



**COMMITTEE AGENDA ITEM  
VILLAGE OF HOFFMAN ESTATES**

**SUBJECT:** Request authorization to participate in the Naperville Job Order Contracting Cooperative.

**MEETING DATE:** September 8, 2014

**COMMITTEE:** Public Works & Utilities

**FROM:** Joseph Nebel, Director of Public Works  
Paul Petrenko, Facilities Manager

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**PURPOSE:** To receive Board approval to participate in the Naperville Job Order Contracting (JOC) Cooperative.

**BACKGROUND:** For the past several years, the Village has relied more frequently on the value of cooperative purchasing offered through various consortiums and purchasing alliances. This has primarily been utilized for procurement of equipment, not for service and construction delivery. Considering the time and resources it takes to implement a project from concept to completion, staff has become increasingly aware that other construction delivery methods needed to be considered aside from the traditional bid method for various construction, renovation, repair and maintenance types of projects.

The Village Manager's Office has encouraged the Village's participation with municipal purchasing consortiums which has resulted in greater value and a more efficient use of staff time spent on purchasing. The Naperville JOC program began in 2011 and both the Village Manager's Office and Public Works have been monitoring the program, participation from other communities and looking for opportunities for Village projects.

Job order contracting (JOC) was originally explored and implemented by the United States Department of Defense over 25 years ago and subsequently expanded into other organizations as a way of getting numerous, commonly encountered construction projects done quickly and easily through multi-year contracts. JOC reduces unnecessary levels of engineering, design, and contract procurement time along with construction procurement costs by awarding long-term contracts for a wide variety of renovation, repair and construction projects.

**BACKGROUND, continued:**

JOC contractors are selected on qualifications and performance at a best value, low price or low bid depending on local, state or federal statutes. JOC focuses on performance, reliability, dependability and quality. At the same time, JOC delivers results and works within budget and time constraints. The JOC contractor provides “on call” construction services from concept to close-out.

JOC deployment hasn’t remained solely federal, but has been used in all areas of publicly funded state facilities, universities, housing authorities, transportation agencies, and school systems.

**DISCUSSION:**

Many municipalities have embraced this project delivery method. Naperville is one such community. In the case of the Naperville Job Order Contracting Cooperative, Naperville’s Procurement Team competitively bid a Job Order Contract to F.H. Paschen in 2011 that met the requirements of Section 4 of Illinois’ Governmental Joint Purchasing Act ILCS 525/4. Compliance with the State of Illinois was verified by the Village’s Corporation Counsel (*See attached Memo dated August 21, 2014*).

The value of JOC lies in cost reduction and fast, timely delivery of projects, in some cases from many months to just weeks. Staff involvement is also greatly reduced, thereby allowing staff more time to pursue their core functions. The process involves the following six steps:

1. Joint Scope Meeting (*Defines the project deliverables*)
2. Scope of Work (*Details the scope of work that the Contractor will perform*)
3. Proposal (*Contractor prepares the proposal based on bid Construction Task Catalog*)
4. Proposal Review (*Staff and ezIQC representative review proposal for any changes*)
5. Purchase Order (*If staff/Village Board agrees to competitive price, purchase order is issued*)
6. Construction (*Construction begins – no change orders issued*)

They have also invited other municipalities and public sector entities to join the cooperative. Some nearby communities that have adopted and currently use JOC are the City of Elgin, the Village of Carol Stream, the City of Joliet, and the City of Wheaton.

The major advantages of job order contracting include:

1. Fast and timely delivery of projects.
2. Low overhead cost of construction procurement and delivery.
3. Development of contractor relationships based on work performance.
4. Reduced design and legal fees.
5. Elimination of change orders.
6. Standard pricing and specifications.

**DISCUSSION, continued:**

The JOC process provides for a single contract to be used for the delivery of multiple or repeated projects without having to re-bid the same work as required in other commonly used delivery systems. This differs greatly from the one way efforts of design-bid-build. JOC provides the greatest advantage in situations involving recurring work when delivery times, type of work and quantity of work are indefinite. While JOC is not used for major new construction, such as that requiring a design architect, it is optimal for minor construction, adjustments, renovation, repair and maintenance of facilities.

**FINANCIAL IMPACT:**

Authorize purchasing limit by Village Manager without Board approval.

**RECOMMENDATION:**

Request authorization to participate in the Naperville Job Order Contracting Cooperative.

