewed at:
http://www.empire.state.ny.us/Small_and_Growing_Businesses/mwbe.asp

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 Invitation for Bids or through the OGS website (www.ogs.ny.gov).

DEBRIEFING

A bidder shall be accorded fair and equal treatment with respect to its opportunity for debriefing. Prior to contract award, OGS shall, upon request, provide a debriefing which would be limited to review of that bidder's proposal or bid. After contract award, OGS shall, upon request, provide a debriefing to any unsuccessful bidder that responded to the solicitation, regarding the reason that the proposal or bid submitted by such bidder was not selected for a contract award. The post-award debriefing should be requested in writing within 30 days of posting of the contract award on the OGS website.

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PRICE:

Price includes all customs duties and charges and is net, F.O.B. destination designated on purchase order, including unloading of the bulk salt. Contract prices shall be firm except for revisions permitted in accordance with the following clauses:

- PRICE ESCALATION BASED ON EXCEEDING 120% OF FILED REQUIREMENT
- FUEL PRICE ADJUSTMENT
- PRICE ADJUSTMENT FOR RENEWALS

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. However, County Highways and NYSDOT shall have their minimum/maximum delivery quantities based on the sum of all their sites serviced by a supplier in each LOT.

An automatic unit price increase of 10% will be allowed once quantities delivered are over 120% of user's filed requirement. Once deliveries exceed 130% of 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 non-complying product-delivery-price 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 treated salt during the contract period. A weekly Purchasing Memorandum will be issued through the OGS Purchasers' Notification System and posted to the OGS website. Deliveries made after October 14, 2012 to meet minimum filed requirement obligations will use the fuel price adjustment in effect for October 14, 2012.
- Additional amount may be added or deducted from 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, or unsuitable, then another source may be selected by NYS OGS Procurement Services Group.)
- Procurement Services Group will compute the 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.
- The base rate used for calculating adjustments shall be the rate shown in the referenced EIA on the date of the bid opening 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, there shall be a deduction, a price reduction. The December 5, 2011 price is fictional and is for illustration only.

EXAMPLE FUEL PRICE ADJUSTMENT INCREASE:

December 5, 2011 posting	\$4.19
Published rate on date of bid opening	\$4.09

$\$4.19 - \$4.09 = +\$0.10 =$ Additional amount allowed to be added to price per ton.

EXAMPLE FUEL PRICE ADJUSTMENT DECREASE:

December 5, 2011 posting	\$3.99
Published rate on date of bid opening	\$4.09

$\$3.99 - \$4.09 = -\$0.10 =$ Amount allowed to be deducted from price per ton.

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FUEL PRICE ADJUSTMENTS: (Cont'd.)

- The price adjustments will be calculated using the current week's posting for the following week. In the example shown on the previous page, the posting date is December 5, 2011. This price adjustment would be for the week beginning December 12, 2011.

Additional Notes on Fuel Price Adjustment:

Should postings differ from current description and/or format, a posting determined by the Commissioner of Office of General Services 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 of the Office of General Services, and no adjustment in price is mutually agreeable, the Commissioner of the Office of General Services 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 on the date of the next bid year's bid opening and for subsequent years additional extensions would follow this format. If there is no bid opening date for the next year, the base rate for calculating adjustments will be the rate shown in the referenced EIA one year after the last bid opening date. 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. A review may include pertinent indices, 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.

MINIMUM/MAXIMUM OBLIGATIONS:

Customer is obligated to take 70% (minimum) of their filed requirements during the contract period and contractors are obligated to deliver up to 150% of the filed requirement. However, County Highways and NYS DOT shall have their minimum/maximum delivery quantities based on the sum of all their sites in each LOT serviced by a supplier.

When Customer 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 their minimum by 11/1/2012 – contractor will store through 12/31/2012).

CONTRACTOR STORAGE CHARGES:

American Rock Salt	\$3.60 / per ton
Cargill Inc. Deicing Technology	\$3.50 / per ton
North American Salt Company	\$3.60 / per ton
SWP Enterprises	\$3.00 / per ton

MINIMUM ORDER:

Minimum Order is 22 tons.

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LOT 1 - TYPE 1

GRANULAR SODIUM CHLORIDE TREATED WITH LIQUID MAGNESIUM CHLORIDE CORROSION INHIBITED

CONTRACTOR	OGS ITEM #	COUNTY	FILED REQUIRE -MENT TONS	PRICE PER TON	FINISHED PRODUCT NAME	FINISHED PRODUCT COLOR
Cargill Inc. Deicing Technology	27	Albany	9,300	\$66.02	Clearlane	Green
Cargill Inc. Deicing Technology	1	Broome	250	\$53.69	Clearlane	Green
SWP Enterprises	2	Chautauqua	250	\$59.71	SWP Treated	Blue/Green
Cargill Inc. Deicing Technology	3	Columbia	300	\$69.06	Clearlane	Green
Cargill Inc. Deicing Technology	4	Cortland	2,600	\$48.73	Clearlane	Green
Cargill Inc. Deicing Technology	5	Essex	8,500	\$76.05	Clearlane	Green
SWP Enterprises	6	Franklin	400	\$79.66	SWP Treated	Blue/Green
Cargill Inc. Deicing Technology	7	Herkimer	2,600	\$62.38	Clearlane	Green
Cargill Inc. Deicing Technology	8	Jefferson	4,100	\$67.22	Clearlane	Green
Cargill Inc. Deicing Technology	9	Lewis	900	\$68.72	Clearlane	Green
Cargill Inc. Deicing Technology	10	Madison	2,250	\$57.49	Clearlane	Green
Cargill Inc. Deicing Technology	11	Oneida	4,150	\$57.58	Clearlane	Green
Cargill Inc. Deicing Technology	12	Onondaga	5,400	\$50.29	Clearlane	Green
Cargill Inc. Deicing Technology	13	Schuyler & Yates	1,000	\$51.50	Clearlane	Green
Cargill Inc. Deicing Technology	14	Seneca	500	\$48.64	Clearlane	Green
Cargill Inc. Deicing Technology	15	Steuben	90	\$50.80	Clearlane	Green
Cargill Inc. Deicing Technology	16	Sullivan	120	\$66.10	Clearlane	Green
Cargill Inc. Deicing Technology	17	Washington	350	\$73.80	Clearlane	Green

