



**STATE OF MICHIGAN**  
**CENTRAL PROCUREMENT SERVICES**  
 Department of Technology, Management, and Budget  
 525 W. ALLEGAN ST., LANSING, MICHIGAN 48913  
 P.O. BOX 30026 LANSING, MICHIGAN 48909

**CONTRACT CHANGE NOTICE**

Change Notice Number **2**  
 to  
 Contract Number **18000000739**

<b>CONTRACTOR</b>	MORTON SALT, INC.
	444 W. Lake St., Suite 3000
	Chicago, IL 60606
	Anthony Patton
	312-807-2496
	apatton@mortonsalt.com
	CV0012362

<b>STATE</b>	<b>Program Manager</b>	Melissa Longworth	MDOT
		517-636-4386	
		LongworthM@michigan.gov	
	<b>Contract Administrator</b>	Steven Motz	DTMB
		(517) 331-6086	
		motzs1@michigan.gov	

**CONTRACT SUMMARY**

**BULK SALT, EARLY FILL & SEASONAL BACK-UP- STATEWID**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
September 1, 2018	August 31, 2023	5 - 1 Year	August 31, 2023
PAYMENT TERMS		DELIVERY TIMEFRAME	
		See Section 1.3 Delivery and Acceptance	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

**MINIMUM DELIVERY REQUIREMENTS**

See Section 1.3 Delivery and Acceptance

**DESCRIPTION OF CHANGE NOTICE**

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		August 31, 2023
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$0.00	\$1,988,910.44	\$1,988,910.44		

**DESCRIPTION**

Effective September 1st, 2020 this contract is hereby amended to include FY 2020-2021 annual road salt pricing, which has been attached as Schedule B. The contract value is increased by \$1,988,910.44 to account for State of Michigan anticipated spend.

All other terms, conditions, specifications and pricing remain the same per agency and vendor agreement, and Central Procurement Services approval.

**MiDEAL and STATE AGENCY DROP POINTS: 2020/2021 SALT ORDER**

**Early Fill-Up**

**Morton**

16 \$ 577,410.00

Region	Item	County	Org. Name	Drop Point Address	City	State	Zip	Org. Phone	Early Fill	Price Per Ton	Extended Price
6-University	47	Washtenaw	MiDEAL	Lincoln Consolidated Schools	7901 Willis Road	Ypsilanti	Michigan	48197 (734) 484-7039	50	\$ 60.15	\$ 3,007.50
6-University	48	Washtenaw	MiDEAL	CHELSEA, CITY OF	440 W North St	Chelsea	Michigan	48118 (734) 216-1252	50	\$ 60.15	\$ 3,007.50
6-University	49	Washtenaw	MiDEAL	ANN ARBOR, CITY OF	4251 Stone School Road	Ann Arbor	Michigan	48108 (734) 794-6500	1,000	\$ 60.15	\$ 60,150.00
6-University	50	Washtenaw	MiDEAL	CHELSEA SCHOOL DISTRICT	500 E Washington	Chelsea	Michigan	48118 (734) 433-2256	50	\$ 60.15	\$ 3,007.50
6-University	51	Washtenaw	Agency	DCH-CENTER FOR FORENSIC PSYCHIATRY-Agency	8303 Platt Rd.	Saline	Michigan	48176 (734) 295-4544	50	\$ 60.15	\$ 3,007.50
6-University	52	Washtenaw	MiDEAL	WASHTENAW COUNTY ROAD COMMISSION	5250 West Michigan Avenue	Ypsilanti	Michigan	48197 (734) 761-1500	1,850	\$ 60.15	\$ 111,277.50
6-University	53	Washtenaw	MiDEAL	WASHTENAW COUNTY ROAD COMMISSION	1222 E N Territorial Rd	Whitmore Lake	Michigan	48189 (734) 761-1500	2,100	\$ 60.15	\$ 126,315.00
6-University	54	Washtenaw	MiDEAL	WASHTENAW COUNTY ROAD COMMISSION	219 N. Ann Arbor Street	Manchester	Michigan	48158 (734) 761-1500	600	\$ 60.15	\$ 36,090.00
6-University	55	Washtenaw	MiDEAL	WASHTENAW COUNTY ROAD COMMISSION	630 W. Middle Street	Chelsea	Michigan	48118 (734) 761-1500	450	\$ 60.15	\$ 27,067.50
6-University	56	Washtenaw	MiDEAL	WASHTENAW COUNTY ROAD COMMISSION	555 North Zeeb Road	Ann Arbor	Michigan	48103 (734) 761-1500	2,400	\$ 60.15	\$ 144,360.00
6-University	57	Washtenaw	MiDEAL	ANN ARBOR PUBLIC SCHOOLS	601 W. Stadium Blvd	Ann Arbor	Michigan	48104 (734) 994-8118	250	\$ 60.15	\$ 15,037.50
6-University	58	Washtenaw	MiDEAL	SAINT JOSEPH MERCY HEALTH SYSTEM	5337 McAuley Drive	Ypsilanti	Michigan	48197 (734) 712-3769	50	\$ 60.15	\$ 3,007.50
6-University	59	Washtenaw	MiDEAL	WASHTENAW INTER SCHOOL DISTRICT	3090 Judd Rd	Milan	Michigan	48160	300	\$ 60.15	\$ 18,045.00
6-University	60	Washtenaw	MiDEAL	SALINE, CITY OF	1234 Tefft Ct	Saline	Michigan	48176 (734) 429-5624	200	\$ 60.15	\$ 12,030.00
6-University	61	Washtenaw	MiDEAL	DEXTER COMMUNITY SCHOOLS	2200 N Parker Rd	Dexter	Michigan	48130 (734) 424-4100	150	\$ 60.15	\$ 9,022.50
6-University	61B	Washtenaw	MiDEAL	Loch Alpine Sanitary Authority	8875 Dexter-Chelsea Rd	Dexter	Michigan	48130 (734) 904-2938	50	\$ 60.15	\$ 3,007.50

