

**STATE OF INDIANA / THE DETROIT SALT COMPANY LLC
CONTRACT FOR ROAD SALT**

ASA 15-082 / Contract #0000000000000000000013910

This Contract ("this Contract"), entered into by and between Indiana Department of Administration (the "State") and THE DETROIT SALT CO LLC (the "Contractor"), is executed pursuant to the terms and conditions set forth herein. In consideration of those mutual undertakings and covenants, the parties agree as follows:

1. Duties of Contractor

The State is establishing a quantity purchase agreement (QPA) with the Contractor for road salt. The contractor shall provide the commodities and services necessary to the State of Indiana as set forth in **ASA 15-082**.

Exhibit A = List of Awarded Entities

Exhibit B = INDOT Specifications

Exhibit C = Local Government Entities & Other State Agencies Specifications

The duties of the Contractor are attached hereto and outlined herein.

Participating Entities

The participating entities on the QPA are attached hereto as Exhibit A. Additional state agencies and local entities that are not listed on Exhibit A may purchase from the awarded Contractor the commodities and services listed for the INDOT district in which they are located at that district's QPA price. Additional state agencies and local entities that are not listed on Exhibit A are bound to all contract terms including minimum percent purchase amount.

Any Agencies and local entities outside the INDOT districts on Exhibit A and without tonnage commitments under other state contracts may purchase these commodities and services at the QPA prices upon mutual agreement between both parties.

Specifications

- A. INDOT (attached hereto as Exhibit B)
- B. Local Governmental Entities & Other State Agencies (attached hereto as Exhibit C)

Reporting

The Contractor shall submit, at a minimum, a biweekly report to the IDOA contract manager which shows orders by all customers, including INDOT and state political subdivisions. The reporting form will be supplied by the State and contains the following fields:

Entity Name	INDOT District	Vendor	Salt Type	Tons Committed	Tons Ordered within Reporting Period	Tons Ordered to Date	Tons Remaining (80%)	Tons Remaining (120%)	Order Date	Invoice / Order Number	Comments / Notes
-------------	----------------	--------	-----------	----------------	--------------------------------------	----------------------	----------------------	-----------------------	------------	------------------------	------------------

2. Consideration

Total Remuneration under this Contract shall not exceed \$3,734,097.51. The Contractor agrees that all prices include delivery, shipping, service and administrative costs required to provide delivery to all State locations unless specifically approved, in writing, by the State.

3. Term

This Contract shall be effective for a period of one (1) year. It shall commence on August 1, 2015 and shall remain in effect through July 31, 2016.

4. Access to Records

The Contractor and its subcontractors, if any, shall maintain all books, documents, papers, accounting records, and other evidence pertaining to all costs incurred under this Contract. They shall make such materials available at their respective offices at all reasonable times during this Contract, and for three (3) years from the date of final payment under this Contract, for inspection by the State or its authorized designees. Copies shall be furnished at no cost to the State if requested.

5. Assignment; Successors

The Contractor binds its successors and assignees to all the terms and conditions of this Contract. The Contractor shall not assign or subcontract the whole or any part of this Contract without the State's prior written consent. The Contractor may assign its right to receive payments to such third parties as the Contractor may desire without the prior written consent of the State, provided that the Contractor gives written notice (including evidence of such assignment) to the State thirty (30) days in advance of any payment so assigned. The assignment shall cover all unpaid amounts under this Contract and shall not be made to more than one party.

6. Assignment of Antitrust Claims

As part of the consideration for the award of this Contract, the Contractor assigns to the State all right, title, and interest in and to any claims the Contractor now has, or may acquire, under state or federal antitrust laws relating to the products or services which are the subject of this Contract.

7. Audits

The Contractor acknowledges that it may be required to submit to an audit of funds paid through this Contract. Any such audit shall be conducted in accordance with IC §5-11-1, et. seq. and audit guidelines specified by the State.

The State considers the Contractor to be a "vendor" for purposes of this Contract. However, if required by applicable provisions of the Office of Management and Budget Circular A-133 (Audits of States, Local Governments, and Non-Profit Organizations), following the expiration of this Contract the Contractor shall arrange for a financial and compliance audit of funds provided by the State pursuant to this Contract. Such audit is to be conducted by an independent public or certified public accountant (or as applicable, the Indiana State Board of Accounts), and performed in accordance with Indiana State Board of Accounts publication entitled "Uniform Compliance Guidelines for Examination of Entities Receiving Financial Assistance from Governmental Sources," and applicable provisions of the Office of Management and Budget Circulars A-133 (Audits of States, Local Governments, and Non-Profit Organizations). The Contractor is responsible for ensuring that the audit and any management letters are completed and forwarded to the State in accordance with the terms of this Contract. Audits conducted pursuant to this paragraph must be submitted no later than nine (9) months following the close of the Contractor's fiscal year. The Contractor agrees to provide the Indiana State Board of Accounts and the State an original of all financial and compliance audits. The audit shall be an audit of the actual entity, or distinct portion thereof that is the Contractor, and not of a parent, member, or subsidiary corporation of the Contractor, except to the extent such an expanded audit may be determined by the Indiana State Board of Accounts or the State to be in the best interests of the State. The

audit shall include a statement from the Auditor that the Auditor has reviewed this Contract and that the Contractor is not out of compliance with the financial aspects of this Contract.

8. Authority to Bind Contractor

The signatory for the Contractor represents that he/she has been duly authorized to execute this Contract on behalf of the Contractor and has obtained all necessary or applicable approvals to make this Contract fully binding upon the Contractor when his/her signature is affixed, and accepted by the State.

9. Changes in Work

The Contractor shall not commence any additional work or change the scope of the work until authorized in writing by the State. The Contractor shall make no claim for additional compensation in the absence of a prior written approval and amendment executed by all signatories hereto. This Contract may only be amended, supplemented or modified by a written document executed in the same manner as this Contract.

10. Compliance with Laws

- A. The Contractor shall comply with all applicable federal, state, and local laws, rules, regulations, and ordinances, and all provisions required thereby to be included herein are hereby incorporated by reference. The enactment or modification of any applicable state or federal statute or the promulgation of rules or regulations thereunder after execution of this Contract shall be reviewed by the State and the Contractor to determine whether the provisions of this Contract require formal modification.
- B. The Contractor and its agents shall abide by all ethical requirements that apply to persons who have a business relationship with the State as set forth in IC §4-2-6, et seq., IC §4-2-7, et seq., the regulations promulgated thereunder, and Executive Order 04-08, dated April 27, 2004. If the Contractor is not familiar with these ethical requirements, the Contractor should refer any questions to the Indiana State Ethics Commission, or visit the Inspector General's website at <http://www.in.gov/ig/>. If the Contractor or its agents violate any applicable ethical standards, the State may, in its sole discretion, terminate this Contract immediately upon notice to the Contractor. In addition, the Contractor may be subject to penalties under IC §§4-2-6, 4-2-7, 35-44.1-1-4, and under any other applicable laws.
- C. The Contractor certifies by entering into this Contract that neither it nor its principal(s) is presently in arrears in payment of taxes, permit fees or other statutory, regulatory or judicially required payments to the State of Indiana. The Contractor agrees that any payments currently due to the State of Indiana may be withheld from payments due to the Contractor. Additionally, further work or payments may be withheld, delayed, or denied and/or this Contract suspended until the Contractor is current in its payments and has submitted proof of such payment to the State.
- D. The Contractor warrants that it has no current, pending or outstanding criminal, civil, or enforcement actions initiated by the State, and agrees that it will immediately notify the State of any such actions. During the term of such actions, the Contractor agrees that the State may delay, withhold, or deny work under any supplement, amendment, change order or other contractual device issued pursuant to this Contract.

- E. If a valid dispute exists as to the Contractor's liability or guilt in any action initiated by the State or its agencies, and the State decides to delay, withhold, or deny work to the Contractor, the Contractor may request that it be allowed to continue, or receive work, without delay. The Contractor must submit, in writing, a request for review to the Indiana Department of Administration (IDOA) following the procedures for disputes outlined herein. A determination by IDOA shall be binding on the parties. Any payments that the State may delay, withhold, deny, or apply under this section shall not be subject to penalty or interest, except as permitted by IC §5-17-5.
- F. The Contractor warrants that the Contractor and its subcontractors, if any, shall obtain and maintain all required permits, licenses, registrations, and approvals, and shall comply with all health, safety, and environmental statutes, rules, or regulations in the performance of work activities for the State. Failure to do so may be deemed a material breach of this Contract and grounds for immediate termination and denial of further work with the State.
- G. The Contractor affirms that, if it is an entity described in IC Title 23, it is properly registered and owes no outstanding reports to the Indiana Secretary of State.
- H. As required by IC §5-22-3-7:
 - 1. The Contractor and any principals of the Contractor certify that:
 - (A) the Contractor, except for de minimis and nonsystematic violations, has not violated the terms of:
 - (i) IC §24-4.7 [Telephone Solicitation Of Consumers];
 - (ii) IC §24-5-12 [Telephone Solicitations]; or
 - (iii) IC §24-5-14 [Regulation of Automatic Dialing Machines]; in the previous three hundred sixty-five (365) days, even if IC §24-4.7 is preempted by federal law; and
 - (B) The Contractor will not violate the terms of IC §24-4.7 for the duration of the Contract, even if IC §24-4.7 is preempted by federal law.
 - 2. The Contractor and any principals of the Contractor certify that an affiliate or principal of the Contractor and any agent acting on behalf of the Contractor or on behalf of an affiliate or principal of the Contractor, except for de minimis and nonsystematic violations,
 - (A) has not violated the terms of IC §24-4.7 in the previous three hundred sixty-five (365) days, even if IC §24-4.7 is preempted by federal law; and
 - (B) will not violate the terms of IC §24-4.7 for the duration of the Contract, even if IC §24-4.7 is preempted by federal law.
- I. As required by IC §5-22-16.5, the Contractor certifies that the Contractor is not engaged in investment activities in Iran. Providing false certification may result in the consequences listed in IC §5-22-16.5-14 including termination of this Contract, denial of future state contracts, as well as an imposition of a civil penalty.