CONTRACTOR TRUCKLOAD DELIVERIES – LOT 1:

Cargill Inc. Deicing Technology 22-37 Tons

SWP Enterprises 30-36 Tons

END OF LOT 1 PRICING

(continued)

LOT 2 - TYPE 2

GRANULAR SODIUM CHLORIDE TREATED WITH LIQUID MAGNESIUM CHLORIDE CORROSION INHIBITED & ORGANIC BASED PERFORMANCE ENHANCER

(See Below for Truckload Size)

CONTRACTOR	OGS ITEM #	COUNTY	FILED REQUIRE -MENT TONS	PRICE PER TON	FINISHED PRODUCT NAME	FINISHED PRODUCT COLOR
American Rock Salt	18	Albany	500	\$76.36	Ultra Magic	Brown
American Rock Salt	19	Dutchess	3,080	\$89.98	Ultra Magic	Brown
American Rock Salt	20	Monroe	200	\$56.10	Ultra Magic	Brown
American Rock Salt	21	Ontario	1,000	\$56.05	Ultra Magic	Brown
American Rock Salt	22	Otsego	250	\$75.90	Ultra Magic	Brown
North American Salt	23	St. Lawrence	500	\$80.90	Thawrox	Orange
American Rock Salt	24	Seneca & Tioga	1,100	\$63.73	Ultra Magic	Brown
American Rock Salt	25	Warren	400	\$83.75	Ultra Magic	Brown
American Rock Salt	26	Wayne	1,000	\$61.97	Ultra Magic	Brown

CONTRACTOR TRUCKLOAD DELIVERIES – LOT 2:

American Rock Salt 30 Tons
 North American Salt 22 Tons

END OF LOT 2 PRICING

(continued)

PERSON TO CONTACT FOR EXPEDITING NEW YORK STATE CONTRACT ORDERS:

<u>Company</u>	<u>Contact Name</u>	<u>Phone Numbers</u>
American Rock Salt Co. LLC	Marcia Gavin	888/762-7258 585/243-9510 Ext. 1407 Fax: 585/243-7676 E-mail: marcia.gavin@americanrocksalt.com
Cargill Inc. Deicing Technology	Customer Service	800/600-7258 Fax: 440/716-0763 E-mail: monica_petkac@cargill.com
North American Salt Co.	Jason Bagley	800/693-3334 913/344-9390 Fax: 913/338-7945 E-mail: bagleyj@compassminerals.com
SWP Enterprises LLC	John Hooker	585/728-3770 Fax: 585/728-9901 E-mail: jhooker@swpenterprises.com

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

<u>Company</u>	<u>Contact Name</u>	<u>Phone Numbers</u>
American Rock Salt Co. LLC	Jamie McClain	585/243-9510 Ext. 1403 Fax: 585/243-7676 Cellular: 585/519-5247 E-mail: jamie.mcclain@americanrocksalt.com
Cargill Inc. Deicing Technology	Customer Service	800/600-7258* Fax: 440/716-0763 *After-hours callers are given the option to leave a message or be forwarded to an after-hours cell phone
North American Salt Co.	Jason Bagley	800/693-3334 913/344-9390 Fax: 913/338-7945 Cellular: 913/991-7757 E-mail: bagleyj@compassminerals.com
SWP Enterprises LLC	John Hooker	585/728-3770 Fax: 585/728-9901 Cellular: 585/451-6582 E-mail: jhooker@swpenterprises.com

***NORMAL BUSINESS HOURS**

American Rock Salt Co. LLC	Monday – Friday	7:30 a.m. – 4:00 p.m., weekends/holidays as needed
Cargill Inc. Deicing Technology	Monday – Friday	6:00 a.m. – 4:30 p.m., weekends/holidays as needed
North American Salt Co.	Monday – Friday	8:00 a.m. – 5:00 p.m. CST (1 hour earlier than our time)
SWP Enterprises LLC	Monday – Friday	8:00 a.m. – 5:00 p.m.

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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 -1,000 Tons</u>	<u>Over 1,000 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

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.

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.

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.

All shipments of product 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.

Product shall be received in a free-flowing and usable condition.

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DELIVERY SCHEDULE FOR TYPE 1 TREATED SALT:

COUNTY	DELIVERY LOCATION	DELIVERY ADDRESS	CITY/ZIP	EST. QTY	CONTACT NAME	PHONE
ALBANY	City of Albany DGS	1 Conners Blvd	Albany 12204	9,300	Susan Kimble	518-434-2489
ALBANY TOTAL				9,300		
BROOME	Village of Windsor Salt Bin	11 Bridge St	Windsor 13865	250	David Decker	607-655-2833
BROOME TOTAL				250		
CHAUTAUQUA	NYS DOT Fredonia	154 Chautauqua Rd	Fredonia	100	Eric Meka	716-753-2821
CHAUTAUQUA	NYS DOT Mayville	109 E. Chautauqua St	Mayville	100	Eric Meka	716-753-2822
CHAUTAUQUA	NYS DOT Sherman	119 Osbourne St	Sherman	50	Eric Meka	716-753-2823
CHAUTAUQUA TOTAL				250		
COLUMBIA	NYS DOT Hudson	307 Route 66	Hudson	100	Bruce Ralston	518-828-9401
COLUMBIA	NYS DOT Martindale	Int Rte 23 & Taconic Pkwy	Martindale 12534	200	Bruce Ralston	518-828-9401
COLUMBIA TOTAL				300		
CORTLAND	NYS DOT Polkville	Rtes 41 - I-81	Polkville	1,500	Stan Birchenough	607-756-7072
CORTLAND	Town of Cortlandville Hwy Dept - Call Prior to Delivery	4765 NYS Rte 41	Cortland 13045	1,100	Carl A. Bush, Jr.	607-756-8241
CORTLAND TOTAL				2,600		
ESSEX	NYS DOT Keene	Rte 73 & 9N	Keene 12942	3,000	Mike Fayette	518-873-2170
ESSEX	NYS DOT Underwood	Rte 9 at Exit 3, I-87	North Hudson 12855	500	Mike Fayette	518-873-2170
ESSEX	NYS DOT Raybrook	Rte 86	Ray Brook 12977	5,000	Mike Fayette	518-873-2170
ESSEX TOTAL				8,500		
FRANKLIN	NYS DOT Malone Res	Constable St Rd	Malone 12953	200	Robert Haynes	518-483-0770
FRANKLIN	NYS DOT Cross Clearing	Int/Rte 3 & 30 Wawbeek Corners	Tupper Lake 12986	200	Robert Haynes	518-483-0770
FRANKLIN TOTAL				400		
HERKIMER	NYS DOT Herkimer Co Res	Fifth Ave	Herkimer 13350	2,000	Mike Pawloski	315-866-1123
HERKIMER	NYS DOT Old Forge	Rte 28	Old Forge	600	Mike Murphy	315-732-8032
HERKIMER TOTAL				2,600		
JEFFERSON	NYS DOT Adams Sub Res	Church St Rte 178 & I-81	Adams 13605	1,400	Al Forte	315-785-9317
JEFFERSON	NYS DOT Bridge Maint Shop	23192 Rte 12 Outer Bradley St	Watertown 13601	500	Al Forte	315-785-9317
JEFFERSON	NYS DOT Collins Landing Sub Res	43092 NYS Rte 12	Alexandria Bay 13607	700	Al Forte	315-785-9317
JEFFERSON	NYS DOT Watertown	Rte 342 1/2 mi W of I-81	Watertown 13601	1,500	Al Forte	315-785-9317
JEFFERSON TOTAL				4,100		

(continued)

DELIVERY SCHEDULE FOR TYPE 1 TREATED SALT:

COUNTY	DELIVERY LOCATION	DELIVERY ADDRESS	CITY/ZIP	EST. QTY	CONTACT NAME	PHONE
LEWIS	NYS DOT Harrisville Sub Res	41 State Rte 3	Harrisville 13648	200	Matt Bush	315-376-3523
LEWIS	NYS DOT Lowville Res	5527 Bostwick St	Lowville 13367	500	Matt Bush	315-376-3523
LEWIS	NYS DOT Lyons Falls	Rte 12	Lyons Falls 13368	200	Matt Bush	315-376-3523
LEWIS TOTAL				900		
MADISON	Madison Co Hwy Gar Wampsville Div	139 N Court St	Wampsville 13163	500	F Joseph Wisinski	315-366-2221
MADISON	NYS DOT Morrisville	Eaton Rd	Morrisville 13408	100	John Bronk	315-336-0660
MADISON	NYS DOT Oneida	635 Lenox Ave	Oneida 13421	250	John Bronk	315-336-0661
MADISON	Village of Canastota DPW - Call Prior to Delivery	NE Canal St	Canastota 13032	1,400	Todd Rouse	315-697-7559
MADISON TOTAL				2,250		
ONEIDA	NYS DOT Alder Creek Sub Res	Int Rte 12 & Rte 28	Alder Creek 13301	1,500	Mike Murphy	315-732-8032
ONEIDA	NYS DOT Oneida East Res	2436 Chenango Rd	Utica 13502	1,000	Mike Murphy	315-732-8032
ONEIDA	NYS DOT Rome	6515 Rte 26	Rome 13440	650	John Bronk	315-336-0660
ONEIDA	NYS DOT Sangerfield Sub Res	7579 Rte 20	Sangerfield 13455	500	Mike Murphy	315-732-8032
ONEIDA	Oneida Co. DPW – Barneveld Garage-Dist. II	8515 State Rte 28	Barneveld	100	Carl Stockbridge	315-896-2672
ONEIDA	Oneida Co. DPW – Oriskany Garage-Dist. I	6000 Airport Rd	Oriskany 13424	100	Chris Brown	315-793-6237
ONEIDA	Oneida Co. DPW – Taberg Garage-Dist. III	4260 Lee Center Taberg Rd	Taberg	100	Dave Kalk	315-336-0789
ONEIDA	Town of New Hartford Hwy Sanger Bldg	111 New Hartford St	New Hartford 13413	200	Richard Sherman	315-724-4300
ONEIDA TOTAL				4,150		
ONONDAGA	NYS DOT Camillus	5700 Devoe Rd	Camillus 13031	1,000	Larry Hasard	315-672-8151
ONONDAGA	NYS DOT Geddes	Walters Rd	Geddes	2,400	Larry Hasard	315-672-8151
ONONDAGA	NYS DOT N Syracuse	5430 S Bay Rd	N Syracuse	2,000	Steve Kokkoris	315-458-1910
ONONDAGA TOTAL				5,400		
SCHUYLER	NYS DOT Watkins Glen	3545 Co Rte 16	Watkins Glen 14891	500	Tim Alimosy	607-535-4992
SCHUYLER TOTAL				500		
SENECA	Village of Waterloo- Hrs 7AM-3:30PM - Call Prior to Delivery	Salt Storage Bldg 1 39 E Water St	Waterloo 13165	500	Stephen Ward	316-651-0303
SENECA TOTAL				500		
STEUBEN	Village of Hammondsport DPW - Delivery Hrs 5AM-2PM	7976 Back Valley Rd	Hammondsport 14840	90	Randy Hoad	607-569-2780
STEUBEN TOTAL				90		

(continued)

DELIVERY SCHEDULE FOR TYPE 1 TREATED SALT:

COUNTY	DELIVERY LOCATION	DELIVERY ADDRESS	CITY/ZIP	EST. QTY	CONTACT NAME	PHONE
SULLIVAN	Catskill Reg Med Ctr - 7AM-3PM - DELIVER W/ CONVEYOR BOX TRUCK IF AVAILABLE	68 Harris Bushville Rd	Harris 12742	120	Thomas O'Keefe	845-794-3300 ext. 2056
SULLIVAN TOTAL				120		
WASHINGTON	NYS DOT E Greenwich Sub Res	Co Rte 29 & Rte 338	E Greenwich 12834	75	Ian Miller	518-747-4724
WASHINGTON	NYS DOT Hudson Falls Res	3716 Burgoyne Ave	Hudson Falls 12839	200	Ian Miller	518-747-4724
WASHINGTON	NYS DOT Whitehall Sub Res	Rte 4	Whitehall 12887	75	Ian Miller	518-747-4724
WASHINGTON TOTAL				350		
Yates	NYS DOT Penn Yan	Rte 14A South of Penn Yan	Penn Yan 14527	500	Tim Alimosy	607-535-4992
YATES TOTAL				500		

END OF DELIVERY SCHEDULE FOR TYPE 1

(continued)

DELIVERY SCHEDULE FOR TYPE 2 TREATED SALT:

COUNTY	DELIVERY LOCATION	DELIVERY ADDRESS	CITY/ZIP	EST. QTY	CONTACT NAME	TELEPHONE
ALBANY	City of Watervliet DPW Garage - Delivery - 8AM-4PM M-F	13 th St & 2 nd Ave (Behind Firehouse)	Watervliet 12189	500	David Dressel	518-270-3821
ALBANY TOTAL				500		
DUTCHESS	Town of Hyde Park - Gate is locked - Hrs 7AM-3:30PM	1146 Rte 9G	Hyde Park 12538	3,000	Walter Doyle	845-229-9416
DUTCHESS	Webutuck (Northeast) School	Kildonan School 425 Morse Hill Rd	Amenia 12501	80	Mark Lounsbury	845-392-2585
DUTCHESS TOTAL				3,080		
MONROE	NYS DOT Spencerport	2441 Union St	Spencerport 14559	200	Terry LaFrance	585-352-3471
MONROE TOTAL				200		
ONTARIO	NYS DOT Canandaigua	125 Parrish St	Canandaigua 14424	1,000	Greg Kerrick	315-332-4000
ONTARIO TOTAL				1,000		
OTSEGO	Mary Imogene Bassett Hospital	Clarks Sports Ctr 124 Co Hwy 32	Cooperstown 13326	250	Thomas Terry	607-287-5463 or 607-547-7831
OTSEGO TOTAL				250		
ST. LAWRENCE	NYS DOT Cranberry Lake Sub Res	7045 St Hwy 3	Cranberry Lake 12927	500	Ernie Olin	315-265-2320
ST. LAWRENCE TOTAL				500		
SENECA	Town of Waterloo Hwy Dept	66 Virginia St	Waterloo 13165	600	Joseph Mull	315-539-2010
SENECA TOTAL				600		
TIOGA	NYS DOT Berkshire	12902 Rte 38	Berkshire 13736	100	Robert Rennells	607-687-3730
TIOGA	NYS DOT Oswego	1497 Rte 96	Oswego 13827	300	Robert Rennells	607-687-3731
TIOGA	NYS DOT Waverly	15 Pembleton Pl	Waverly 14892	100	Robert Rennells	607-687-3732
TIOGA TOTAL				500		
WARREN	Village of Lake George DPW Yard	1 Schuyler St	Lake George 12845	400	Debra McKinney	518-668-5771 X24
WARREN TOTAL				400		
WAYNE	NYS DOT Newark	142 Rte 31	Newark	500	Greg Kerrick	315-332-4000
WAYNE	NYS DOT Sodus	Rte 104 & CR 400 Ridge Rd	Sodus 14551	500	Greg Kerrick	315-332-4000
WAYNE TOTAL				1,000		

END OF DELIVERY SCHEDULE FOR TYPE 2

(continued)

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.

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.

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.

NEW YORK STATE VENDOR RESPONSIBILITY QUESTIONNAIRE FOR-PROFIT BUSINESS ENTITY:

Contractor is encouraged to maintain up-to-date Questionnaire during the life of the contract and is also required to ensure this Questionnaire reflects any substantive issues that may have occurred from the time the Contract was initially awarded.

DEBRIEFING:

Contractors and bidders are accorded fair and equal treatment with respect to the opportunity for debriefing. OGS shall, upon request, provide a debriefing to any bidder or awarded contractor that responded to the IFB or RFP regarding the reason that the proposal or bid submitted by the unsuccessful bidder was not selected for a contract award. The post award debriefing should be requested by the bidder or awarded contractor within thirty days of posting of the contract award on the OGS website.

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.ny.gov).

NON-STATE AGENCIES PARTICIPATION IN CENTRALIZED CONTRACTS:

New York State political subdivisions and others authorized by New York State law may participate in contracts. These include, but are not limited to local governments, public authorities, public school and fire districts, public and nonprofit libraries, and certain other nonpublic/nonprofit organizations. See "Participation in Centralized Contracts" in Appendix B, OGS General Specifications. For purchase orders issued by the Port Authority of New York and New Jersey (or any other authorized entity that may have delivery locations adjacent to New York State), the terms of the "Price" clause shall be modified to include delivery to locations adjacent to New York State.

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 (<http://www.ogs.ny.gov/purchase/snt/othersuse.asp>). 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.

(continued)

EXTENSION OF USE:

Any contract resulting from the original 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.

CANCELLATION FOR CONVENIENCE

The State of New York retains the right to cancel this 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.

CONTRACT PERIOD AND RENEWALS:

It is the intention of the State to enter into a contract for the term as stated on the Invitation for Bids except that the commencement and termination dates appearing on the Invitation for Bids may be adjusted forward unilaterally by the State for any resulting contract for up to two calendar months, by indicating such change on the Contract Award Notification.