**MiDEAL and STATE AGENCY DROP POINTS: 2020/2021 SALT ORDER**      **Seasonal Backup**      **Morton**      50,255      43      \$      3,507,383.90

Region	Item	County	MiDEAL	Org. Name	Drop Point Address	City	State	Zip	Org. Phone	Seasonal	Price Per Ton	Extended Price
2-North	32	Manistee	MiDEAL	MANISTEE COUNTY ROAD COMMISSION	8946 Chippewa Hwy	Bear Lake	Michigan	49614	(231) 889-0000	500	\$ 72.48	\$ 36,240.00
2-North	33	Manistee	MiDEAL	MANISTEE, CITY OF	280 Washington Street	Manistee	Michigan	49660	(231) 723-7132	600	\$ 72.48	\$ 43,488.00
3-Grand	1	Allegan	MiDEAL	HOLLAND, CITY OF	333 Wyngarden Way	Holland	Michigan	49423	(616) 928-2400	2,500	\$ 72.00	\$ 180,000.00
3-Grand	2	Allegan	MiDEAL	MARTIN, VILLAGE OF-LESS THAN 50 TON	1609 N. 10th Street	Martin	Michigan	49070		25	\$ 72.00	\$ 1,800.00
3-Grand	3	Allegan	MiDEAL	Douglas, City of	486 Water Street	Douglas	Michigan	49406	(616) 218-6798	250	\$ 72.00	\$ 18,000.00
3-Grand	4	Allegan	MiDEAL	WAYLAND UNION SCHOOLS	324 W Sycamore	Wayland	Michigan	49348	(269) 792-2012	50	\$ 72.00	\$ 3,600.00
3-Grand	5	Allegan	MiDEAL	PLAINWELL COMMUNITY SCHOOLS	680 Starr Rd	Plainwell	Michigan	49080	(269) 685-6338	100	\$ 72.00	\$ 7,200.00
3-Grand	6	Allegan	MiDEAL	ALLEGAN COUNTY ROAD COMMISSION	2594 -12th Street	Shelbyville	Michigan	49344	(269) 673-2184	750	\$ 72.00	\$ 54,000.00
3-Grand	7	Allegan	MiDEAL	ALLEGAN COUNTY ROAD COMMISSION	3667 - 136th Avenue	Hamilton	Michigan	49419	(269) 673-2184	750	\$ 72.00	\$ 54,000.00
3-Grand	8	Allegan	MiDEAL	ALLEGAN COUNTY ROAD COMMISSION	1308 Lincoln Road	Allegan	Michigan	49010	(269) 673-2184	750	\$ 72.00	\$ 54,000.00
3-Grand	9	Allegan	MiDEAL	ALLEGAN COUNTY ROAD COMMISSION	5337 124th Avenue (M-89)	Fennville	Michigan	49348	(269) 673-2184	750	\$ 72.00	\$ 54,000.00
3-Grand	10	Allegan	MiDEAL	OTSEGO, CITY OF	243 N FARMER	OTSEGO	Michigan	49078	(269) 692-3391	150	\$ 72.00	\$ 10,800.00
3-Grand	11	Allegan	MiDEAL	ALLEGAN, CITY OF	691 Airway Dr.	Allegan	Michigan	49010	(269) 686-1115	200	\$ 72.00	\$ 14,400.00
3-Grand	12	Allegan	MiDEAL	SAUGATUCK, CITY OF	3338 Blue Star Highway	Saugatuck	Michigan	49453	(269) 857-2603	250	\$ 72.00	\$ 18,000.00
3-Grand	13	Allegan	MiDEAL	WAYLAND, CITY OF	965 S. Main Street	Wayland	Michigan	49348	(269) 792-0686	400	\$ 72.00	\$ 28,800.00
3-Grand	14	Allegan	MiDEAL	PLAINWELL, CITY OF	126 Fairlane Street	Plainwell	Michigan	49080	(269)685-9363	300	\$ 72.00	\$ 21,600.00
3-Grand	15	Barry	MiDEAL	MIDDLEVILLE, VILLAGE OF	608 Sheridan St.	Middleville	Michigan	49333	(269) 795-2094	250	\$ 70.90	\$ 17,725.00
3-Grand	16	Barry	MiDEAL	HASTINGS CITY OF	301 East Court Street	Hastings	Michigan	49058	(269) 945-2468	900	\$ 70.90	\$ 63,810.00
3-Grand	17	Barry	MiDEAL	BARRY COUNTY ROAD COMMISSION	1725 West M-43 Highway	Hastings	Michigan	49058	(269) 945-3449	6,000	\$ 70.90	\$ 425,400.00
3-Grand	18	Barry	MiDEAL	NASHVILLE, VILLAGE OF	202 1/2 S. Main	Nashville	Michigan	49073	(517) 852-9571	100	\$ 70.90	\$ 7,090.00
3-Grand	35	Montcalm	MiDEAL	HOWARD CITY, VILLAGE OF	605 Cedar	Howard City	Michigan	49329	(231) 937-4311	50	\$ 73.64	\$ 3,682.00
3-Grand	36	Montcalm	MiDEAL	LAKEVIEW, VILLAGE OF	10300 North Street	Lakeview	Michigan	48850	(989) 352-7473	50	\$ 73.64	\$ 3,682.00
3-Grand	37	Montcalm	MiDEAL	GREENVILLE, CITY OF	218 E. FAIRPLAINS	GREENVILLE	Michigan	48838	(616) 754-5098	550	\$ 73.64	\$ 40,502.00
3-Grand	47	Newaygo	MiDEAL	FREMONT, CITY OF	805 W. Oak Street	Fremont	Michigan	49412	(231) 924-2101	50	\$ 72.23	\$ 3,611.50
3-Grand	48	Newaygo	MiDEAL	NEWAYGO COUNTY ROAD COMMISSION	White Cloud Facility 935 E. One Mile Road	White Cloud	Michigan	49349	(231)689-6682	6500	\$ 72.23	\$ 469,495.00
3-Grand	49	Newaygo	MiDEAL	NEWAYGO COUNTY ROAD COMMISSION	Newayo Facility 8527 S. Mundy	Newaygo	Michigan	49337	(231)689-6682	200	\$ 72.23	\$ 14,446.00
3-Grand	50	Oceana	MiDEAL	OCEANA COUNTY ROAD COMMISSION	3501 W. Polk Rd	Hart	Michigan	49420	(231) 873-4226	4300	\$ 69.86	\$ 300,398.00
3-Grand	51	Oceana	MiDEAL	OCEANA COUNTY ROAD COMMISSION	100 W. M20	Shelby	Michigan	49455	(231) 873-4226	2500	\$ 69.86	\$ 174,650.00
5-Southwest	23	Calhoun	MiDEAL	SPRINGFIELD, CITY OF	601 Avenue A	Springfield	Michigan	49037	(269) 441-9277	600	\$ 61.99	\$ 37,194.00
5-Southwest	24	Calhoun	MiDEAL	MARSHALL, CITY OF	1242 S. Kalamazoo	Marshall	Michigan	49068	(269) 781-3985	100	\$ 61.99	\$ 6,199.00
5-Southwest	25	Calhoun	MiDEAL	BATTLE CREEK, CITY OF	2000 W. River Road	Battle Creek	Michigan	49017	(269) 966-1646	7000	\$ 61.99	\$ 433,930.00
5-Southwest	28	Kalamazoo	MiDEAL	KALAMAZOO, CITY OF	1415 HARRISON	KALAMAZOO	Michigan	49007	(269) 337-8020	3000	\$ 71.56	\$ 214,680.00
5-Southwest	29	Kalamazoo	MiDEAL	PARCHMENT, CITY OF	300 Maple	Parchment	Michigan	49004	(269) 720-3469	200	\$ 71.56	\$ 14,312.00
5-Southwest	30	Kalamazoo	MiDEAL	PORTAGE, CITY OF	7719 S. Westnedge Ave.	Portage	Michigan	49002	(269) 324-9284	1500	\$ 71.56	\$ 107,340.00
5-Southwest	31	Kalamazoo	MiDEAL	VICKSBURG, VILLAGE OF	210 N. Main Street	Vicksburg	Michigan	49097	(269) 649-1919	100	\$ 71.56	\$ 7,156.00
5-Southwest	32	Kalamazoo	MiDEAL	ROAD COMMISSION OF KALAMAZOO COUNTY	3801 East Kilgore Road	Kalamazoo	Michigan	49001	(269) 381-3171	5000	\$ 71.56	\$ 357,800.00
5-Southwest	33	Kalamazoo	MiDEAL	KALAMAZOO VALLEY COMMUNITY COLLEGE	6767 West O Ave.	Kalamazoo	Michigan	49003	(269) 488-4305	50	\$ 71.56	\$ 3,578.00
5-Southwest	34	Kalamazoo	Agency	DMVA	2501 26th St Bldg 2590-AGENCY	Augusta	Michigan	49012	(517) 481-7655	500	\$ 71.56	\$ 35,780.00
5-Southwest	35	Kalamazoo	MiDEAL	KALAMAZOO PUBLIC SCHOOLS	514 Lake St	Kalamazoo	Michigan	49001	(269) 337-0132	350	\$ 71.56	\$ 25,046.00
5-Southwest	36B	Kalamazoo	MiDEAL	WESTERN MICHIGAN UNIVERSITY	1201 Oliver Street - Salt Dome	Kalamazoo	Michigan	49008	(269) 387-8804	500	\$ 71.56	\$ 35,780.00
6-University	52	Livingston	MiDEAL	PINCKNEY, VILLAGE OF	1600 Paterson Lake rd.	Pinckney	Michigan	48169		150	\$ 65.93	\$ 9,889.50
6-University	53	Livingston	MiDEAL	BRIGHTON, CITY OF	420 S. Third St.	Brighton	Michigan	48116	(810) 225-9282	1400	\$ 65.93	\$ 92,302.00
6-University	54	Livingston <50	Agency	DOC-Woodland Center Correctional	9036 E M-36-AGENCY	Whitmore Lake	Michigan	48189	(734) 449-3946	30	\$ 65.93	\$ 1,977.90