11. Condition of Payment

All services provided by the Contractor under this Contract must be performed to the State's reasonable satisfaction, as determined at the discretion of the undersigned State representative and in accordance with all applicable federal, state, local laws, ordinances, rules and regulations.

The State shall not be required to pay for work found to be unsatisfactory, inconsistent with this Contract or performed in violation of any federal, state or local statute, ordinance, rule or regulation.

12. Confidentiality of State Information.

The Contractor understands and agrees that data, materials, and information disclosed to the Contractor may contain confidential and protected information. The Contractor covenants that data, material and information gathered, based upon or disclosed to the Contractor for the purpose of this Contract, will not be disclosed to or discussed with third parties without the prior written consent of the State.

The parties acknowledge that the services to be performed by Contractor for the State under this contract may require or allow access to data, materials, and information containing Social Security numbers maintained by the State in its computer system or other records. In addition to the covenant made above in this section and pursuant to 10 IAC 5-3-1(4), the Contractor and the State agree to comply with the provisions of IC 4-1-10 and IC 4-1-11. If any Social Security number(s) is/are disclosed by Contractor, Contractor agrees to pay the cost of the notice of disclosure of a breach of the security of the system in addition to any other claims and expenses for which it is liable under the terms of this contract.

13. Continuity of Services

- A. The Contractor recognizes that the service(s) to be performed under this Contract are vital to the State and must be continued without interruption and that, upon Contract expiration, a successor, either the State or another contractor, may continue them. The Contractor agrees to:
 - 1. Furnish phase-in training; and
 - 2. Exercise its best efforts and cooperation to effect an orderly and efficient transition to a successor.

- B. The Contractor shall, upon the State's written notice:
 - 1. Furnish phase-in, phase-out services for up to sixty (60) days after this Contract expires; and
 - 2. Negotiate in good faith a plan with a successor to determine the nature and extent of phase-in, phase-out services required. The plan shall specify a training program and a date for transferring responsibilities for each division of work described in the plan, and shall be subject to the State's approval. The Contractor shall provide sufficient experienced personnel during the phase-in, phase-out period to ensure that the services called for by this Contract are maintained at the required level of proficiency.

- C. The Contractor shall allow as many personnel as practicable to remain on the job to help the successor maintain the continuity and consistency of the services required by this Contract. The Contractor also shall disclose necessary personnel records and allow the

successor to conduct on-site interviews with these employees. If selected employees are agreeable to the change, the Contractor shall release them at a mutually agreeable date and negotiate transfer of their earned fringe benefits to the successor.

- D. The Contractor shall be reimbursed for all reasonable phase-in, phase-out costs (i.e., costs incurred within the agreed period after contract expiration that result from phase-in, phase-out operations).

14. Debarment and Suspension

The Contractor certifies by entering into this Contract that neither it nor its principals nor any of its subcontractors are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from entering into this Contract by any federal agency or by any department, agency or political subdivision of the State of Indiana. The term "principal" for purposes of this Contract means an officer, director, owner, partner, key employee or other person with primary management or supervisory responsibilities, or a person who has a critical influence on or substantive control over the operations of the Contractor.

The Contractor certifies that it has verified the state and federal suspension and debarment status for all subcontractors receiving funds under this Contract and shall be solely responsible for any recoupment, penalties or costs that might arise from use of a suspended or debarred subcontractor. The Contractor shall immediately notify the State if any subcontractor becomes debarred or suspended, and shall, at the State's request, take all steps required by the State to terminate its contractual relationship with the subcontractor for work to be performed under this Contract.

15. Default by State

If the State, sixty (60) days after receipt of written notice, fails to correct or cure any material breach of this Contract, the Contractor may cancel and terminate this Contract and institute measures to collect monies due up to and including the date of termination.

16. Disputes

- A. Should any disputes arise with respect to this Contract, the Contractor and the State agree to act immediately to resolve such disputes. Time is of the essence in the resolution of disputes.
- B. The Contractor agrees that, the existence of a dispute notwithstanding, it will continue without delay to carry out all of its responsibilities under this Contract that are not affected by the dispute. Should the Contractor fail to continue to perform its responsibilities regarding all non-disputed work, without delay, any additional costs incurred by the State or the Contractor as a result of such failure to proceed shall be borne by the Contractor, and the Contractor shall make no claim against the State for such costs.
- C. If a party to the Contract is not satisfied with the progress toward resolving a dispute, the party must notify in writing the other party of this dissatisfaction. Upon written notice, the parties have ten (10) working days, unless the parties mutually agree to extend this period, following the notification to resolve the dispute. If the dispute is not resolved

within ten (10) working days, a dissatisfied party shall submit the dispute in writing according to the following procedure:

The parties agree to resolve such matters through submission in writing of their dispute to the Commissioner of the Indiana Department of Administration. The Commissioner shall reduce a decision to writing and mail or otherwise furnish a copy thereof to the Contractor and the State within ten (10) working days after presentation of such dispute for action. The presentation may include a period of negotiations, clarifications, and mediation sessions and will not terminate until the Commissioner or one of the parties concludes that the presentation period is over. The Commissioner's decision shall be final and conclusive administrative decision unless either party mails or otherwise furnishes to the Commissioner, within ten (10) working days after receipt of the Commissioner's decision, a written appeal. Within ten (10) working days of receipt by the Commissioner of a written request for appeal, the decision may be reconsidered. If no reconsideration is provided within ten (10) working days, the parties may mutually agree to submit the dispute to arbitration or mediation for a determination. If a party is not satisfied with the Commissioner's ultimate decision, the dissatisfied party may submit the dispute to an Indiana court of competent jurisdiction.

- D. The State may withhold payments on disputed items pending resolution of the dispute. The unintentional nonpayment by the State to the Contractor of one or more invoices not in dispute in accordance with the terms of this Contract will not be cause for the Contractor to terminate this Contract, and the Contractor may bring suit to collect these amounts without following the disputes procedure contained herein.

17. Drug-Free Workplace Certification

As required by Executive Order No. 90-5 dated April 12, 1990, issued by the Governor of Indiana, the Contractor hereby covenants and agrees to make a good faith effort to provide and maintain a drug-free workplace. The Contractor will give written notice to the State within ten (10) days after receiving actual notice that the Contractor, or an employee of the Contractor in the State of Indiana, has been convicted of a criminal drug violation occurring in the workplace. False certification or violation of this certification may result in sanctions including, but not limited to, suspension of contract payments, termination of this Contract and/or debarment of contracting opportunities with the State for up to three (3) years.

In addition to the provisions of the above paragraph, if the total amount set forth in this Contract is in excess of \$25,000.00, the Contractor certifies and agrees that it will provide a drug-free workplace by:

- A. Publishing and providing to all of its employees a statement notifying them that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the Contractor's workplace, and specifying the actions that will be taken against employees for violations of such prohibition;
- B. Establishing a drug-free awareness program to inform its employees of (1) the dangers of drug abuse in the workplace; (2) the Contractor's policy of maintaining a drug-free workplace; (3) any available drug counseling, rehabilitation and employee assistance programs; and (4) the penalties that may be imposed upon an employee for drug abuse violations occurring in the workplace;

- C. Notifying all employees in the statement required by subparagraph (A) above that as a condition of continued employment, the employee will (1) abide by the terms of the statement; and (2) notify the Contractor of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction;
- D. Notifying the State in writing within ten (10) days after receiving notice from an employee under subdivision (C)(2) above, or otherwise receiving actual notice of such conviction;
- E. Within thirty (30) days after receiving notice under subdivision (C)(2) above of a conviction, imposing the following sanctions or remedial measures on any employee who is convicted of drug abuse violations occurring in the workplace: (1) taking appropriate personnel action against the employee, up to and including termination; or (2) requiring such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state or local health, law enforcement, or other appropriate agency; and
- F. Making a good faith effort to maintain a drug-free workplace through the implementation of subparagraphs (A) through (E) above.

18. Employment Eligibility Verification

As required by IC §22-5-1.7, the Contractor swears or affirms under the penalties of perjury that the Contractor does not knowingly employ an unauthorized alien. The Contractor further agrees that:

- A. The Contractor shall enroll in and verify the work eligibility status of all his/her/its newly hired employees through the E-Verify program as defined in IC §22-5-1.7-3. The Contractor is not required to participate should the E-Verify program cease to exist. Additionally, the Contractor is not required to participate if the Contractor is self-employed and does not employ any employees.
- B. The Contractor shall not knowingly employ or contract with an unauthorized alien. The Contractor shall not retain an employee or contract with a person that the Contractor subsequently learns is an unauthorized alien.
- C. The Contractor shall require his/her/its subcontractors, who perform work under this Contract, to certify to the Contractor that the subcontractor does not knowingly employ or contract with an unauthorized alien and that the subcontractor has enrolled and is participating in the E-Verify program. The Contractor agrees to maintain this certification throughout the duration of the term of a contract with a subcontractor.
- D. The State may terminate for default if the Contractor fails to cure a breach of this provision no later than thirty (30) days after being notified by the State.