The contract dates may be adjusted forward beyond two months only with the approval of the successful bidder. If, however, the bidder is not willing to accept an adjustment of the contract dates beyond the two month period, the State reserves the right to proceed with an award to another bidder.

If mutually agreed between the Procurement Services Group and the contractor, the contract may be renewed under the same terms and conditions for additional period(s) not to exceed a total contract term of five (5) years.

NOTE: For any renewal, the State may elect to exercise the option to renew the contractor's entire contract OR certain counties or zones of the contract. For any renewal, prices may be increased or decreased in accordance with the "PRICE ADJUSTMENT FOR RENEWALS" clause on page 6.

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.

WORKERS' COMPENSATION INSURANCE AND DISABILITY BENEFITS REQUIREMENTS:

Workers' Compensation Law (WCL) §57 & §220 requires the heads of all municipal and State entities to ensure that businesses applying for permits, licenses or contracts document it has appropriate workers' compensation and disability benefits insurance coverage. These requirements apply to both original contracts and renewals, whether the governmental agency is having the work done or is simply issuing the permit, license or contract. Failure by a contractor to provide proof of such coverage or a legal exemption will result in a rejection of any attempt by that contractor to renew their contract.

(continued)

REPORT OF CONTRACT PURCHASES:

Contractor shall furnish monthly reports containing total sales for both state agency and authorized non-state agency contract purchases.

The sales report form is forwarded to each contractor monthly from Procurement Services Group for completion in accordance with the contract terms and conditions:

<u>County</u>	<u>Customer Name</u>	<u>Price Per Ton</u>	<u>Total Quantity Shipped to State Agencies</u>	<u>Total Quantity Shipped to Authorized Non-State Agencies</u>	<u>Total Sales \$ State Agencies</u>	<u>Total Sales \$ Authorized Non-State Agencies</u>
Albany	NYS DOT	\$60.00	100 Tons	0	\$6,000.00	\$
Broome	City of XYZ	\$50.00		500 Tons		\$25,000.00
				Total		
				Grand Total		\$31,000.00
				Sales		
				State and Non-State Agencies		

The report is to be submitted electronically in Microsoft Excel 2007 or lower format to the Office of General Services, Procurement Services Group, Tower Bldg., Empire State Plaza, Albany, NY 12242, to the attention of the individual shown on the front page of the Contract Award Notification and shall reference the Group Number, the Award Number, Contract Number, sales period, and contractor's (or other authorized agent) name.

The outlined sales report is the minimum information required. Additional related sales information, such as monthly reports, and/or detailed user purchases may be required and must be supplied upon request.

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 products or services, the Commissioner reserves the right to obtain such products 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 products or services procured from other sources pursuant to this paragraph.

SURETY BOND:

At any time upon the request of the Office of General Services, the contractor shall, within 15 days of request and at its own cost and expense, obtain and maintain in full force and effect for sixty days after contract expiration:

- an irrevocable documentary **LETTER OF CREDIT** with a sound and reputable bank authorized to do business in the State of New York, OR
- a **PERFORMANCE BOND** signed by a surety company authorized to do business in the State of New York, OR
- a **PAYMENT BOND** signed by a surety company authorized to do business in the State of New York,

in the amount of 10% of contract value for the faithful performance of the contract. The **LETTER OF CREDIT, PERFORMANCE BOND, PAYMENT BOND**, etc., shall name as beneficiary the State of New York, Office of General Services, and may be invoked to the benefit of the State of New York, Office of General Services, upon delivery of a certified statement to the issuing bank or surety company that the contractor has failed to perform pursuant to the terms and conditions of its contract with the State of New York.

With its bid submission, the bidder shall include a letter from its bank or surety company stating that the letter of credit or bond will be provided if being considered for a contract or in the event of a contract. The Letter of Credit or Bond shall be provided on a yearly basis for each year, or portion, of the contract.

(continued)

DIESEL EMISSION REDUCTION ACT OF 2006 (NEW REQUIREMENT OF LAW):

On February 12, 2007 the Diesel Emissions Reduction Act took effect as law (the “Law”). Pursuant to new §19-0323 of the N.Y. Environmental Conservation Law (“NYECL”) it is now a requirement that heavy duty diesel vehicles in excess of 8,500 pounds use the best available retrofit technology (“BART”) and ultra low sulfur diesel fuel (“ULSD”). The requirement of the Law applies to all vehicles owned, operated by or on behalf of, or leased by State agencies and State or regional public authorities. They need to be operated exclusively on ULSD by February 12, 2007. It also requires that such vehicles owned, operated by or on behalf of, or leased by State agencies and State or regional public authorities with more than half of its governing body appointed by the Governor utilize BART.

As a contract vendor the Law may be applicable to vehicles used by contract vendors “on behalf of” State agencies and public authorities. Thirty-three percent (33%) of affected vehicles must have BART by December 31, 2008, sixty-six percent (66%) by December 31, 2009 and one hundred percent (100%) by December 31, 2010. The Law provides a list of exempted vehicles. Regulations currently being drafted will provide further guidance as to the effects of the Law on contract vendors using heavy duty diesel vehicles on behalf of the State. The Law also permits waivers of ULSD and BART under limited circumstances at the discretion of the Commissioner of Environmental Conservation. The Law will also require reporting from State agencies and from contract vendors in affected contracts.

Therefore, the contractor hereby certifies and warrants that all heavy duty vehicles, as defined in NYECL §19-0323, to be used under this contract, will comply with the specifications and provisions of NYECL §19-0323, and any regulations promulgated pursuant thereto, which requires the use of BART and ULSD, unless specifically waived by NYSDEC. Qualification and application for a waiver under this Law will be the responsibility of the bidder.

NOTE TO ALL NON-STATE AGENCIES AND BIDDERS:

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.