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**CENTRAL PROCUREMENT SERVICES**  
 Department of Technology, Management, and Budget  
 525 W. ALLEGAN ST., LANSING, MICHIGAN 48913  
 P.O. BOX 30026 LANSING, MICHIGAN 48909

**CONTRACT CHANGE NOTICE**

Change Notice Number **1**  
 to  
 Contract Number **180000000739**

<b>CONTRACTOR</b>	Morton Salt Inc.
	444 W. Lake St., Suite 3000
	Chicago, IL 60606
	Anthony Patton
	312.807.2496
	bids@mortonsalt.com
	CV0012362

<b>STATE</b>	<b>Program Manager</b>	Melissa Longworth	MDOT
		517-599-8135	
		LongworthM@Michigan.gov	
	<b>Contract Administrator</b>	Steven Motz	DTMB
		(517) 331-6086	
		motzs1@michigan.gov	

**CONTRACT SUMMARY**

**BULK SALT, EARLY FILL & SEASONAL BACK-UP-STATEWIDE**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
September 1, 2018	August 31, 2023	5 - 1 Year	August 31, 2023
PAYMENT TERMS		DELIVERY TIMEFRAME	
NET 45		See Section 1.3 Delivery and Acceptance	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

**MINIMUM DELIVERY REQUIREMENTS**

See Section 1.3 Delivery and Acceptance

**DESCRIPTION OF CHANGE NOTICE**

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		August 31, 2023
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$0.00	\$0.00	\$0.00		

**DESCRIPTION**

Effective May 1, 2020 specific provisions in Schedule A, Statement of Work, Contract Activities are updated through this Change Notice and will take effect during the 2020 Early Fill and 2021 Seasonal Backup periods.