# VILLAGE OF HOFFMAN ESTATES

## Memo

**TO:** Jim Norris  
Joe Nebel

**DRAFT**  
08/21/2014

**FROM:** Patti Cross

**RE:** Participation in Naperville Job Order Contracting Cooperative

**DATE:** August 21, 2014

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The Village has an opportunity to participate in the Naperville Job Order Contracting Cooperative for construction projects and Emerald Ash Borer tree removal.

I have reviewed the applicable state statutes (Illinois Governmental Joint Purchasing Act, 30 ILCS 525) and the programs' materials, including Naperville's Procurement Services' staff report in support of that city council's June 7, 2011 award of the competitively bid Job Order Contract 11-082 to F. H. Paschen. I also spoke directly with a member of Naperville's Procurement Team and it is my opinion that this Job Order Contracting Cooperative meets all of the legal requirements of the state's procurement code. Briefly, the program operates as follows:

1. In 2011, after issuing an RFP, Naperville's city council awarded the 2 year competitively bid Procurement RFP 11-082, Job Order Contract to F.H.

Paschen/SN Nielsen. In 2013 Naperville exercised its first of three two year options to extend.

2. In response to its RFP 11-082, Naperville considered competitive bids by F. H. Paschen, Paul Borg and KR Miller before awarding the Job Order Contract to Paschen. It is this competitive bidding of the Job Order Contract that satisfies the requirements of Section 4 of Illinois' Governmental Joint Purchasing Act, 30 ILCS 525/4.
3. The statutory basis for the Naperville program is 30 ILCS 525, and the co-op job order contracting is available to all public entities across the state including municipalities, counties, colleges and universities, park districts and public school systems, and offers a fixed price, competitively bid, performance-based procurement vehicle for construction services contracts and EAB tree removal.
4. In recommending the award of its June 2011 Job Order Contract award to Paschen, Naperville's Chief Procurement Officer projected that staff would be able to get work initiated in approximately 30 days rather than its traditional bid work time of 3 months, and anticipated cost savings of 15-26%. Note: Naperville typically limits its Job Order Contracting to projects under \$100,000 (City Manager's approval authority).
5. As of May 2013, fifteen jurisdictions (other than Naperville) had taken advantage of the cooperative program, completing 56 projects valued at \$5,059,528, including the City of Elgin, the Village of Carol Stream, the City of Joliet, the Village of Glenview, the City of Wheaton and North Central

College. These projects include roof replacement, city hall building remodeling, construction of a parking garage and pedestrian path improvements, and ADA upgrades.

6. Projects are initiated by a participating public entity requesting a Price Proposal based on the Construction Task Catalogue and a detailed Scope of Work for that project will be prepared.
7. The requesting public entity is under no obligation to accept the Price Proposal and proceed with the project.
8. In requesting the Price Proposal, a public entity identifies restrictions specific to its project, including deadlines to complete the project and the need for minority or women-owned contractors.
9. Prevailing wage and Davis Bacon (grant project) requirements are included in the JOC, with no increase in cost.
10. All JOC contracts must meet Naperville's insurance requirements. I am attaching Naperville's sample COI and it appears that some of the limits are higher than what we require; Koop will have to weigh in on that question. If we were to want greater insurance limits that would be a requirement specific to our project that we would have to make known when initiating the request for the Price Proposal.
11. Although the materials Naperville gave us regarding the JOC program suggest that Naperville contractors/companies will be used, we would likewise be able to ask that Hoffman Estates contractors be used wherever possible.

12. There is no separate budgetary impact to the Village, no direct cost from the public entity's JOC participation. The only cost is the cost of the work performed, and the money for a particular project comes instead from the budget of the requesting department.
13. The Price Proposal states the entire cost of the project or work to be performed. Included within that cost is a 1% fee paid by Paschen to Naperville for its part in the administration of the JOC program and 3% paid by Paschen to Gordian Group for its part in the administration of the JOC project.
14. By its Resolution 609-1986, the Village authorized participation in joint purchasing agreements involving personal property and supplies (preamble is silent on "services") "with authorized units of government under the Law, including but not limited to the State of Illinois, and other municipalities in the Northwest Municipal Conference." While Naperville is an "authorized unit of government under the Law," because the Resolution refers only to property and supplies, and has its basis the NWMC's arrangements for joint purchase agreements with the State and NWMC members, you will want to consider a newer and more specific Resolution (even the cite to the state statute has changed since 1986).
15. Remaining question would be whether the grant of authority in Resolution 609-1986 to the Village Manager to sign the purchasing agreements administratively will work here as well.