PURCHASE ORDERS:

Purchase orders submitted to the contractor shall contain specific information concerning date and point of delivery.

AUTHORITY OF OPERATOR:

A bidder offering road salt from a mine not owned and operated by itself may be required to furnish the written authority of the operator of the mine to sell road salt from the said mine.

MINIMUM/MAXIMUM OBLIGATIONS:

Customer is obligated to take 70% (minimum) of their filed requirements during the contract period and contractors are obligated to deliver up to 150% of the filed requirement. However, County Highways and NYS DOT shall have their minimum/maximum delivery quantities based on the sum of all their sites in each LOT serviced by a supplier.

When a Customer 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 10/14/12 – contractor will store through 12/31/12).

(continued)

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. Office of General Services, Procurement Services Group 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 Office of General Services, Procurement Services Group. Claims for liquidated damages must be requested within thirty (30) days of event.

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

DISPOSITION OF DAMAGES, ETC.:

The Office of General Services has the right to determine the disposition of any rebates, settlements, restitution, liquidated damages, etc. which arise from the administration of this contract.

BUY AGAINST:

Contractors must supply in accordance with instructions on purchase orders and within the required delivery time stated in this Invitation for Bids. In the event of the contractor's failure to so deliver, at the discretion of the end user, purchase of the undelivered quantity in the open market at the contractor's expense will be authorized or the non-complying product - late delivery - price deduction will be applied. The location involved **must** notify the Office of General Services, Procurement Services Group of the non-delivery and allow that Group to ascertain if immediate delivery can be made by the contractor.

PRODUCT SUITABILITY AND LIABILITY:

Deviation from specifications may result in rejection of any delivery. All costs associated with rejected deliveries will be the responsibility of the contractor.

Should a product be found to be contaminated (after application) with non-specified elements and become cause for environmental concerns that necessitate clean-up of yards, storage facilities, or roadsides, etc., the contractor shall be responsible for any and all expenses incurred.

DYE/COLOR:

Product may be dyed a characteristic color that will allow ready visual identification of the product or any material treated with the product. Any dye used shall remain in solution without precipitation during all normal use and storage conditions. Dye utilized shall be non-toxic, non-staining, and environmentally benign.

Contractors will advise of the color the final product will be when applied to end user's salt.

TOXIC SUBSTANCES - MATERIAL SAFETY DATA SHEETS:

Each contractor furnishing a toxic substance (as defined by Section 875 of the State Labor Law) to an ordering agency shall provide such agency with not less than two copies of a material safety data sheet. This sheet shall include for each such substance the information outlined in Section 876 of the State Labor Law.

(continued)

Example MgCl CHART

FREEZING POINT OF
MAGNESIUM CHLORIDE BRINE
EXAMPLE OF A 25% PRODUCT SUBMITTED

% By Weight	Specific Gravity	Freezing Point Celsius	Freezing Point Fahrenheit
5	1.013	-2.11	26.4
6	1.051	-3.09	25.0
7	1.060	-4.72	23.5
8	1.069	-5.67	21.8
9	1.070	-6.67	20.0
10	1.086	-7.83	17.9
11	1.096	-9.05	15.7
12	1.105	-10.5	13.1
13	1.114	-12.1	10.3
14	1.123	-13.7	7.3
15	1.132	-15.9	4.0
16	1.142	-17.6	0.4
17	1.151	-19.7	-3.5
18	1.161	-22.1	-7.7
19	1.170	-25.6	-12.2
20	1.180	-27.4	-17.2
21	1.190	-30.5	-23.0
22	1.200	-32.8	-27.0
23	1.210	-28.9	-20.0
24	1.220	-25.6	-14.0
**25	**1.230	** -23.3	** -10.0
26	1.241	-21.1	-6.0
27	1.251	-19.4	-3.0
28	1.262	-18.3	-1.0
29	1.273	-17.2	1.0
30	1.283	-16.7	3.0

25% EXAMPLE. YOUR INFORMATION MUST MATCH YOUR PRODUCT

(continued)

DETAILED SPECIFICATIONS

TREATED SALT

(GRANULAR SODIUM CHLORIDE TREATED WITH CORROSION INHIBITED LIQUID MAGNESIUM CHLORIDE)

Scope - It is the intent of this specification to describe a mixture of Sodium Chloride Type “A” crushed rock salt treated with corrosion inhibited liquid magnesium chloride product. The treatment is intended to enhance the performance of the product over untreated salt by reducing corrosiveness, improving low temperature performance, reducing bounce and scatter, preventing clumping, salt pile freezing and enhancing flowability. The treated salt is intended to be used to facilitate snow and ice prevention and removal on New York State roads and bridges. The end product treated salt will be categorized as either Type I or Type II treated salt depending on the specific type of corrosion inhibited magnesium chloride product used to treat the salt. The defining characteristics of Type I and Type II treatment can be found summarized in the table found **on page 23**.

Description: The finished product shall be composed of two primary constituents:

- 1) Crushed rock salt as described and specified in Section A below.
- 2) A corrosion inhibited liquid magnesium chloride product described and specified in Section B below.

The two components shall be mixed to produce a finished product as described in Section C. The final product shall meet all the requirements described in Section D, also below.

NOTE: A separate Vendor Certified Product Data Sheet **MUST** be submitted for **EACH** of the two components being utilized by the vendor to produce the final product.

Section A: Sodium Chloride Type “A” Crushed Rock Salt Specifications:

The crushed rock salt used in the preparation of the final product shall meet the following requirements.

A.1 CONTAMINATION

Upon inspection, 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.

A.2 CHEMICAL COMPOSITION

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

A.3 SIZE GRADING

The salt, when tested using sieves as described in ASTM-C-136 (*), shall conform to the following requirements for particle size distribution:

<u>Sieve Size</u>	<u>Percent Passing (**)</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

* - A drying temperature of 110°C ± 5°C should be used.