All other terms, conditions, specifications and pricing remain the same per MDOT, Contractor, and Central Procurement Services approval.

**Program Managers for**

**Multi-Agency and Statewide Contracts**

AGENCY	NAME	PHONE	EMAIL
SW	Melissa Longworth	517-599-8135	longworthm@michigan.gov

The following changes are made and agreed to between the State and Contractor:

#	Contract Section	Current Language prior to this CN	Replaced through this CN																							
1	1.3 Delivery and Acceptance	<i>No current Language here</i>	All quantities delivered must be +/- 10% of the amount indicated on the delivery order for each drop point.																							
2	1.3.1 Time Frames	<p><b>EARLY FILL TIMEFRAMES</b></p> <p>e. Once early fill salt deliveries begin for a drop point, deliveries must continue until that particular drop point has received the entire quantity specified on the delivery order, prior to moving to another drop point. Delivery of a drop point's total quantity must be completed within 10 business days of the date the delivery began. <b>(See Deductions 1.3.7)</b></p>	<p><b>EARLY FILL TIMEFRAMES</b></p> <p>e. Once early fill salt deliveries begin for a drop point, deliveries must continue until that particular drop point has received the entire quantity specified on the delivery order. MDOT and MiDEAL members have limited resources and equipment for accepting deliveries and this requirement enables us to have resources where needed at the time of delivery. For drop point orders less than or equal to 2500 tons, delivery of a drop point's total quantity must be completed within 10 business days of the date the delivery began. For drop point orders between 2500 tons and 3750 tons, delivery of a drop point's total quantity must be completed within 15 business days of the date the delivery began. For drop point orders greater than or equal to 3750 tons, delivery of a drop point's total quantity must be completed within 20 business days of the date the delivery began. <b>(See Deductions 1.3.7)</b></p>																							
2	1.3.1 Time Frames	<p><b>SEASONAL BACK-UP TIMEFRAMES</b></p> <p>h. All deliveries shall begin within three business days and must be completed within five business days after the request for shipment or order. The deliveries will occur between October 1st through August 31st of each Contract year. The day count begins on the first business day after the order is placed. Delivery shall be made by the following formula 30% must be delivered by close of business on business day three, a total of 60% must be delivered by close of business on business day four and the entire 100% must be delivered by close of business on business day five. <b>(See Deductions 1.3.7)</b></p>	<p><b>SEASONAL BACK-UP TIMEFRAMES</b></p> <p>h. All deliveries shall begin within three business days. For drop point orders less than or equal to 750 tons, delivery of a drop point's total quantity must be completed within 5 business days. For drop point orders between 750 tons and 2000 tons, delivery of a drop point's total quantity must be completed within 10 business days. For drop point orders greater than or equal to 2000 tons, delivery of a drop point's total quantity must be completed within 15 business days. All deliveries must meet the percent delivery requirements outlined below.</p> <table border="1" data-bbox="1059 998 1968 1258"> <thead> <tr> <th rowspan="2">Business Day</th> <th colspan="3">Drop Point Order Quantity by Business Day</th> </tr> <tr> <th>Less than or equal to 750 tons</th> <th>Between 750 tons and 2000 tons</th> <th>Greater than or equal to 2000 tons</th> </tr> </thead> <tbody> <tr> <td>Day 3</td> <td colspan="3">Deliveries must begin</td> </tr> <tr> <td>Day 5</td> <td>100%</td> <td>50%</td> <td>30%</td> </tr> <tr> <td>Day 10</td> <td>N/A</td> <td>100%</td> <td>60%</td> </tr> <tr> <td>Day 15</td> <td>N/A</td> <td>N/A</td> <td>100%</td> </tr> </tbody> </table> <p>The day count begins on the first business day after the order is placed. <b>(See Deductions 1.3.7)</b></p>	Business Day	Drop Point Order Quantity by Business Day			Less than or equal to 750 tons	Between 750 tons and 2000 tons	Greater than or equal to 2000 tons	Day 3	Deliveries must begin			Day 5	100%	50%	30%	Day 10	N/A	100%	60%	Day 15	N/A	N/A	100%
Business Day	Drop Point Order Quantity by Business Day																									
	Less than or equal to 750 tons	Between 750 tons and 2000 tons	Greater than or equal to 2000 tons																							
Day 3	Deliveries must begin																									
Day 5	100%	50%	30%																							
Day 10	N/A	100%	60%																							
Day 15	N/A	N/A	100%																							
3	1.3.7 Deductions	<p><b>EARLY FILL ONLY DEDUCTIONS</b></p> <p>h. For salt not delivered within 10 business days of the date the delivery began, for the undelivered portion of the salt that is late,</p>	<p><b>EARLY FILL ONLY DEDUCTIONS</b></p> <p>h. For salt not delivered within the allotted business days of the date the delivery began, as defined in section 1.3.1 (e) the contractor will be charged \$1000 per business day late.</p>																							