19. Employment Option

If the State determines that it would be in the State's best interest to hire an employee of the Contractor, the Contractor will release the selected employee from any non-compete agreements that may be in effect. This release will be at no cost to the State or the employee.

20. Force Majeure

In the event that either party is unable to perform any of its obligations under this Contract or to enjoy any of its benefits because of natural disaster or decrees of governmental bodies not the fault of the affected party (hereinafter referred to as a "Force Majeure Event"), the party who has been so affected shall immediately give notice to the other party and shall do everything possible to resume performance. Upon receipt of such notice, all obligations under this Contract shall be immediately suspended. If the period of nonperformance exceeds thirty (30) days from the receipt of notice of the Force Majeure Event, the party whose ability to perform has not been so affected may, by giving written notice, terminate this Contract.

21. Funding Cancellation

When the Director of the State Budget Agency makes a written determination that funds are not appropriated or otherwise available to support continuation of performance of this Contract, this Contract shall be canceled. A determination by the Director of State Budget Agency that funds are not appropriated or otherwise available to support continuation of performance shall be final and conclusive.

22. Governing Law

This Contract shall be governed, construed, and enforced in accordance with the laws of the State of Indiana, without regard to its conflict of laws rules. Suit, if any, must be brought in the State of Indiana.

23. HIPAA Compliance

If this Contract involves services, activities or products subject to the Health Insurance Portability and Accountability Act of 1996 (HIPAA), the Contractor covenants that it will appropriately safeguard Protected Health Information (defined in 45 CFR 160.103), and agrees that it is subject to, and shall comply with, the provisions of 45 CFR 164 Subpart E regarding use and disclosure of Protected Health Information.

24. Indemnification

The Contractor agrees to indemnify, defend, and hold harmless the State, its agents, officials, and employees from all claims and suits including court costs, attorney's fees, and other expenses caused by any act or omission of the Contractor and/or its subcontractors, if any, in the performance of this Contract. The State shall not provide such indemnification to the Contractor.

25. Independent Contractor; Workers' Compensation Insurance

The Contractor is performing as an independent entity under this Contract. No part of this Contract shall be construed to represent the creation of an employment, agency, partnership or joint venture agreement between the parties. Neither party will assume liability for any injury (including death) to any persons, or damage to any property, arising out of the acts or omissions of the agents, employees or subcontractors of the other party. The Contractor shall provide all necessary unemployment and workers' compensation insurance for the Contractor's employees,

and shall provide the State with a Certificate of Insurance evidencing such coverage prior to starting work under this Contract.

26. Information Technology Enterprise Architecture Requirements

If the Contractor provides any information technology related products or services to the State, the Contractor shall comply with all IOT standards, policies and guidelines, which are online at <http://iot.in.gov/architecture/>. The Contractor specifically agrees that all hardware, software and services provided to or purchased by the State shall be compatible with the principles and goals contained in the electronic and information technology accessibility standards adopted under Section 508 of the Federal Rehabilitation Act of 1973 (29 U.S.C. 794d) and IC 4-13.1-3. Any deviation from these architecture requirements must be approved in writing by IOT in advance. The State may terminate this Contract for default if the Contractor fails to cure a breach of this provision within a reasonable time.

27. Insurance

A. The Contractor and their subcontractors (if any) shall secure and keep in force during the term of this Contract the following insurance coverages (if applicable) covering the Contractor for any and all claims of any nature which may in any manner arise out of or result from Contractor's performance under this Contract:

1. Commercial general liability, including contractual coverage, and products or completed operations coverage (if applicable), with minimum liability limits not less than \$700,000 per person and \$5,000,000 per occurrence unless additional coverage is required by the State. The State is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly under or in connection with this Contract.
2. Automobile liability for owned, non-owned and hired autos with minimum liability limits of \$700,000 per person and \$5,000,000 per occurrence. The State is to be named as an additional insured on a primary, non-contributory basis.
3. Professional Liability, also known as Errors and Omissions Insurance, for those Contractors required to hold a professional license by the Indiana Professional Licensing Agency with limits not less than \$700,000 per cause of action and \$5,000,000 per occurrence. This is coverage available to pay for liability arising out of the performance of professional or business related duties, with coverage tailored to the needs of the specific profession. Coverage for the benefit of the State shall continue for a period of two (2) years after the date of service provided under this Contract
4. Fiduciary Liability would be required if the Contractor is responsible for the management and oversight of various employee benefit plans and programs such as pensions, profit-sharing and savings, among others. These contractors face potential claims for mismanagement brought by plan members. Limits should be no less than \$700,000 per cause of action and \$5,000,000 per occurrence.
5. Cyber Liability, including coverages for network and information security liability, communications and media liability, addresses risks associated with electronic transactions, the internet, networks and informational assets. Limits should be no less than \$700,000 per cause of action and \$5,000,000 per occurrence.
6. Valuable Papers coverage, available under an Inland Marine policy, is recommended when any plans, drawings, media, data, records, reports, billings and other documents are

produced or used under this agreement. Insurance must have limits sufficient to pay for the re-creation and reconstruction of such records.

7. The Contractor shall secure the appropriate Surety or Fidelity Bond(s) as required by the state department served or by applicable statute.
 8. The Contractor shall provide proof of such insurance coverage by tendering to the undersigned State representative a certificate of insurance prior to the commencement of this Contract and proof of workers' compensation coverage meeting all statutory requirements of IC §22-3-2. In addition, proof of an "all states endorsement" covering claims occurring outside the State is required if any of the services provided under this Contract involve work outside of Indiana.
- B. The Contractor's insurance coverage must meet the following additional requirements:
1. The insurer must have a certificate of authority or other appropriate authorization to operate in the state in which the policy was issued.
 2. Any deductible or self-insured retention amount or other similar obligation under the insurance policies shall be the sole obligation of the Contractor.
 3. The State will be defended, indemnified and held harmless to the full extent of any coverage actually secured by the Contractor in excess of the minimum requirements set forth above. The duty to indemnify the State under this Contract shall not be limited by the insurance required in this Contract.
 4. The insurance required in this Contract, through a policy or endorsement(s), shall include a provision that the policy and endorsements may not be canceled or modified without thirty (30) days' prior written notice to the undersigned State agency.
 5. The Contractor waives and agrees to require their insurer to waive their rights of subrogation against the State of Indiana.
- C. Failure to provide insurance as required in this Contract may be deemed a material breach of contract entitling the State to immediately terminate this Contract. The Contractor shall furnish a certificate of insurance and all endorsements to the State before the commencement of this Contract.

28. Key Person(s)

- A. If both parties have designated that certain individual(s) are essential to the services offered, the parties agree that should such individual(s) leave their employment during the term of this Contract for whatever reason, the State shall have the right to terminate this Contract upon thirty (30) days' prior written notice.
- B. In the event that the Contractor is an individual, that individual shall be considered a key person and, as such, essential to this Contract. Substitution of another for the Contractor shall not be permitted without express written consent of the State.

Nothing in sections A and B, above shall be construed to prevent the Contractor from using the services of others to perform tasks ancillary to those tasks which directly require the expertise of the key person. Examples of such ancillary tasks include secretarial, clerical, and common labor duties. The Contractor shall, at all times, remain responsible for the performance of all necessary tasks, whether performed by a key person or others.

Key person(s) to this Contract is/are Adam French.

29. Licensing Standards

The Contractor, its employees and subcontractors shall comply with all applicable licensing standards, certification standards, accrediting standards and any other laws, rules, or regulations governing services to be provided by the Contractor pursuant to this Contract. The State will not pay the Contractor for any services performed when the Contractor, its employees or subcontractors are not in compliance with such applicable standards, laws, rules, or regulations. If any license, certification or accreditation expires or is revoked, or any disciplinary action is taken against an applicable license, certification, or accreditation, the Contractor shall notify the State immediately and the State, at its option, may immediately terminate this Contract.

30. Merger & Modification

This Contract constitutes the entire agreement between the parties. No understandings, agreements, or representations, oral or written, not specified within this Contract will be valid provisions of this Contract. This Contract may not be modified, supplemented, or amended, except by written agreement signed by all necessary parties.

31. Minority and Women's Business Enterprises Compliance

Award of this Contract was based, in part, on the MBE/WBE participation plan. The following certified MBE or WBE subcontractors will be participating in this Contract:

MBE/WBE	PHONE	COMPANY NAME	SCOPE OF PRODUCTS and/or SERVICES	UTILIZATION DATE	PERCENT
None					0.000

A copy of each subcontractor agreement must be submitted to IDOA's MBE/WBE Division within thirty (30) days of the effective date of this Contract. Failure to provide a copy of any subcontractor agreement will be deemed a violation of the rules governing MBE/WBE procurement, and may result in sanctions allowable under 25 IAC 5-7-8. Failure to provide any subcontractor agreement may also be considered a material breach of this Contract. The Contractor must obtain approval from IDOA's MBE/WBE Division before changing the participation plan submitted in connection with this Contract.