** - 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.

(continued)

DETAILED SPECIFICATIONS (Cont'd)**Section A: Sodium Chloride Type “A” Crushed Rock Salt Specifications:** (Cont'd)

A.4 MOISTURE CONTENT

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

$$\% \text{ Moisture} = \frac{\text{Loss of Weight} \times 100}{\text{Weight of Sample}}$$

Weight of sample after drying to a constant weight at $110^{\circ} \pm 5^{\circ}\text{C}$

- * Procedure shall be in accordance with ANSI/AWWA B200-03, Moisture Determination. A tolerance of 0.5% will be allowed before a deduction is assessed.

A.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 treated salt delivered by the contractor to any one agency on a single day to be a single delivery. Penalties imposed because of deviation from specifications may be imposed on the total day's delivery.

A.6 ACCEPTANCE

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

A.7 NON-COMPLYING PRODUCT - PRICE DEDUCTIONS

A.7.1 Non-Complying Product - Price Deduction - Moisture

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

$$\text{Reduced Price/Ton} = \text{Delivered Contract Price/Ton} \times (1.02 - 2X)$$

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

A.7.2 Non-Complying Product - Price Deduction - 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:

$$\text{Reduced Price/Ton} = \text{Delivered Contract Price} \times (1.00 - Y)$$

where: Y = the decimal equivalent of the total % out of gradation. 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 Y.

(continued)

DETAILED SPECIFICATIONS (Cont'd)

Section A: Sodium Chloride Type “A” Crushed Rock Salt Specifications: (Cont'd)

A.7 NON-COMPLYING PRODUCT - PRICE DEDUCTIONS (Cont'd)

A.7.3 General

A non-complying product - price deduction is not 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 or consistently not conforming to the gradation requirements, the contract shall be subject to cancellation either in whole or in parts.

A.8 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”.

Section B: Corrosion Inhibited Liquid Magnesium Chloride Product

Material used for this component of the finished product shall be a blend of Liquid Magnesium Chloride and an Organic Based Performance Enhancer (OBPE) component intended, amongst other things, to inhibit the corrosiveness of the product. The offered product shall meet all of the requirements for EITHER Type I or Type II listed on **page 23**. Bidder shall identify on the Vendor Supplied Data Sheet which type product is being offered. Product of either type must comply with the General Chemical Requirements section also shown below.

GENERAL CHEMICAL REQUIREMENTS:

Note Well: This section applies only to products offered that **do not** have a Beneficial Use Determination (BUD) from New York State Department of Environmental Conservation. **HOWEVER, ALL PRODUCTS OFFERED MUST CONTAIN 250 PPM OR LESS PHOSPHORUS, CALCULATED ON AN UNDILUTED BASIS, WITH OR WITHOUT BENEFICIAL USE DETERMINATION.**

Bids may not be accepted on any product that contains constituents in excess of the following established total concentration limits. Results are stated as Parts Per Million (ppm). If product exceeds any of the following constituents then the bidder shall identify the exception(s) and explain any mitigating circumstances. The State reserves the right to evaluate these exceptions and make a determination of product eligibility based on the best interests of the State.

Phosphorus	250.00 ppm	Chromium	0.50 ppm
Cyanide	0.20 ppm	Cadmium	0.20 ppm
Arsenic	5.00 ppm	Barium	75.00 ppm
Copper	0.50 ppm	Selenium	5.00 ppm
Lead	1.00 ppm	Zinc	10.00 ppm
Mercury	0.05 ppm		

(continued)

DETAILED SPECIFICATIONS (Cont'd)

Section B: Corrosion Inhibited Liquid Magnesium Chloride Product (Cont'd)

OTHER REQUIREMENTS:

PARAMETER	REQUIREMENT	
	LOT 1 - TYPE I	LOT 2 - TYPE II
Magnesium Chloride Concentration (w/v)	25% Min.	13 - 24%
pH	6.0 - 9.0	3.2 - 7.0
Eutectic (Freezing) Point	-20 Deg. F or Lower	-20 Deg. F or Lower
Total Solids (w/w After 1 Hr. @ 105°C)	No Requirement	35% Min.
Organic Based Performance Enhancer (OBPE)	No Requirement	12% Min.
Corrosivity	A 3% solution of the product shall have a corrosion value at least 70% less than that of a 3% solution of Sodium Chloride when tested by NACE Standard TM-01-69 as modified by the PNS (Pacific Northwest Snowfighters)	
Settleable Solids	Shall contain not greater than 1.0% (v/v) total settleable solids after being stored at 0 deg. F for 168 hours. If any solids are observed, 99% of those solids must pass through a #10 sieve.	Shall contain not greater than 4.0% (v/v) total settleable solids after being stored at 0 deg. F for 168 hours. If any solids are observed, 99% of those solids must pass through a #10 sieve.
Freezing Point Table	Bidder shall supply a table showing the Freezing Point vs Specific Gravity for varying dilutions of product in water, starting at 5% and continuing up to and including the percentage needed to reach the eutectic (freezing) point.	
Chemical Analysis	Bidder shall supply a certified analysis conducted within the last 3 years from an independent laboratory showing compliance with all the above listed requirements INCLUDING those listed in the GENERAL CHEMICAL REQUIREMENT section above. Exceptions to the requirements must be stated and the State reserves the right to reject the product.	

Sampling to be done in accordance with ASTM D345. Product shall be tested using generally accepted industry standard analytical procedures as appropriate.

(continued)

DETAILED SPECIFICATIONS (Cont'd)**Section C: Mixing the Sodium Chloride and Corrosion Inhibited Liquid Magnesium Chloride**

The materials described in Section A and Section B above shall be mixed as described in this section to produce the finished product. Mixing procedures shall comply with all requirements described in this section.