		there will be a 25% deduction penalty with increments of 5% per business day, not to exceed 50% overall.	
4	1.3.7 Deductions	<p><b><u>SEASONAL BACK-UP ONLY DEDUCTIONS</u></b></p> <p>i. For any salt not delivered by the close of business of the third business day after the order is placed (30% required of the total ordered), there will be a 25% deduction penalty with increments of 5% per business day, not to exceed 50% of the total ordered. For any salt not received by the close of business of the fourth business day after the order is placed (60% required of the total ordered), the receiving location may notify the Contractor that they will purchase the undelivered balance of the total ordered from an alternate source. The Contractor shall be responsible for any excess cost associated with this purchase as compared to the contract price for that location. The volume of salt purchased from the alternate source shall count toward the receiving location's 80% minimum order requirement. The day count shall follow the example provided below. This deduction for seasonal back-up deliveries shall not be assessed for deliveries ordered after April 15<sup>th</sup>.</p> <p>Example: At the close of business, as listed on the annual bidding document, unless an alternate delivery time has been mutually agreed to, on the third business day no salt, or less than 30% of the total ordered is delivered, a 25% deduction of the total ordered will be taken. On the fourth business day less than 60% of the total order has been delivered, an additional 5% deduction will be taken, on the fifth business day less than 100% of the total ordered has been delivered, and additional 5% deduction will be taken. For any subsequent business day that 100% of the salt ordered is not delivered an additional 5% deduction will be taken.</p>	<p><b><u>SEASONAL BACK-UP ONLY DEDUCTIONS</u></b></p> <p>i. For salt not delivered within the allotted business days of the date the order was placed, as defined in section 1.3.1 (h), the contractor will be charged \$1000 per business day late.</p> <p>The receiving location could also choose to notify the Contractor that they will purchase the undelivered balance of the total ordered from an alternate source. The Contractor shall be responsible for any excess cost associated with this purchase as compared to the contract price for that location. The volume of salt purchased from the alternate source shall count toward the receiving location's 80% minimum order requirement. If delivery delays are communicated in advance so the agency can plan accordingly, deduction for seasonal back-up deliveries shall not be assessed for deliveries ordered after April 15<sup>th</sup>.</p>
5	1.4.1 Proposal	Contractors selected for the <b>Pre – Qualified Vendor Program</b> will be asked to provide pricing	Contractors selected for the <b>Pre – Qualified Vendor Program</b> will be asked to provide pricing once a year throughout the course of the program, unless a

	Pricing	once a year throughout the course of the program. Prices quoted during the bid process will be firm for that particular year.	Rollover Option is utilized. Prices quoted during the bid process will be firm for that particular year.  <b>Rollover Option</b> – Beginning at the close of the 2020 Early Fill and 2021 Seasonal Backup periods, the State reserves the right to negotiate pricing with awarded vendors from prior competitively bid season to “rollover” their awarded locations to the next season if mutual agreement can be reached between the State and Contractor. The maximum timeframe for a rollover is one season, and any locations that are extended through mutual agreement, must be competitively bid the following year.
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**STATE OF MICHIGAN  
ENTERPRISE PROCUREMENT**

Department of Technology, Management and Budget  
525 W. Allegan Street, Lansing, MI 48913  
P.O. Box 30026, Lansing, MI 48909

**NOTICE OF CONTRACT**

NOTICE OF CONTRACT NO. **171-180000000739**

between

THE STATE OF MICHIGAN

and

<b>CONTRACTOR</b>	Morton Salt Inc.
	444 W. Lake St., Suite 3000
	Chicago, IL 60606
	Anthony Patton
	312.807.2496
	bids@mortonsalt.com
	CV0012362

<b>STATE</b>	Program Manager	Melissa Longworth, P.E	MDOT
		517-636-4386	
	LongworthM@michigan.gov		
	Contract Administrator	Lymon C. Hunter, CPPB	DTMB
517-249-0476			
HunterL@michigan.gov			

<b>CONTRACT SUMMARY</b>			
<b>DESCRIPTION:</b> Bulk Salt, Early Fill & Seasonal Back-Up- Statewide & MiDEAL			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
September 1, 2018	August 31, 2023	5- 1 year	August 31, 2023
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		Per the attached specifications	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS			
N/A			
MISCELLANEOUS INFORMATION			
<b>THIS IS NOT AN ORDER:</b> This contract agreement is awarded on the basis of our inquiry bearing ITN 18000000039. Orders for delivery will be issued directly by Departments and through the issuance of a Delivery Order.			
ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION			<b>\$0</b>

**FOR THE CONTRACTOR:**

**Morton Salt, Inc.** \_\_\_\_\_  
Company Name

\_\_\_\_\_  
Authorized Agent Signature

\_\_\_\_\_  
Authorized Agent (Print or Type)

\_\_\_\_\_  
Date

**FOR THE STATE:**

\_\_\_\_\_  
Signature

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Dan Stevens,  
Category Manager, Commodities

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Central Procurement

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Date

# STATE OF MICHIGAN

Contract No. **171-18000000739**

Bulk Salt, Early Fill & Seasonal Back-Up

## SCHEDULE A STATEMENT OF WORK CONTRACT ACTIVITIES

This exhibit identifies the anticipated requirements.

Initially this Contract will serve the Michigan Department of Transportation (MDOT). The State reserves the right to consolidate other State of Michigan purchases for Bulk Salt, Early Fill & Seasonal Back-Up under this Contract.

The State reserves the right to modify Contract items to meet the State of Michigan's needs as well as MiDEAL members.

Requirement
<b>1. Specifications</b>
<b>1.1 The Contractor must provide the following:</b>
See Schedules B & C.
<b>1.2 Quality Assurance</b>
The gradation shall be in accordance with the MDOT Specifications for Sodium Chloride ( <b>See Schedule B</b> ). The material shall also meet the requirements as referenced in the MDOT Materials Quality Assurance Procedures Manual. <a href="http://www.michigan.gov/mdot/0,4616,7-151-9622_11044_11367-207980--,00.html">http://www.michigan.gov/mdot/0,4616,7-151-9622_11044_11367-207980--,00.html</a>
<b>1.3 Delivery and Acceptance</b>
<b>1.3.1 Time Frames</b>
<b><u>EMERGENCY PREPAREDNESS</u></b>
In instances of extreme weather conditions, the State of Michigan, then MiDEAL members must be serviced first, before other customers.
<b><u>EARLY FILL &amp; SEASONAL BACK-UP DELIVERIES</u></b>
a. The contractor is responsible for making sure the trucking is performed properly and in a timely manner. This includes shipping salt in trucks that are clean and dry. Failure to meet all delivery requirements may result in a fine and/or cancellation of the Contract and/or restriction of future bidding privileges with the State of Michigan.
b. MDOT deliveries will be accepted during delivery hours, as listed on the annual bidding document, unless alternate times have been mutually agreed to. All drop points must be contacted approximately 48 hours prior to delivery. All delivery dates must be approved by each drop point so proper staffing, equipment, and certification tests can be arranged. ( <b>See Deductions 1.3.7</b> )