The Contractor shall report payments made to MBE/WBE Division subcontractors under this Contract on a monthly basis. Monthly reports shall be made using the online audit tool, commonly referred to as "Pay Audit." MBE/WBE Division subcontractor payments shall also be reported to the Division as reasonably requested and in a format to be determined by Division.

32. Nondiscrimination

Pursuant to the Indiana Civil Rights Law, specifically including IC §22-9-1-10, and in keeping with the purposes of the federal Civil Rights Act of 1964, the Age Discrimination in Employment Act, and the Americans with Disabilities Act, the Contractor covenants that it shall not discriminate against any employee or applicant for employment relating to this Contract with respect to the hire, tenure, terms, conditions or privileges of employment or any matter directly or indirectly related to employment, because of the employee's or applicant's race, color, national origin, religion, sex, age, disability, ancestry, status as a veteran, or any other characteristic protected by federal, state, or local law ("Protected Characteristics"). Contractor certifies compliance with applicable federal laws, regulations, and executive orders prohibiting discrimination based on the Protected Characteristics in the provision of services. Breach of this paragraph may be regarded as a material breach of this Contract, but nothing in this paragraph shall be construed to imply or establish an employment relationship between the State and any applicant or employee of the Contractor or any subcontractor.

The State is a recipient of federal funds, and therefore, where applicable, Contractor and any subcontractors shall comply with requisite affirmative action requirements, including reporting, pursuant to 41 CFR Chapter 60, as amended, and Section 202 of Executive Order 11246 as amended by Executive Order 13672.

33. Notice to Parties

Whenever any notice, statement or other communication is required under this Contract, it shall be sent by first class mail or via an established courier / delivery service to the following addresses, unless otherwise specifically advised.

Notices to the State shall be sent to:

Adam French
Indiana Department of Transportation
402 W. Washington Street, Room W468
Indianapolis, IN 46204

Notices to the Contractor shall be sent to:

Emanuel Z. Manos
The Detroit Salt Company
12841 Sanders Road
Detroit, MI 48217

As required by IC §4-13-2-14.8, payments to the Contractor shall be made via electronic funds transfer in accordance with instructions filed by the Contractor with the Indiana Auditor of State.

34. Order of Precedence; Incorporation by Reference

Any inconsistency or ambiguity in this Contract shall be resolved by giving precedence in the following order: (1) this Contract, (2) attachments prepared by the State, (3) ASA#15-082, (4) Contractor's response to ASA#15-082, and (5) attachments prepared by the Contractor. All attachments, and all documents referred to in this paragraph, are hereby incorporated fully by reference.

35. Ownership of Documents and Materials

All documents, records, programs, data, film, tape, articles, memoranda, and other materials not developed or licensed by the Contractor prior to execution of this Contract, but specifically developed under this Contract shall be considered "work for hire" and the Contractor transfers any ownership claim to the State and all such materials will be the property of the State. Use of these materials, other than related to contract performance by the Contractor, without the prior written consent of the State, is prohibited. During the performance of this Contract, the Contractor shall be responsible for any loss of or damage to these materials developed for or supplied by the State and used to develop or assist in the services provided while the materials are in the possession of the Contractor. Any loss or damage thereto shall be restored at the Contractor's expense. The Contractor shall provide the State full, immediate, and unrestricted access to the work product during the term of this Contract.

36. Payments

- A. All payments shall be made 35 days in arrears in conformance with State fiscal policies and procedures and, as required by IC §4-13-2-14.8, by electronic funds transfer to the financial institution designated by the Contractor in writing unless a specific waiver has been obtained from the Indiana Auditor of State. No payments will be made in advance of receipt of the goods or services that are the subject of this Contract except as permitted by IC §4-13-2-20.

- B. The State Budget Agency and the Contractor acknowledge that Contractor is being paid in advance for the maintenance of equipment and / or software. Pursuant to IC §4-13-2-20(b)(14), Contractor agrees that if it fails to perform the maintenance required under this Contract, upon receipt of written notice from the State, it shall promptly refund the consideration paid, pro-rated through the date of non-performance.

37. Penalties/Interest/Attorney's Fees.

The State will in good faith perform its required obligations hereunder and does not agree to pay any penalties, liquidated damages, interest or attorney's fees, except as permitted by Indiana law, in part, IC §5-17-5, IC §34-54-8, IC §34-13-1 and IC § 34-52-2-3.

Notwithstanding the provisions contained in IC §5-17-5, any liability resulting from the State's failure to make prompt payment shall be based solely on the amount of funding originating from the State and shall not be based on funding from federal or other sources.

38. Progress Reports

The Contractor shall submit progress reports to the State upon request. The report shall be oral, unless the State, upon receipt of the oral report, should deem it necessary to have it in written form. The progress reports shall serve the purpose of assuring the State that work is progressing in line with the schedule, and that completion can be reasonably assured on the scheduled date.

39. Public Record

The Contractor acknowledges that the State will not treat this Contract as containing confidential information, and will post this Contract on its website as required by Executive Order 05-07. Use by the public of the information contained in this Contract shall not be considered an act of the State.

40. Renewal Option

This Contract may be renewed under the same terms and conditions, subject to the approval of the Commissioner of the Department of Administration and the State Budget Director in compliance with IC §5-22-17-4. The term of the renewed contract may not be longer than the term of the original contract.

41. Severability

The invalidity of any section, subsection, clause or provision of this Contract shall not affect the validity of the remaining sections, subsections, clauses or provisions of this Contract.

42. Substantial Performance

This Contract shall be deemed to be substantially performed only when fully performed according to its terms and conditions and any written amendments or supplements.

43. Taxes

The State is exempt from most state and local taxes and many federal taxes. The State will not be responsible for any taxes levied on the Contractor as a result of this Contract.

44. Termination for Convenience

This Contract may be terminated, in whole or in part, by the State, which shall include and is not limited to the Indiana Department of Administration and the State Budget Agency whenever, for any reason, the State determines that such termination is in its best interest. Termination of services shall be effected by delivery to the Contractor of a Termination Notice at least thirty (30) days prior to the termination effective date, specifying the extent to which performance of services under such termination becomes effective. The Contractor shall be compensated for services properly rendered prior to the effective date of termination. The State will not be liable for services performed after the effective date of termination. The Contractor shall be compensated for services herein provided but in no case shall total payment made to the Contractor exceed the original contract price or shall any price increase be allowed on individual line items if canceled only in part prior to the original termination date. For the purposes of this paragraph, the parties stipulate and agree that the Indiana Department of Administration shall be deemed to be a party to this agreement with authority to terminate the same for convenience when such termination is determined by the Commissioner of IDOA to be in the best interests of the State.

45. Termination for Default

- A. With the provision of thirty (30) days' notice to the Contractor, the State may terminate this Contract in whole or in part if the Contractor fails to:
 1. Correct or cure any breach of this Contract; the time to correct or cure the breach may be extended beyond thirty (30) days if the State determines progress is being made and the extension is agreed to by the parties;
 2. Deliver the supplies or perform the services within the time specified in this Contract or any extension;

- 3. Make progress so as to endanger performance of this Contract; or
 - 4. Perform any of the other provisions of this Contract.
- B. If the State terminates this Contract in whole or in part, it may acquire, under the terms and in the manner the State considers appropriate, supplies or services similar to those terminated, and the Contractor will be liable to the State for any excess costs for those supplies or services. However, the Contractor shall continue the work not terminated.
 - C. The State shall pay the contract price for completed supplies delivered and services accepted. The Contractor and the State shall agree on the amount of payment for manufacturing materials delivered and accepted and for the protection and preservation of the property. Failure to agree will be a dispute under the Disputes clause. The State may withhold from these amounts any sum the State determines to be necessary to protect the State against loss because of outstanding liens or claims of former lien holders.
 - D. The rights and remedies of the State in this clause are in addition to any other rights and remedies provided by law or equity or under this Contract.

46. Travel

No expenses for travel will be reimbursed unless specifically permitted under the scope of services or consideration provisions. Expenditures made by the Contractor for travel will be reimbursed at the current rate paid by the State and in accordance with the State Travel Policies and Procedures as specified in the current Financial Management Circular. Out-of-state travel requests must be reviewed by the State for availability of funds and for appropriateness per Circular guidelines.

47. Indiana Veteran's Business Enterprise Compliance.

Award of this Contract was based, in part, on the Indiana Veteran's Business Enterprise ("IVBE") participation plan. The following IVBE subcontractors will be participating in this Contract:

IVB	PHONE	COMPANY NAME	SCOPE OF PRODUCTS and/or SERVICES	UTILIZATION DATE	PERCENT
None					0.000

A copy of each subcontractor agreement shall be submitted to IDOA within thirty (30) days of the request. Failure to provide any subcontractor agreement may also be considered a material breach of this Contract. The Contractor must obtain approval from IDOA before changing the IVBE participation plan submitted in connection with this Contract.

The Contractor shall report payments made to IVBE subcontractors under this Contract on a monthly basis. Monthly reports shall be made using the online audit tool, commonly referred to as "Pay Audit." IVBE subcontractor payments shall also be reported to IDOA as reasonably requested and in a format to be determined by IDOA.