## IMPORTANT

If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must be endorsed. A Statement on this certificate does not confer rights to the certificate holder in lieu of such endorsements(s).

If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

## DISCLAIMER

This Certificate of Insurance does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

POLICY NUMBER:

COMMERCIAL  
GENERAL  
LIABILITY

██████████

CG ██████████

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED – OWNERS, LESSEES OR  
CONTRACTORS – COMPLETED OPERATIONS**

This endorsement modifies Insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

**SCHEDULE**

Name Of Additional Insured Person(s) Or Organization(s):	Location And Description Of Completed Operations
<p>Any person or organization with whom you are required in a written contract or agreement to include as an additional insured.</p> <p>The coverage provided by this endorsement is primary to and non-contributing with any other insurance available, however, this primary and non-contributory status must be required in a written contract with the Named Insured. If this is not required, this endorsement will be excess of any other coverage available to the insured.</p>	<p>All Projects</p>
<p>Information required to complete this Schedule, if not shown above, will be shown in the Declarations.</p>	

Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

CG 20 37 07 04

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<b>WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY</b>	<b>WG 00 03 13</b>
	(Ed. 4-84)

**WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT**

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

**Schedule**

Any person or organization as required by written contract

250

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

Endorsement Effective 4/27/2012      Policy No. [REDACTED]      Endorsement No. WC 00 03 13  
 Insured [REDACTED] City of Naperville      Premium \$  
 Insurance Company [REDACTED]      Countersigned by [Signature]

**COMMITTEE AGENDA ITEM  
VILLAGE OF HOFFMAN ESTATES**

**SUBJECT:** Request authorization to award contract for the 2014 Drainage Improvements Project to Prime Construction, Inc., of Hampshire, IL (qualified low bidder), in an amount not to exceed \$54,278

**MEETING DATE:** September 8, 2014

**COMMITTEE:** Special Public Works & Utilities

**FROM:** Gary Salavitch

**PURPOSE:** Request authorization to award contract for the 2014 Drainage Improvements Project to Prime Construction, Inc., of Hampshire, IL (qualified low bidder), in an amount not to exceed \$54,278.

**BACKGROUND:** In 1992, the Village adopted a drainage policy and an annual drainage improvement project to correct drainage problems in the right of way and other areas.

The Village Board previously approved (April 28, 2014 Public Works and Utilities Meeting) the three locations chosen for this year’s project. This year’s program is budgeted for \$50,000.

**2014 DRAINAGE IMPROVEMENT LOCATIONS**

	LOCATION	DESCRIPTION	SOLUTION
1.	1945/1935 Larchmont Road	Large back-pitched parkway and sidewalk does not drain.	Remove and replace sidewalk and regrade the parkway.
2.	45 Des Plaines	Back yard water drains to street causing large icing conditions	Extend storm sewer to problem area.
3.	Apricot Drainage Swale	Roadside ditches do not drain or flow properly.	Work within the existing driveway culvert and regrade the ditch.

**DISCUSSION:** On September 2nd, five bids were received for the 2014 Drainage Improvements Project. The engineer’s estimated cost was \$67,624 for the three locations. The 2014 budget allocated \$50,000 for the 2014 project.

**DISCUSSION: (CONTINUED)**

<b>Bid Summary</b>	
<b>Contractor</b>	<b>Total Submitted Costs</b>
Prime Construction, Inc.	\$ 54,278
Copenhaver Construction	\$ 68,364
Kovilic Construction Co., Inc.	\$112,065
Subsurface Underground Construction	\$129,082
J. Congdon Sewer Service	\$180,645

Prime Construction, Inc., of Hampshire, Illinois, submitted the low bid of \$ 54,278 for all three locations. Staff checked references for Prime Construction, Inc. per standard Village procedure and were found to be favorable. Prime Construction, Inc. also has worked satisfactorily for the Village in the past. The Development Services Department recommends the 2014 Drainage Improvements Project contract be awarded to Prime Construction, Inc. of Hampshire, Illinois in the amount of \$54,278.

**FINANCIAL IMPACT:**

The 2014 budget allocated \$50,000 to address outstanding drainage improvements. These funds are allocated from the Stormwater Utility Fees collected.

**RECOMMENDATION:**

Request authorization to award contract for the 2014 Drainage Improvements Project to Prime Construction, Inc., of Hampshire, IL (qualified low bidder), in an amount not to exceed \$54,278.