- c. If a particular salt storage facility is capable of accepting inside delivery (minimum inside clearance height of 26 feet), appropriate delivery trucks shall be used in order to allow for self-unloading inside the facility. **(See Deductions 1.3.7)**

**EARLY FILL TIMEFRAMES**

- d. All early fill salt deliveries to MDOT and MiDEAL members must be made by October 31<sup>st</sup> of each contract year. MDOT early fill road salt can be delivered starting October 1<sup>st</sup>. Exception; Select MDOT drop points may request early fill road salt be delivered starting September 1<sup>st</sup>. MiDEAL members early fill road salt can be delivered starting September 1<sup>st</sup>. MDOT and MiDEAL members reserves the right to impose a penalty on the Contractor for salt not delivered by October 31<sup>st</sup> of each contract year. If delivery orders do not occur by October 1<sup>st</sup>, the October 31<sup>st</sup> delivery deadline will be extended accordingly to guarantee a minimum 30 calendar day delivery window. **(See Deductions 1.3.7)**
- e. Once early fill salt deliveries begin for a drop point, deliveries must continue until that particular drop point has received the entire quantity specified on the delivery order, prior to moving to another drop point. Delivery of a drop point's total quantity must be completed within 10 business days of the date the delivery began. **(See Deductions 1.3.7)**

**SEASONAL BACK-UP TIMEFRAMES**

- f. Seasonal back-up delivery orders will be placed periodically (as needed) throughout the contract period, and all orders will be for minimum of 50 ton deliveries. Exception; unless a smaller amount is indicated on the annual bidding document.
- g. MDOT agrees to purchase a minimum of 80% of the quantities given in the annual bidding document. The contractor shall agree to furnish up to a maximum of 30% more than the quantities given in the annual bidding document. These percentages apply to the MDOT Region total awarded to the contractor, not each individual MDOT drop point within a MDOT Region that is awarded to the contractor. These percentages of the MDOT Region total awarded to the contractor may be distributed to any MDOT drop points within a certain MDOT Region that are awarded to the contractor. MDOT is not limited to these percentages per drop point. MDOT Regions are displayed in Schedule C, MDOT Regional Map. These percentages also apply to MiDEAL members, however, they apply to each individual drop point.
- h. All deliveries shall begin within three business days and must be completed within five business days after the request for shipment or order. The deliveries will occur between October 1st through August 31st of each Contract year. The day count begins on the first business day after the order is placed. Delivery shall be made by the following formula 30% must be delivered by close of business on business day three, a total of 60% must be delivered by close of business on business day four and the entire 100% must be delivered by close of business on business day five. **(See Deductions 1.3.7)**

**1.3.2 Delivery Tickets**

All salt to be delivered must be weighed on certified scales; the contractor shall, at their expense, have their scales certified and inspected, prior to beginning shipments, and on a monthly basis thereafter until all salt has been delivered. The certification and inspection shall be conducted by the specific scale manufacturer authorized service dealer. For Early Fill, the scales must be inspected and certified between August 15<sup>th</sup> and September 30<sup>th</sup> of every year. Copies of scale certification must be sent to the Program Manager or designee by October 15<sup>th</sup> of every year. For Seasonal Back Up, the scales must be inspected and certified between January 1<sup>st</sup> and February 15<sup>th</sup> of every year. Copies of scale certification must be sent to the Program Manager or designee by, March 1<sup>st</sup> of every year. The State can require re-certification of the scale, if a particular salt shipment is found to be +/- 1% off. In addition, all delivery tickets must be legible, computer generated, printed from a computerized scale, and in

<p>English units. All trucks shall be weighed empty, then weighed loaded, and the differential shall be the net weight recorded on the delivery ticket. Scale operators shall not pre-enter estimated empty truck tare weights. Hand written tickets are unacceptable. Scales must be cleaned on a regular basis, i.e., daily or weekly if appropriate. Also, the dock shall be maintained on a regular interval, i.e., weekly/biweekly. Violation of any of the above requirements can be grounds for rejection of salt shipment. <b>(See Deductions 1.3.7)</b></p>
<p><b>1.3.3 Inconsistent Deliveries</b></p> <p>The state reserves the right to disallow the use of any dock, weigh station, trucking company, etc. that is used by the Contractor if it is discovered that there are inconsistencies regarding the quantity indicated on a delivery ticket and the actual amount received or verified by the re-weighing of a truck. MDOT has made arrangements with the appropriate enforcement authorities to increase the frequency of "spot checks" on trucks hauling salt to various delivery locations. If it is discovered that a particular delivery ticket exceeds the actual amount verified by re-weighing a truck, MDOT or the MiDEAL member will be instructed to pay based on the re-weigh quantity. The state will also seek the possible prosecution of companies that are found to be involved in a "short shipping" scheme designed to take advantage of the State of Michigan or any MiDEAL member included in this Contract.</p>
<p><b>1.3.4 Conveyor Deliveries</b></p> <p>Please note certain locations may require conveyor delivery, as listed on the annual bidding document.</p>
<p><b>1.3.5 Delivery Term</b></p> <p>Prices shall be <b>"Free on Board (F.O.B.) Delivered and Unloaded"</b>. All costs associated with delivering salt to these drop points is included in each "Price per Ton." Other F.O.B. terms will not be accepted. Where the location allows, salt shall be unloaded inside the storage facility.</p>
<p><b>1.3.6 Trucking</b></p> <p>All loads of regular salt must be covered by an industry standard mesh tarp. If a load is delivered uncovered, or with the incorrect covering the load may be rejected.</p>
<p><b>1.3.7 Deductions</b></p> <p><b><u>EARLY FILL &amp; SEASONAL BACK-UP DEDUCTIONS</u></b></p> <ol style="list-style-type: none"> <li>a. For any salt delivered after delivery hours, as listed on the annual bidding document, unless alternate times have been mutually agreed to, there will be a 25% deduction penalty.</li> <li>b. Failure to contact drop points approximately 48 hours prior to delivery will result in a 25% deduction penalty. If the Contractor can reasonably establish that it has made one or more unsuccessful attempts to contact the drop point at least 48 hours prior to delivery, the 25% deduction will be waived.</li> <li>c. No salt orders will be accepted outside of the drop point's delivery hours, when the receiving location is not staffed. If the Contractor ships outside delivery hours, it will be their responsibility to pick up the salt and redeliver during delivery hours at the Contractor's expense.</li> <li>d. All delivery tickets must be legible, generated and printed from a computerized scale. Exception; receiving locations will allow a written ticket in emergency situations. Following</li> </ol>