48. Waiver of Rights

No right conferred on either party under this Contract shall be deemed waived, and no breach of this Contract excused, unless such waiver is in writing and signed by the party claimed to have waived such right. Neither the State's review, approval or acceptance of, nor payment for, the services required under this Contract shall be construed to operate as a waiver of any rights under this Contract or of any cause of action arising out of the performance of this Contract, and the Contractor shall be and remain liable to the State in accordance with applicable law for all damages to the State caused by the Contractor's negligent performance of any of the services furnished under this Contract.

49. Work Standards

The Contractor shall execute its responsibilities by following and applying at all times the highest professional and technical guidelines and standards. If the State becomes dissatisfied with the work product of or the working relationship with those individuals assigned to work on this Contract, the State may request in writing the replacement of any or all such individuals, and the Contractor shall grant such request.

50. State Boilerplate Affirmation Clause

I swear or affirm under the penalties of perjury that I have not altered, modified, changed or deleted the State's Boilerplate contract clauses (as contained in the 2014 OAG/ IDOA Professional Services Contract Manual) in any way except for the following clauses which are named below: _____

Non-Collusion and Acceptance

The undersigned attests, subject to the penalties for perjury, that the undersigned is the Contractor, or that the undersigned is the properly authorized representative, agent, member or officer of the Contractor. Further, to the undersigned's knowledge, neither the undersigned nor any other member, employee, representative, agent or officer of the Contractor, directly or indirectly, has entered into or been offered any sum of money or other consideration for the execution of this Contract other than that which appears upon the face hereof.

Agreement to Use Electronic Signatures

I agree, and it is my intent, to sign this Contract by accessing State of Indiana Supplier Portal using the secure password assigned to me and by electronically submitting this Contract to the State of Indiana. I understand that my signing and submitting this Contract in this fashion is the legal equivalent of having placed my handwritten signature on the submitted Contract and this affirmation. I understand and agree that by electronically signing and submitting this Contract in this fashion I am affirming to the truth of the information contained therein. I understand that this Contract will not become binding on the State until it has been approved by the Department of Administration, the State Budget Agency, and the Office of the Attorney General, which approvals will be posted on the Active Contracts Database:

https://hr85.gmis.in.gov/psp/pa91prd/EMPLOYEE/EMPL/h/?tab=PAPP_GUEST

In Witness Whereof, Contractor and the State have, through their duly authorized representatives, entered into this Contract. The parties, having read and understood the foregoing terms of this Contract, do by their respective signatures dated below agree to the terms thereof.

THE DETROIT SALT CO LLC

Indiana Department of Administration

By: 

By:

Title: President

Title:

Date: July 28, 2015

Date:

<p>Approved by: Department of Administration</p> <p>By: _____ (for) Jessica Robertson, Commissioner <i>This document will be reviewed and approved electronically. Please refer to the final page of the Executed Contract for details.</i></p>	
<p>Approved by: State Budget Agency</p> <p>By: _____ (for) Brian E. Bailey, Director <i>This document will be reviewed and approved electronically. Please refer to the final page of the Executed Contract for details.</i></p>	<p>Approved as to Form and Legality: Office of the Attorney General</p> <p>By: _____ (for) Gregory F. Zoeller, Attorney General <i>This document will be reviewed and approved electronically. Please refer to the final page of the Executed Contract for details.</i></p>

Exhibit A - List of Awarded Entities

INDOT District	Salt Type	Local Entities	Quantity Needed	Price Per Ton	Delivery Method
Crawfordsville - 10	Untreated	Avon Community Schools	140	81.01	Delivered
Crawfordsville - 10	Untreated	Boone County	600	81.01	Delivered
Crawfordsville - 10	Untreated	City of Crawfordsville Street	600	81.01	Delivered
Crawfordsville - 10	Untreated	City of Frankfort	300	81.01	Delivered
Crawfordsville - 10	Untreated	City of Lafayette (137 N. Railroad St)	250	81.01	Delivered
Crawfordsville - 10	Untreated	City of Lafayette (260 S. 3rd Street)	4,500	81.01	Delivered
Crawfordsville - 10	Untreated	City of Lafayette (3550 Brady Ln)	2,500	81.01	Delivered
Crawfordsville - 10	Untreated	City of Lafayette (504 W. 800 S.)	170	81.01	Delivered
Crawfordsville - 10	Untreated	City of Lafayette (705 South River Rd)	2,200	81.01	Delivered
Crawfordsville - 10	Untreated	Hendricks County (Untreated)	1,600	81.01	Delivered
Crawfordsville - 10	Untreated	Putnam County	750	81.01	Delivered
Crawfordsville - 10	Untreated	Town of Boswell	30	81.01	Delivered
Crawfordsville - 10	Untreated	Town of Brownsburg	1,600	81.01	Delivered
Crawfordsville - 10	Untreated	Town of Danville	1,200	81.01	Delivered
Crawfordsville - 10	Untreated	Town of Williamsport	60	81.01	Delivered
Crawfordsville - 10	Untreated	Town of Zionsville	1,100	81.01	Delivered
Crawfordsville - 10	Untreated	Vigo County Highway (10970 S Sullivan Pl)	2,500	81.01	Delivered
Crawfordsville - 10	Untreated	Vigo County Highway (3250 E Haythorne Ave)	2,500	81.01	Delivered
Fort Wayne - 20	Untreated	Adams County Highway	250	72.31	Delivered
Fort Wayne - 20	Untreated	City of Angola Clerk (Untreated)	900	72.31	Delivered
Fort Wayne - 20	Untreated	City of Auburn	900	72.31	Delivered
Fort Wayne - 20	Untreated	City of Columbia City	600	72.31	Delivered
Fort Wayne - 20	Untreated	City of Elkhart	3,400	72.31	Delivered
Fort Wayne - 20	Untreated	City of Garrett	250	72.31	Delivered
Fort Wayne - 20	Untreated	City of Gas City	50	72.31	Delivered
Fort Wayne - 20	Untreated	City of Goshen	1,600	72.31	Delivered
Fort Wayne - 20	Untreated	City of Hartford City	250	72.31	Delivered
Fort Wayne - 20	Untreated	City of Huntington	400	72.31	Delivered
Fort Wayne - 20	Untreated	City of Kendallville	450	72.31	Delivered
Fort Wayne - 20	Untreated	City of Ligonier	300	72.31	Delivered
Fort Wayne - 20	Untreated	City of Marion Street	1,500	72.31	Delivered
Fort Wayne - 20	Untreated	City of Nappanee	100	72.31	Delivered
Fort Wayne - 20	Untreated	City of Wabash Street	300	72.31	Delivered
Fort Wayne - 20	Untreated	City of Winchester	250	72.31	Delivered
Fort Wayne - 20	Untreated	DeKalb County Highway	1,200	72.31	Delivered
Fort Wayne - 20	Untreated	Elkhart County Highway	2,000	72.31	Delivered
Fort Wayne - 20	Untreated	Elkhart County Highway (18400 CR 50)	2,000	72.31	Delivered
Fort Wayne - 20	Untreated	Elkhart County Highway (52353 CR17)	2,000	72.31	Delivered
Fort Wayne - 20	Untreated	Elkhart County Highway (56570 CR35)	2,000	72.31	Delivered
Fort Wayne - 20	Untreated	Huntington County Highway	800	72.31	Delivered
Fort Wayne - 20	Untreated	Kosciusko County	2,000	72.31	Delivered
Fort Wayne - 20	Untreated	Noble County	800	72.31	Delivered
Fort Wayne - 20	Untreated	Town of Albion	120	72.31	Delivered
Fort Wayne - 20	Untreated	Town of Avilla	80	72.31	Delivered

Exhibit A = List of Awarded Entities

Fort Wayne - 20	Untreated	Town of Fremont	150	72.31	Delivered
Fort Wayne - 20	Untreated	Town of Geneva	26	72.31	Delivered
Fort Wayne - 20	Untreated	Town of Hamilton	100	72.31	Delivered
Fort Wayne - 20	Untreated	Town of Lagrange	105	72.31	Delivered
Fort Wayne - 20	Untreated	Town of Middlebury	320	72.31	Delivered
Fort Wayne - 20	Untreated	Town of Rome City	35	72.31	Delivered
Fort Wayne - 20	Untreated	Town of Shippshewana	175	72.31	Delivered
Fort Wayne - 20	Untreated	Town of South Whitley	100	72.31	Delivered
Fort Wayne - 20	Untreated	Town of St. Joe	60	72.31	Delivered
Fort Wayne - 20	Untreated	Town of Syracuse	150	72.31	Delivered
Fort Wayne - 20	Untreated	Town of Waterloo	100	72.31	Delivered
Fort Wayne - 20	Untreated	Whitley County Highway	500	72.31	Delivered

Exhibit B = INDOT Specifications

INDIANA DEPARTMENT OF TRANSPORTATION (INDOT) SPECIFICATIONS & SPECIAL PROVISIONS 2015/2016 SALT BID

FOR TREATED/UNTREATED SODIUM CHLORIDE

****SPECIAL PROVISIONS****

1.0 SCOPE OF WORK

The work to be performed consists of furnishing and delivering sodium chloride to various locations throughout Indiana for use in winter maintenance operations. Sodium Chloride will be in accordance with the 2014 Indiana Department of Transportation Standard Specifications (Sections 913.03) and the Supplemental Specifications at bid due date and time, and all applicable rules and regulations at the federal, state and local levels.