**COMMITTEE AGENDA ITEM  
VILLAGE OF HOFFMAN ESTATES**

**SUBJECT:** Request authorization to award contract for State of Illinois joint purchase of 2014-2015 winter road salt to Morton Salt Inc., Chicago, IL, at a unit price of \$52.31 per ton, in an amount not to exceed \$436,893.

**MEETING DATE:** September 8, 2014

**COMMITTEE:** Public Works & Utilities

**FROM:** Joseph Nebel, Director of Public Works  
Ken Gomoll, Assistant Director of Public Works

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**PURPOSE:** To provide a supply of road de-icing salt for the 2014-2015 winter season.

**BACKGROUND:** On March 3, 2014, the Village Board authorized participation in joint purchase with IDOT for 2014-2015 procurement of 6,960 tons of road salt. Fiscal Year 2014 provides \$364,000 for road salt needs of which a balance of \$120,606 remains. In previous years the Village has participated in joint purchases with IDOT in an effort to guarantee a supply and reduce cost.

**DISCUSSION:** On September 4, 2014, the Village received notification from the State on road salt bid results. The Village has pre-committed to 6,960 tons and is responsible for ensuring that the 80% guaranteed purchase requirement is met by contract end (June 30, 2015) although up to 120% may be obtained at the same contract price. The contract was awarded to Morton Salt Inc., Chicago, at a cost F.O.B., Hoffman Estates of \$52.31 per ton. The Village is currently in possession of approximately 200 tons of salt stored in the dome. Average seasonal salt usage for the past 5 snow & ice seasons is approximately 5,390 tons per season.

**FINANCIAL IMPACT:**

Due to the unpredictability of weather events it is uncertain how much salt will be required for the 2014-15 winter season. We can state with reasonable certainty that our usage this season should fall within the 80% to 120% contract range. The range of estimated costs can be based on the minimum purchase of 80%, or 5,568 tons at \$291,262 and the maximum purchase of 120% or 8,352 tons at \$436,893.

Current and past State pricing for salt F.O.B. Hoffman Estates is as follows:

Year	Amount (tons)	Cost per ton
2013-2014	5,800	\$52.31
2012-2013	2,000	\$53.38
2011-2012	6,000	\$60.33
2010-2011	7,500	\$68.82
2009-2010	7,500	\$68.82
*2008-2009	2,500	\$127.03
*2008-2009	2,585	\$104.25
*2008-2009	1,815	\$137.09
2007-2008	6,050	\$38.97
2006-2007	6,050	\$37.72
2005-2006	6,050	\$34.97
2004-2005	5,500	\$31.94
2003-2004	5,500	\$31.94
2002-2003	5,500	\$31.14
2001-2002	5,500	\$31.57
2000-2001	5,500	\$27.60

\*multiple vendors

**RECOMMENDATION:**

Request authorization to award contract for State of Illinois joint purchase of 2014-2015 winter road salt to Morton Salt Inc., Chicago, IL, at a unit price of \$52.31 per ton, in an amount not to exceed \$436,893.



STATE OF ILLINOIS  
DEPARTMENT OF  
CENTRAL MANAGEMENT SERVICES

T NUMBER: T5920  
PAGE NO.: 00001

DISTRIBUTE TO: 416PSD : BUREAU OF STRATEGIC SOURCING

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NOTICE OF AWARD

CONTRACT TITLE: PSD ROCK SALT, BULK - FY'14, FY'15 RENEW  
\* BEP GOAL INCLUDED \* DOT-TOLLWAY-LOCAL

CONTRACT NO: VARIOUS

OPTIONS AVAILABLE: 01           JOINT PURCHASING: YES

VENDOR NAME AND ADDRESS           VENDOR NUMBER:  
\* \*   SEE ATTACHED   \* \*

CONTACT THE FOLLOWING IN THE EVENT OF QUESTIONS PERTAINING TO THIS CONTRACT:

BUYER NAME AND PHONE  
WAYNE ILSLEY  
(217) 782-8091

SOLICITATION: 227105           BID OPEN DATE: 06/12/13

CONTRACT NO: 4017548   4017549   4017550   4017551  
A10128 : VENDOR PAYMENT PROGRAM:

DUE TO UNPRECEDENTED ECONOMIC RECESSION, ILLINOIS HAS EXPERIENCED LOWER THAN EXPECTED REVENUES WHICH HAS LED TO A DELAYED PAYMENT CYCLE. IN MANY CASES, VENDORS AND SERVICE PROVIDERS ARE WAITING SEVERAL MONTHS TO RECEIVE PAYMENT FOR GOODS AND SERVICES PROVIDED TO THE STATE. THE STATE OF ILLINOIS VENDOR PAYMENT PROGRAM IS INTENDED TO PROVIDE RELIEF TO THOSE VENDORS AND SERVICE PROVIDERS.