the emergency situation contractor must provide a computer generated ticket with tare weight. Failure to present a computer-generated ticket will result in a 100% deduction penalty.

- e. If a particular salt storage facility is capable of accepting inside delivery (minimum inside clearance height of 26 feet), and appropriate delivery trucks are not utilized in order to allow for self-unloading inside the facility there will be a 50% deduction penalty. Alternatively, the receiving location can opt to have the salt picked up at the Contractor's expense.
- f. Any of the above or below penalties can be rendered void if mutually agreed upon by the Contractor and the receiving location.

**EARLY FILL ONLY DEDUCTIONS**

- g. For each drop point that does not receive their total early fill salt quantity by October 31<sup>st</sup> of each contract year, the contractor will be charged \$1,000 per business day late.
- h. For salt not delivered within 10 business days of the date the delivery began, for the undelivered portion of the salt that is late, there will be a 25% deduction penalty with increments of 5% per business day, not to exceed 50% overall.

**SEASONAL BACK-UP ONLY DEDUCTIONS**

- i. For any salt not delivered by the close of business of the third business day after the order is placed (30% required of the total ordered), there will be a 25% deduction penalty with increments of 5% per business day, not to exceed 50% of the total ordered. For any salt not received by the close of business of the fourth business day after the order is placed (60% required of the total ordered), the receiving location may notify the Contractor that they will purchase the undelivered balance of the total ordered from an alternate source. The Contractor shall be responsible for any excess cost associated with this purchase as compared to the contract price for that location. The volume of salt purchased from the alternate source shall count toward the receiving location's 80% minimum order requirement. The day count shall follow the example provided below. This deduction for seasonal back-up deliveries shall not be assessed for deliveries ordered after April 15<sup>th</sup>.

Example: At the close of business, as listed on the annual bidding document, unless an alternate delivery time has been mutually agreed to, on the third business day no salt, or less than 30% of the total ordered is delivered, a 25% deduction of the total ordered will be taken. On the fourth business day less than 60% of the total order has been delivered, an additional 5% deduction will be taken, on the fifth business day less than 100% of the total ordered has been delivered, and additional 5% deduction will be taken. For any subsequent business day that 100% of the salt ordered is not delivered an additional 5% deduction will be taken.

**1.4 Proposal Pricing**

**1.4.1 Pricing**

Contractors selected for the **Pre – Qualified Vendor Program** will be asked to provide pricing once a year throughout the course of the program. Prices quoted during the bid process will be firm for that particular year.

**EARLY FILL & SEASONAL BACK-UP**

The State expects that the unit prices of salt will be the same for all drop points in the same County. Exception; Seasonal Back-up in Wayne County can be bid by drop point.

**MOST FAVORED CUSTOMER**

<p>The State, or any participating MiDEAL member expects to be considered the <b>"Most Favored Customer"</b> regarding salt purchased in the State. In other words, since the total quantity expected to be purchased as a result of this <b>Pre – Qualified Vendor Program</b> far exceeds the quantity that may be purchased by any other government entity in the State, the State expects to receive the "best price" during the Contract period for all locations.</p>
<p><b>1.4.2 Tax Excluded from Price</b></p>
<p>a. Sales Tax: The State is exempt from sales tax for direct purchases. The Contractor's prices must not include sales tax. DTMB-Central Procurement will furnish exemption certificates for sales tax upon request.</p> <p>b. Federal Excise Tax: The State may be exempt from Federal Excise Tax, or the taxes may be reimbursable, if articles purchased under any resulting Contract are used for the State's exclusive use. Certificates showing exclusive use for the purposes of substantiating a tax-free, or tax-reimbursable sale will be sent upon request. If a sale is tax exempt or tax reimbursable under the Internal Revenue Code, the Contractor's prices must not include the Federal Excise Tax.</p>
<p><b>2.0 Packaging</b></p>
<p>Packaging and containers, etc., shall be in accordance with supplier's commercial practice and shall meet the requirements of the State and rail and motor carrier freight classifications in effect at time of shipment, which will permit application of the lowest freight rate.</p>
<p><b>2.1 Training</b></p>
<p>The Contractor shall provide training on the proper use of their product. This includes but not limited to the unloading and loading, storage requirements, handling, field testing (if any), and proper application (quantity, rate, weather conditions, and temperatures to be used at). Training will be held in each Region.</p>
<p><b>2.2 Reporting</b></p>
<p>The Contractor shall submit to the Program Manager a bi-weekly summary of delivery's including quantities for each location and the quantity accumulation for tracking and testing purposes, or as agreed between Contractor and Program Manager.</p>
<p><b>2.3 Meetings</b></p>
<p>The Contractor must attend the following meetings:</p> <p>a. MDOT pre-season kick-off meeting each year. A one-time pre-contract kick-off meeting as deemed necessary. The State may cancel the pre-season meeting or request other meetings as it deems appropriate.</p> <p>b. In the event there are issues with the deliverables under this Contract, the Program Manager or designee, and the Contractor shall be afforded the opportunity to meet within three business days of request.</p>
<p><b>3. Staffing</b></p>
<p><b>3.1 Contractor Representative</b></p>
<p>Anthony Patton: bids@mortonsalt.com, 312-807-2496 <small>Phone Number</small></p> <p>Written: Anthony Patton 444 W. Lake St. Suite 3000 Chicago, IL 60606</p>
<p>The Contractor must notify the Contract Administrator at least seven business days before removing or assigning a new Contractor Representative.</p>