2.0 SPECIFICATIONS

Sodium Chloride

Sodium Chloride shall be rock salt or solar salt conforming to the requirements of AASHTO M 143, Type I Grade I, with a moisture content not exceeding two (2) percent. Sampling shall be in accordance with Indiana Testing Method (ITM) 810). Sampling frequency shall be as set out in the INDOT manual entitled, "Manual for Frequency of Sampling and Testing and Basis for Use of Materials, revised January 2015" The rapid test method referenced in AASHTO M 143, Annex A1 shall be used for both routine acceptance testing and for resolution of disputes concerning chemical composition. Material not complying with these requirements shall be paid for at a reduced price as set out under "Deductions" in the Special Provisions (See Section 8.0). All material furnished shall be chemically treated to prevent caking, and shall be free of foreign matter, lumps and free water.

Treated Sodium Chloride

Treated sodium chloride shall be the same rock salt conforming to the requirements of AASHTO M 143, Type I Grade I, with a moisture content not exceeding two (2) percent. Sampling shall be in accordance with Indiana Testing Method (ITM) 810). Sampling frequency shall be as set out in the INDOT manual entitled, "Manual for Frequency of Sampling and Testing and Basis for Use of Materials, revised January 2015" The rapid test method referenced in AASHTO M 143, Annex A1 shall be used for both routine acceptance testing and for resolution of disputes concerning chemical composition. AASHTO M 143 treated with a combination of magnesium chloride and corrosion resistant products in accordance with the specifications contained herein. The Chemical to prevent caking is not needed for treated salt. Material not complying with these requirements shall be

paid for at a reduced price as set out under "Deductions" in the Special Provisions (See Section 8.0)

The treatment method must allow for a completely uniform treatment of the sodium chloride *by Contractor* before the sodium chloride reaches INDOT property. The treatment process for the sodium chloride must follow all federal, state, and local laws and regulations. This sodium chloride shall be the same sodium chloride specified above, but containing an additional treatment consisting of a combination of magnesium chloride and corrosion resistant products.

The liquid treatment (final product) must contain a percentage of magnesium chloride solution and a percentage of corrosion resistant products acceptable to the Buyer. This product must exhibit corrosion resistance in accordance with the standards of the Pacific Northwest Snowfighters (PNS) Association, as provided below. This product must be actively marketed and sold as a treatment for sodium chloride stockpiles, and must provide for some or all of the following benefits related to deicing:

- A. Increased corrosion resistance over regular sodium chloride.
- B. Increased penetration of sodium chloride in snow and ice pack.
- C. Reduced "bounce & scatter" of sodium chloride from the roadway (applied with spreader equipment).
- D. Increase in the *residual effects* of sodium chloride applications.
- E. Increase in the effective temperature range of sodium chloride.

The treatment must allow for safe and effective use of the sodium chloride in conventional sodium chloride spreader equipment found on highway trucks. When treated according to the manufacturer's instructions and at the designated application rate, the finished sodium chloride product shall result in no leaching, and shall not result in freezing or clumping of the sodium chloride in either storage or application.

The product is preferred to be a tested and proven brand that has been on the market and sold for at least one year (or one winter season). Contractor shall submit with the bid official testing data and literature that verifies that the product meets specifications. INDOT may also grab test Contractor's product to determine compliance with specifications. To the extent there is a conflict between Contractor's testing data and INDOT's test results, INDOT may, in its sole discretion, choose which

results to rely on. Contractor shall submit any samples upon request to INDOT at no Cost to the INDOT. References for other state agencies and municipalities that have successfully used this product, as a sodium chloride pile treatment in the recent past shall also be submitted. INDOT reserves the right to use or test new products that has been on the market less than a year.

3.0 INSPECTION

All Sodium Chloride and Treated Sodium Chloride delivered will be visually inspected at time of delivery and samples taken for laboratory analysis of gradation, purity and moisture content in accordance with ITM 810.

4.0 REJECTION

Any material delivered which contains lumps, foreign matter or free water shall be rejected. In the event the material has been loaded or dumped prior to rejection it shall be immediately reloaded or removed by the vendor within 48 hours of notification of rejection. Failure to remove the material will result in liquidated damages in the amount of \$10.00 per ton for each day the salt remains on INDOT property.

5.0 DELIVERY

Deliveries shall be made during regular working hours when possible, and will be accepted at other times only when prior arrangements have been approved by the District Highway Maintenance

Director, designee or the District person responsible for coordinating salt deliveries. No payments will be made for any load for which a delivery ticket, signed by an Indiana Department of Transportation representative, cannot be produced. Delivery tickets for all deliveries shall indicate gross, tare and net weights, order number, locations of stockpile from which shipment is made, and point of delivery. Weights will be checked at random for accuracy of the delivery ticket weights. The Indiana Department of Transportation reserves the right to require any truck to go to the nearest available certified scales to check weights at no additional cost to the Indiana Department of Transportation.

A. Routine Deliveries Beyond Early Delivery Final Date

Vendor shall make delivery in trucks with solid or waterproof tarps to stockpile locations within any Sub-District location for which it has received Award of Contract. Delivery shall be completed within nine (9) calendar days after placement of order. For each calendar day that delivery extends beyond this 9-day limit, INDOT reserves the right to assess liquidated damages at two percent (2%) per day not to exceed a maximum of 10% of the order and will be deducted from any money due the Vendor, not as a penalty but as liquidated damages. Orders shall be placed by telephone during regular working

hours to the office specified by the vendor. The vendor should provide a single telephone number for all orders made for each purchase order. The vendor shall provide order confirmation via e-mail or fax, so that each District can provide verification for each telephone order.

B. Early Delivery Period

The vendor shall furnish and deliver the Early Storage Requirements at the locations listed on the attached sheets (Bid List.xls, "Early Storage Requirements" spreadsheet) at all salt storage buildings or outside storage areas as follows:

- La Porte and Fort Wayne Districts: 50% of order delivered on or before October 15, 2015 and 100% delivered on or before November 15, 2015.
- Crawfordsville, Greenfield, Seymour and Vincennes District: 50% of order delivered on or before November 1, 2015 and 100% delivered on or before December 1, 2015.

For each calendar day that early storage requirements for each bidding unit are not complete after the time specified, INDOT reserves the right to assess liquidated damages at two percent (2%) per day not to exceed a maximum of 10% of the order and will be deducted from any money due the Vendor, not as a penalty but as liquidated damages. INDOT is committed to purchasing 100% of the Early Fill amounts listed by INDOT district (as listed in the INDOT Early Fill Requirement spreadsheet), not sub-district.

6.0 BASIS OF PAYMENT

The Indiana Department of Transportation is requesting bid prices as specified in Bid List.xls. Price submitted by respondent is the price for purchases from 0% to the maximum of the commitment range of 120%. Any additional tons needed beyond 120 percent will be by mutual agreement of the parties, including the price thereof.

The quantities shown by INDOT sub-district are estimates only and may be adjusted at the option of the Indiana Department of Transportation. INDOT commits to purchase at least 80% of the total tonnage listed by district; quantity in Bid List.xls is 100%.

- 80-120% Commitment Range - All INDOT Districts (Crawfordsville, Fort Wayne, Greenfield, LaPorte, Seymour, and Vincennes)
 - o Delivered is price of salt per ton delivered to the INDOT location
 - o Delivered + Loaded is price of salt per ton to deliver to the INDOT location and load the salt via a conveyor (see section 9.0 for loading requirements)
 - o Pick Up is the price of the salt per ton

7.0 INVOICING

The vendor(s) shall invoice the Indiana Department of Transportation no more than once per week for each Subdistrict location where business has been transacted. Invoices shall itemize the daily activity for that Subdistrict/location.

In accordance with Section 5.0, DELIVERY and Section 8.0, DEDUCTIONS of the Specifications & Special Provisions, the Indiana Department of Transportation will notify the vendor(s) in writing no more than twice a month for each Unit or Subdistrict location when liquidated damages for late deliveries or deductions for non-compliance with specifications are being assessed. The vendor(s) shall submit a credit memorandum to INDOT for the assessed liquidated damages or deductions within fifteen (15) calendar days from the date of written notification from INDOT.

Payment will be made following necessary testing and evaluation as described in the contract terms. The department shall complete necessary testing and evaluation within ten (10) calendar days after receipt; if the department fails to test and evaluate within this timeframe, payment shall at such time be authorized.

8.0 DEDUCTIONS

After testing sodium chloride, deductions will be made for non-compliance with specifications on the following basis:

A. CHEMICAL COMPOSITION

Results of the purity test shall be rounded up to the nearest whole percentage point. (.5 rounded up). A deduction of \$1.00 (one dollar) per ton will be made for each percentage point from 94 percent through 90 percent and \$2.00 (two dollars) per ton for each percentage point from 89 percent through 85 percent. Material with purity less than 84.5 percent will be paid for as snow and ice abrasives at a rate of \$4.00 (four dollars) per ton.

B. MOISTURE

If the moisture content exceeds two (2) percent, the weight to be paid for will be the gross weight of the Sodium Chloride minus twice the weight of the excess moisture computed as follows: $\text{Weight to be paid for} = G \times (104 - 2(m)) / 100$

G=Gross weight of material (wet).