- C.1 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 before the salt is mixed with the Corrosion Inhibited Liquid Magnesium Chloride. Both salt and liquid samples may be taken.
- C.2 The contractor will thoroughly mix a minimum of 8 gallons of Corrosion Inhibited Liquid Magnesium Chloride per ton of salt.
- C.3 The contractor will ensure a consistent thorough mix (e.g. spray system, pugmill, conveyor) so that there is maximum coverage of the liquid on the salt crystals (loader mixing and stockpile injection methods are not acceptable) and will specify the mix method in the bid.
- C.4 Trucks must be weighed on certified scale with printout after loading the final product (salt and liquid mixture) and prior to delivery destination. The weight ticket shall include the net weight of the final product and the stockpile source. The certification must bear the weighmaster's signature. Handwritten weights are not acceptable.
- C.5 All shipments of finished product shall be accompanied by a ticket indicating the amount of Corrosion Inhibited Liquid Magnesium Chloride mixed in the finished product. This amount will be indicated on the ticket by Gallons. The amount of gallons shall be recorded by a printing device or handwritten.
- C.6 The finished product shall be shipped via bulk delivery. Trucks delivering the mixture shall have the entire cargo area completely covered by a waterproof tarpaulin or similar sheeting material. Torn or ripped covers may be cause for rejection of the shipment.
- C.7 The State reserves the right to, at any time inspect the operation to take salt and liquid samples, to ensure that the proper amount of liquid is being applied and that the mix method is appropriate.

Section D: Final Product: Rock Salt treated with Corrosion Inhibited Liquid Magnesium Chloride

The Treated Salt shall meet the following requirements:

- D.1 **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.
- D.2 **FLOWABILITY**
Properly stored product (covered or inside storage) shall be uniform and free flowing in a manner consistent with its intended use and shall show no objectionable clumping or caking.
- D.3 **LEACHING**
Properly stored product (covered or inside storage) shall show no indication of objectionable leaching or separation of components to the extent that such condition produces adverse affects in the handling or usage of the product or routine maintenance of the storage facility.

(continued)

DETAILED SPECIFICATIONS (Cont'd)**Section D: Final Product: Rock Salt treated with Corrosion Inhibited Liquid Magnesium Chloride (Cont'd)**

D.4 CHEMICAL COMPOSITION

Shall be not less than 91.2% Sodium Chloride. Percent of Sodium Chloride shall be determined as follows: Apparent total % Sodium Chloride content shall be determined in accordance with current ASTM D632. Magnesium and Calcium content shall be determined in accordance with ASTM E-534 and computed as % Magnesium Chloride and % Calcium Chloride respectively. The % Sodium Chloride shall then be computed as follows:

$$\% \text{ Sodium Chloride} = \% \text{ Apparent Sodium Chloride} - (\% \text{ Magnesium Chloride} + \% \text{ Calcium Chloride})$$

D.5 SIZE GRADING

The salt, when tested using sieves as described in ASTM C136 (*) shall conform to the following requirements for particle size distribution:

<u>Sieve Size</u>	<u>Percent Passing (**)</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

* - A drying temperature of $110^{\circ}\text{C} \pm 5^{\circ}\text{C}$ should be used.

** - 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.

D.6 MOISTURE CONTENT

Moisture content shall not exceed 4.8% when determined as follows:

$$\% \text{ Moisture} = \frac{\text{Loss of Weight} \times 100}{\text{Weight of Sample}}$$

where: W_1 = Initial weight of sample

W_2 = Weight of sample after drying to a constant weight at $110^{\circ}\text{C} \pm 5^{\circ}\text{C}$.

NOTE: Procedure shall be in accordance with ANSI/AWWA B200-03, Moisture Determination. A tolerance of 0.5% will be allowed before a deduction is assessed.

D.7 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 treated salt delivered by the contractor to any one agency on a single day to be a single delivery. Penalties imposed because of deviation from specifications may be imposed on the total day's delivery.

(continued)

DETAILED SPECIFICATIONS (Cont'd)**Section D: Final Product: Rock Salt treated with Corrosion Inhibited Liquid Magnesium Chloride (Cont'd)**

D.8 ACCEPTANCE

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

D.9 NON-COMPLYING PRODUCT - PRICE DEDUCTIONS

D.9.1 Non-Complying Product - Price Deduction - Moisture

If the moisture content of the treated salt is found to be above 5.3%, a deduction for moisture content will be made from the delivered bid price based on the following formula:

$$\text{Reduced Price/Ton} = \text{Delivered Contract Price/Ton} \times (1.053 - 2x)$$

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

D.9.2 Non-Complying Product - Price Deduction - Gradation (Particle Size Distribution)

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

$$\text{Reduced Price/Ton} = \text{Delivered Contract Price} \times (1.00 - Y)$$

where: Y = the decimal equivalent of the total % out of gradation. 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 Y.

D.9.3 Non-Complying Product - Price Deduction - Contamination:

If the end user accepts contaminated salt as defined in Section D.1 for operational reasons, a 10% non-complying price deduction may be placed on the contractor by the end user after consultation with the contractor and OGS.

D.9.4 Non-Complying Product - Price Deduction - Delivery:

If delivery is not in the timeframe specified in the Delivery Section, a 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)

AGENCY WILL SUBMIT TO OFFICE OF GENERAL SERVICES, PROCUREMENT SERVICES GROUP SUPPORTING DOCUMENTATION FOR NON-COMPLYING PRODUCT - DELIVERY - PRICE DEDUCTION. OFFICE OF GENERAL SERVICES, PROCUREMENT SERVICES GROUP WILL REVIEW AND WILL HAVE FINAL APPROVAL AS TO DELIVERY DEDUCTION APPLIED.

D.9.5 General

A non-complying product - price deduction is not to be assessed unless the proper analysis and test procedures are followed. If the contractor consistently delivers treated salt found to be above 5.3% moisture content or consistently not conforming to the gradation requirements, the contract shall be subject to cancellation either in whole or in parts.

D.10 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".

(continued)

**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: _____

 _____ (over)

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, 38th Floor
 Corning 2nd Tower - Empire State Plaza
 Albany, New York 12242
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