<b>3.2 Customer Service Toll-Free Number</b>
The Contractor must confirm whether it is able to receive orders by any of the following methods: e-mail, facsimile transmission, or by written order. If not, the Contractor must explain its ordering capabilities. The Contractor must have internal controls, to: (a) ensure that only authorized individuals place orders; and (b) verify any orders that appear to be abnormal. The Contractor Representative must be available for calls during the hours of 8 am to 5 pm EST.
Customer Service Ordering Info:
Morton Salt, Inc. Attn: Road Salt Department 444 W. Lake St., Suite 3000 Chicago, IL 60606 Email: buyroadsalt@mortonsalt.com Phone: 855-665-4540 Fax: 630-214-0725
24/7 emergency contact number: <u>Sales Rep. Debi Jones - Phone, 708-891-5847</u>
<b>3.3 Disclosure of Subcontractors</b>
The Contractor will utilize the following State of Michigan approved subcontractors:
Contractor must complete the following if applicable:
The legal business name; address; telephone number; a description of subcontractor's organization and the services it will provide; and information concerning subcontractor's ability to provide the Contract Activities.
The relationship of the subcontractor to the Contractor.
Whether the Contractor has a previous working experience with the subcontractor. If yes, provide the details of that previous relationship.
A complete description of the Contract Activities that will be performed or provided by the subcontractor.
<b>4. Pricing</b>
<b>4.1 Price Term</b>
Pricing is firm for a 365 day period ("Pricing Period"). The first pricing period begins on the Effective Date. Adjustments may be requested, in writing, by either party and will take effect no earlier than the next Pricing Period.
<b>4.2 Electronic Catalog</b>
To enable catalog management functionality, the Contractor must supply the State with product and pricing information as identified in this contract. The Contractor must supply the State with updated product and pricing information over the duration of the Contract using the then-current catalog template provided by the State. Product and price changes provided in this manner will not take effect until the catalog is updated in the State's procurement system.
<b>5. Ordering</b>
<b>5.1 Authorizing Document</b>
The appropriate authorizing document for the Contract will be Delivery Orders.
<b>6. Invoice and Payment</b>
<b>6.1 Invoice Requirements</b>



<p>All invoices submitted to the State must include: (a) date; (b) delivery order; (c) quantity; (d) description of the Contract Activities; (e) unit price; (f) shipping cost (if any); (g) total price; (h) product type, and (i) location delivered.</p>
<p><b>7.0 Payment Methods</b></p> <p>The State will make payment for Contract Activities by Electronic Funds Transfer (EFT) as described in Standard Contract Terms, Section 20.</p> <p>Undisputed invoices will be due and payable by the State, in accordance with the State's standard payment procedure as specified in 1984 PA 279, MCL 17.51 <i>et seq.</i>, within 45 days after receipt.</p>
<p><b>7.1 Payment Incentives</b></p> <p>The Contractor is encouraged to offer quick payment terms. The number of days must not include processing time for payment to be received by the Contractor's financial institution.</p> <p>Quick payment terms: <u>0</u> % discount off invoice if paid within <u>N/A</u> days after receipt of invoice.</p>

MICHIGAN DEPARTMENT OF TRANSPORTATION

SPECIFICATIONS FOR SODIUM CHLORIDE

**Description:**

These specifications cover salt, bulk rock, sodium chloride to be used for ice and snow removal and control.

**General Requirements:**

The material shall be in accordance with the current specifications for Sodium Chloride, ASTM D 632, except as modified below.

**Chemical Composition:**

Sodium Chloride (NaCl), Minimum, percent ..... 95.00 %

**Gradation:**

<u>Sieve size</u>	<u>Percent passing</u>
1/2 inch .....	100 %
3/8 inch .....	95 - 100 %
No. 4 .....	90 % maximum
No. 8 .....	60 % maximum
No. 30 .....	15 % maximum

Material passing the No. 30 sieve in excess of 15% will be deducted from the delivered weight of the salt. Material remaining on the 1/2" sieve will be deducted from the delivered weight of the salt.

**Moisture Content:**

Material with moisture content in excess of 1.5% will be deducted from the delivered weight of the salt.

**Acceptance of Material:**

The Contractor shall provide material certification, as defined in the Michigan Department of Transportation (MDOT) Materials Quality Assurance Procedures Manual, [http://www.michigan.gov/mdot/0,4616,7-151-9622\\_11044\\_11367-207980--,00.htm](http://www.michigan.gov/mdot/0,4616,7-151-9622_11044_11367-207980--,00.htm)

that the material furnished meets the requirements of these specifications for sodium chloride. MDOT reserves the right to sample and test the material on a random basis at the point of final delivery. Material contamination from foreign debris or frozen lumps of salt may be cause for immediate rejection at the point of delivery. These tests shall be for the purpose of determining acceptance, rejection, and/or adjustment in delivered weight.

# SCHEDULE C

## MDOT Regional Service Areas and Facilities