M=Percent of moisture to the nearest 0.5 percent based on oven dry weight.

C. GRADATION

Sieve Sizes	Percent Passing
½ inch (12.5mm)	100
3/8 inch (9.5 mm)	95 - 100
No. 4 (4.75 mm)	20 - 95
No. 8 (2.36 mm)	10 - 65
No. 30 (0.60 mm)	0 - 20

When test results for the Sodium Chloride furnished exceed the gradation requirements above, adjustment points will be assessed as follows:

ADJUSTMENT POINTS FOR GRADATION

Sieve Size

Adjustment Points	½ inch	3/8 inch	No. 4	No. 8	No.30
	12.5 mm	9.5 mm	4.75 mm	2.36 mm	0.60 mm
For each 1.0% up to 3.0%					
Out of Tolerance	1.0	1.0	1.0	1.0	3.0
For each 1.0% > 3.0%					
Out of Tolerance	1.0	1.0	1.0	1.0	6.0

Gradation adjustment points for the quantity represented shall be the sum of points calculated for up to 3% out of tolerance and the points calculated for greater than 3% out of tolerance.

The minimum required number of tests will be as set out in "INDOT Manual for Frequency of Sampling and Testing and Basis for Use of Material, revised January 2015. Samples will be taken

by or under the supervision of a representative of the department. All materials being used are subject to inspection, test, or rejection at any time.

Where the Indiana Department of Transportation determines that a sample does not meet specifications in chemical composition, moisture and gradation, the following shall be the method of determining the final price per ton:

- 1) First, tons eligible for payment shall be calculated as noted in Section B. Moisture.
- 2) Second, a deduction, as specified above, will be made for gradation failure.
- 3) Finally, the deduction will be determined for chemical composition, unless the chemical composition falls below 84.5 percent at which time the entire amount will be paid for as snow and ice abrasives as noted in Section A, Chemical Composition.

9.0 REQUIREMENTS FOR DELIVERY

The following special provisions apply to all Indiana Department of Transportation salt storage sites, except where noted on the Special Provision pages.

- A. Delivered and Loaded; shall mean placement of salt in the departments designated storage buildings, with equipment and labor furnished by the vendor or the vendors contracted hauler. Loading shall be directly from the truck to the storage building, by way of loading equipment, and salt shall **not** be placed on the ground outside a building prior to loading in the building.
- B. Loading equipment shall be provided by the vendor or the vendors contracted hauler, which shall be capable of fully loading INDOT's storage buildings. The vendor may review specific sites in order to determine equipment required. A pre-planned time for such visits is required. Loading equipment should include conveyors or other equipment as **approved** by the Department.
- C. Failure to load salt in the Departments salt storage building will result in a deduction, as liquidated damages, from the price bid for salt delivered and loaded. The amount shall be \$1.00 per ton plus the price differential charged for the loaded price.
- D. Delivered No Deduction; shall mean salt that is delivered but not loaded in the departments designated storage buildings. ***This delivery method must be pre-approved by the District Highway Management Director and marked on the delivery ticket as such.*** Deliveries without prior authorization and the salt not loaded in the building will result in liquidated damages as listed above.
- E. Delivery tickets must be marked by the Department as:

“Delivered and Loaded” to indicate full payment for delivery and loaded as bid. (Salt properly placed in the building.)

“Delivered” to indicate material delivered but not loaded resulting in the deduction for liquidated damages above. (This represents dumped without authorization.)

“Delivered - No Deductions” to indicate that the Department required a delivery outside a storage building. (This represents dumped with permission.)

The vendor is required to provide delivery ticket in the format that contains the above terms to facilitate faster actions.

- F. The vendor will be responsible for any damage to the salt shed resulting from improper piling of salt. Further, the vendor may be required to move any material improperly stacked.
- G. Conveyor loading only is acceptable at all Districts. Slinger loading is not acceptable. The Indiana Department of Transportation reserves the right to reject vendor loading if the price is unacceptable.

10.0 DEFINITIONS AND TERMS

For the purposes of this contract, calendar day and work day shall be defined as:

Calendar Day. Every day shown on the calendar.

Work Day. A calendar day, exclusive of Saturdays, Sundays and State recognized legal holidays.

REFERENCED

INDIANA DEPARTMENT OF TRANSPORTATION STANDARD

SPECIFICATIONS 2014

(With Supplemental Specifications in affect at time of letting)

<http://www.in.gov/dot/div/contracts/standards/book/index.html>

SECTION 913 – MISCELLANEOUS

(913.03 Sodium Chloride. Sodium chloride shall be in accordance with AASTHO M 143). Rock salt shall be used for de-icing purposes. Either rock salt or evaporated salt may be used for stabilization.

MANUAL FOR FREQUENCY OF SAMPLING AND TESTING AND BASIS FOR

USE OF MATERIAL, REVISED, JANUARY 2015.

<http://www.in.gov/indot/files/FreqOfSamplingAndTestingSM.pdf>

Indiana Test Method or Procedure

ITM 810-09T Deicing Material, Dated November 6, 2009

http://www.in.gov/indot/div/M&T/itm/pubs/810_testing.pdf

11.0 FAILURE TO MEET OBLIGATIONS

If the vendor is unable to meet its agreement obligations as set out in this invitation, the Indiana Department of Transportation, at its option may purchase materials from any other available source on the open market, cancel the agreement or applicable portions thereof, and/or may award the portions so cancelled to another supplier.

In the event the State is required to purchase the materials from another source as a result of the contracted vendor not being able to meet their commitment, any additional expenses in excess of the agreement price will be deducted from any money due the contracted vendor.

Exhibit C = Local Government Entities & Other State Agencies Specifications

**LOCAL GOVERNMENTAL ENTITIES & OTHER STATE AGENCIES
SPECIFICATIONS & SPECIAL PROVISIONS
FOR TREATED/UNTREATED SODIUM CHLORIDE**

These specifications and terms and conditions apply to other governmental bodies and other state agencies that are listed within this solicitation. *These specifications will not apply to INDOT locations in this solicitation.*

Other governmental bodies is defined as follows: an agency, board, branch bureau, commission, council, department, institution, office or establishment of (a) the judicial branch, (b) the legislative branch, (c) a political subdivision, which includes towns, cities, school corporations and local governments, (d) a state educational institution.

Scope of Services

The material to be furnished shall consist of sodium chloride delivered at Contractor's expense to various Buyer facilities. This rock salt shall be used as a deicer for road maintenance.

Untreated sodium chloride shall be rock salt conforming to the requirements of the 2014 Indiana Department of Transportation Standard Specifications, Section 913.03, (or latest revision and any Supplemental Specifications), AASHTO M 143, and to the other requirements contained within these specifications. All material furnished shall contain a chemical to prevent caking, and shall be free of foreign matter, lumps, and free water.

Treated sodium chloride shall be the same rock salt as stated above, 2014 Indiana Department of Transportation Standard Specifications, Section 913.03, (or latest revision and any Supplemental Specifications,) AASHTO M 143 treated with a combination of magnesium chloride and corrosion resistant products in accordance with the specifications contained herein. The Chemical to prevent caking is not needed for treated salt.

Rejection - All sodium chloride delivered will be visually inspected by Buyer at the time of delivery and samples may be tested for gradation purity, leaching and moisture content.

Any material delivered which contains lumps, foreign matter, or free water, or otherwise fails to conform to the requirements contained herein, shall be rejected. In the event the material has been dumped prior to rejection it shall be immediately reloaded or removed by the Contractor within forty-eight (48) hours of notification of rejection. Buyers shall not be responsible for either the cost of rejected material or the cost to dispose of rejected material not picked up by Contractor within forty-eight (48) hours of the rejection. Buyers reserve the right to offset those costs against any future payments to Contractor at a rate

of \$10.00 per ton for each day the salt remains on the district locations.

In the event untreated sodium chloride is added to the stockpile prior to testing, deductions will be made for untreated sodium chloride that does not comply with the following specifications:

a. Chemical Composition

Results of the purity test will be rounded to the nearest whole percentage point (0.5 rounded up). A deduction of \$1.00 (one dollar) per ton will be made for each percentage point from ninety-four percent (94%) through ninety percent (90%) and \$2.00 (two dollars) per ton for each percentage point from eighty-nine percent (89%) through eight-five percent (85%). Material with purity less than eighty-four point five percent (84.5%) will be paid for as snow and ice abrasives at a rate of \$4.00 (four dollars) per ton.

b. Moisture

If the moisture content of untreated sodium chloride exceeds two percent (2%), the weight to be paid for will be the gross weight of the sodium chloride minus twice the weight of the excess moisture computed as follows: $G \times (104 - 2(m)) / 100$

G = Gross weight of material (wet)

M = Percent of moisture to the nearest 0.5 percent based on oven dry weight

c. Gradation

Percents passing the given sieve sizes shall be as follows:

Sieve Sizes	Percent Passing
½ inch (12.5mm)	100
3/8 inch (9.5 mm)	95 - 100
No. 4 (4.75 mm)	20 - 95
No. 8 (2.36 mm)	10 - 65
No. 30 (0.60 mm)	0 - 20

When test results for the sodium chloride furnished exceed the gradation requirements above, adjustment points will be assessed as follows:

ADJUSTMENT POINTS FOR GRADATION

Adjustment Points	Sieve Size				
	½in.	3/8in.	No.4	No.8	No.30
	12.5mm	9.5mm	4.75mm	2.36mm	0.60mm
For each 1.0% up to 3.0% Out of Tolerance	1.0	1.0	1.0	1.0	3.0
For each 1.0% > 3.0% Out of Tolerance	1.0	1.0	1.0	1.0	6.0

Gradation adjustment points for the quantity represented shall be the sum of points calculated for up to 3% out of tolerance and the points calculated for greater than 3% out of tolerance.

Where Buyers determine that a sample does not meet specifications in chemical composition, moisture and/or gradation, the following shall be the method of determining the final price per ton: First, tons eligible for payment shall be calculated above. Moisture: Second, a deduction, as specified above, will be made for gradation failure. Finally, the deduction will be determined for chemical composition, unless the chemical composition falls below 84.5 percent at which time the entire amount will be paid for as snow and ice abrasives as noted above.

Specifications for Treated Sodium Chloride

The treatment method must allow for a completely uniform treatment of the sodium chloride *by Contractor* before the sodium chloride reaches Buyer property. The treatment process for the sodium chloride must follow all federal, state, and local laws and regulations. This sodium chloride shall be the same sodium chloride specified above, but containing an additional treatment consisting of a combination of magnesium chloride and corrosion resistant products.

The liquid treatment (final product) must contain a percentage of magnesium chloride solution and a percentage of corrosion resistant products acceptable to the Buyer. This product must exhibit corrosion resistance in accordance with the standards of the Pacific Northwest Snowfighters (PNS) Association, as provided below. This product must be actively marketed and sold as a treatment for sodium chloride stockpiles, and must provide for some or all of the following benefits related to deicing:

- A. Increased corrosion resistance over regular sodium chloride.
- B. Increased penetration of sodium chloride in snow and ice pack.
- C. Reduced “bounce & scatter” of sodium chloride from the roadway (applied with spreader equipment).
- D. Increase in the *residual effects* of sodium chloride applications.

E. Increase in the effective temperature range of sodium chloride.

The treatment must allow for safe and effective use of the sodium chloride in conventional sodium chloride spreader equipment found on highway trucks. When treated according to the manufacturer's instructions and at the designated application rate, the finished sodium chloride product shall result in no leaching, and shall not result in freezing or clumping of the sodium chloride in either storage or application.

The product is preferred to be a tested and proven brand that has been on the market and sold for at least one year (or one winter season). Contractor shall submit with the bid official testing data and literature that verifies that the product meets specifications. Buyer may also grab test Contractor's product to determine compliance with specifications. To the extent there is a conflict between Contractor's testing data and the Buyer's test results, the Buyer may, in its sole discretion, choose which results to rely on. Contractor shall submit any samples upon request by the Buyer at no Cost to the Buyer. References for municipalities that have successfully used this product, as a sodium chloride pile treatment in the recent past shall also be submitted. Buyer reserves the right to use or test new products that has been on the market less than a year.

Testing Data

Contractor shall submit testing data indicating that the liquid treatment product meets the following. (Note: This applies to the liquid treatment only and not the final sodium chloride product):

Environmental

The product offered must comply with established limits set by federal, state and local laws and regulations with regard to the following components. In addition, the product must comply with any other environmental laws or regulations when used in the recommended application and at the manufacturer's recommended application rate. Contractor shall include the test methods and testing results for each of these components:

Phosphorus	yes	no	% mass	% volume
Cyanide	yes	no	% mass	% volume
Arsenic	yes	no	% mass	% volume
Copper	yes	no	% mass	% volume
Lead	yes	no	% mass	% volume
Mercury	yes	no	% mass	% volume
Chromium	yes	no	% mass	% volume
Cadmium	yes	no	% mass	% volume
Barium	yes	no	% mass	% volume
Selenium	yes	no	% mass	% volume
Zinc	yes	no	% mass	% volume

Testing data formulation

pH Test	The pH shall be in the range of 3-9. ASTM E 70, except that a dilution shall be made of 1 part deicer to 4 parts distilled water before attempting a reading.
Sulfate Level in MgCl2	Maximum Sulfate: 2% Gravimetric analysis as described in "Standard Methods for the Examination of Water and Waste Water," 17 Edition, 1989, APHA-AWWA-WPCF (Method 4500). If an alternate method is used, please cite method.
Corrosion Rate	At least 70% less corrosive than common road salt. The product must meet the <i>National Association Corrosion Engineers (NACE)</i> Standard TM-01-69 (1976 revision) as modified by the PNS Association. (PNS establishes the standards for deicers for areas in the Pacific Northwest including Oregon, Washington, Montana, Idaho and British Columbia.)
The Modified NACE Standard	The NACE standard TM-01-69 (current rev.) requires the use of 30 milliliters of 3% solution per square inch of coupon surface for corrosion testing. (This test requires the solution to be at least 70% less corrosive than sodium chloride.) The manufacturer shall provide laboratory results demonstrating that the liquid treatment product, as presently used, has passed this standard.
Weight per Gallon	Approximately 10-11 lbs. per gallon. ASTM D 1429 for Specific Gravity (Test Method A – Pycnometer at 20° C +/- 1° C) or other industry standard method.
Settleable Solids	The total settleable solids shall be no more than 4% and 99% of product should pass through a #10 sieve after being stored at -10° F for 168 hours. Contractor shall cite test method used.

Delivery

Contractor shall make deliveries of treated and untreated sodium chloride in trucks with solid or waterproof tarps to various locations as defined in Bid List.xls. Delivery shall be made within 7-9 calendar days after receipt of order. All deliveries must be coordinated with the local governmental entity and/or state agency prior to delivery.

For each working day where no delivery has been made that extends beyond the 9 day limit, \$200.00 will be deducted from any money due the vendor, not as a penalty, but as liquidated damages. Prior deliveries arrangements shall be made between the ordering entity and the winning contractor. No payments will be made for any load for which a delivery ticket, signed by a Buyer representative, cannot be produced.

The delivery tickets shall be meter printed and shall indicate the gross, tare, and net weights, order number, the location of the stockpile from which shipment is made, the point of delivery, and signature of scale operator. Weights will be checked at random to determine accuracy of the delivery ticket weights. Buyers reserve the right to require any truck to go to the nearest available certified scales to verify load weights on the

trucks at no cost to the Buyer.

Payment for all sodium chloride shall be by the contract per ton price (either untreated or treated) furnished and delivered to the various locations as designated. There shall be no other charges.

Request for payment on deliveries shall be made monthly for all materials furnished to Buyer and all details surrounding the billing and payment shall be between the governmental entity and/or state agency and the contractor.

Pricing

The State of Indiana is requesting bid prices as specified in Bid List.xls. Delivered price is the price per ton of salt delivered to the specified local entities and state agencies. Price submitted by respondent is the price for purchases from 0% to the maximum of the commitment range as specified in Bid List.xls. *Any additional tons needed beyond the maximum commitment range will be by mutual agreement of the parties, including the price thereof.*

Local governmental entities and other state agencies commit to purchase at least 80% of the total tonnage; quantity in Bid List.xls is 100%. Local Governmental Entities are individually-operated entities responsible for their individual quantities committed as listed in Bid List.xls. Respondents cannot bid on specific locals within an INDOT district; if respondent is awarded local governmental entities' business for an INDOT district, the awarded vendor will hold supply up to 120% for each local governmental entity listed in the INDOT district awarded and 120% for untreated salt and 120% for treated salt for each other state agency in the INDOT district awarded.

DEFINITIONS AND TERMS

For the purposes of this contract, calendar day and work day shall be defined as:

Calendar Day. Every day shown on the calendar.

Work Day. A calendar day, exclusive of Saturdays, Sundays and State recognized legal holidays.

REFERENCED

INDIANA DEPARTMENT OF TRANSPORTATION STANDARD
SPECIFICATIONS 2014 (With Supplemental Specifications in affect at time of
letting)

<http://www.in.gov/dot/div/contracts/standards/book/index.html>

SECTION 913 – MISCELLANEOUS

(913.03 Sodium Chloride. Sodium chloride shall be in accordance with AASTHO M 143). Rock salt shall be used for de-icing purposes. Either rock salt or evaporated salt may be used for stabilization.

Failure to Meet Obligations

If the vendor is unable to meet its agreement obligations as set out in this invitation, the local governmental entity and state agency at its option, may purchase material from any other available source on the open market, may cancel the agreement or applicable portions thereof, and may award the portions so cancelled to another supplier. In the event the State must resort to any of the above procedure, the vendor shall be required to reimburse the local governmental entity and/or state agency for any expense incurred in excess of the agreement price.

Electronic Approval History

	User ID	Approver Name	Datetime	Description
1	JDEGNER	Degner,John	07/28/2015 1:53:22PM	Agency Fiscal Approval
2	L247543	Sublett,Leila	07/28/2015 2:13:19PM	IDOA Procurement Approval
3	M292915	Kent,Matthew W	07/29/2015 9:12:00AM	SBA Approval
4	R200416	Sobecki,Ronald Ervin	07/30/2015 8:07:34AM	SBA Approval
5	A233897	Davidson,Alice A	07/30/2015 9:02:48AM	Attorney General Approval
6	S210690	Gard,Susan W	07/30/2015 10:01:26AM	Attorney General Approval