FOR MORE INFORMATION PLEASE SEE OUR WEBSITE AT [PAYMENTS.ILLINOIS.GOV](http://PAYMENTS.ILLINOIS.GOV).

CONTRACT NO: 4017548   4017549   4017550   4017551  
J68110 : SCOPE & REQUIREMENTS:

PURPOSE:  
THIS INVITATION FOR BID IS BEING ISSUED ESTABLISH A MASTER CONTRACT(S) TO ENABLE THE DEPARTMENT OF TRANSPORTATION, THE ILLINOIS TOLL HIGHWAY, VARIOUS OTHER STATE AGENCIES, AND ALL LOCAL GOVERNMENTAL UNITS LISTED HEREIN, TO PURCHASE BULK ROCK SALT TO BE USED FOR ROADWAY ICE CONTROL DURING THE PERIOD OF THE CONTRACT.

NOTE: UNLESS INDICATED OTHERWISE, REFERENCES TO THE "STATE" INCLUDE ALL OF THE PARTIES LISTED IN THE ABOVE PARAGRAPH.

NOTE: PARTICIPATION IN THIS CONTRACT IS BASED UPON AN ANNUAL SURVEY AND ADDITIONAL AGENCY PARTICIPATION IS NOT ALLOWED THEREAFTER.

CONTRACT RENEWAL AT THE STATE'S OPTION:  
THE STATE MAY RENEW THIS CONTRACT FOR AN ADDITIONAL ONE (1) YEAR PERIOD AT IT'S OPTION UNDER THE SAME TERMS AND CONDITIONS, OTHER THAN ADDRESSED HEREIN. LOCATIONS TO BE RENEWED AND RENEWAL QUANTITY SHALL BE ADJUSTED TO REFLECT THE SURVEYED REQUIREMENTS OF THE STATE AND LOCAL PARTICIPANTS DESIROUS OF RENEWING. RENEWAL QUANTITIES BY LOCATION SHALL NOT BE INCREASED BY MORE THAN 20.% FOR ANY INDIVIDUAL LOCATION.

CONTRACT NO: 4017548   4017549   4017550   4017551  
J68111 : QUANTITIES / GUARANTEED PURCHASE:

ESTIMATED QUANTITIES:  
A SURVEY PROCESS HAS BEEN CONDUCTED TO IDENTIFY NEEDS OF THE PARTICIPANTS IDENTIFIED WITHIN THIS SOLICITATION. THE AMOUNTS IDENTIFIED WITHIN THE PRICING SHEETS REPRESENT 100.% OF THEIR ESTIMATED ROCK SALT TONNAGE NEEDS PER LINE.

MINIMUM 80.% COMMITMENT:

UNLESS OTHERWISE IDENTIFIED, THE PARTICIPANT SHALL BE REQUIRED TO PURCHASE FROM THE CONTRACTED VENDOR 80.% OF THE ESTIMATED AMOUNT; AND HAVE NO FURTHER LIABILITY TO THE VENDOR FOR FURTHER REMAINING QUANTITIES.

MINIMUM 100.% COMMITMENT:  
MANY PARTICIPANTS HAVE COMMITTED TO 100.% OF THE ESTIMATED TONNAGE. IN SUCH INSTANCES, "100.% PURCHASE COMMITMENT" IS NOTED IN THE BID DOCUMENT FOR THESE LINE ITEMS. BIDDERS ARE ENCOURAGED TO FACTOR THIS INTO CONSIDERATION WHEN QUOTING ACTUAL BID-LINE PRICING.

MAXIMUM VENDOR COMMITMENT:  
THE VENDOR SHALL AGREE TO PROVIDE UP TO 120.% OF THE ESTIMATED TONNAGE AT THE SAME CONTRACT PRICE.

QUANTITIES EXCEEDING 120.%:  
IN SOME INSTANCES, A PARTICIPANT MAY REQUIRE QUANTITIES THAT WOULD EXCEED THE MAXIMUM COMMITMENT OF THE VENDOR; IN SUCH INSTANCES, ANY DELIVERY SHALL BE MADE UPON THE MUTUAL AGREEMENT OF ALL PARTIES.

PURCHASE PERCENTAGES:  
WHILE IDOT HAS PROVIDED ESTIMATED QUANTITIES FOR INDIVIDUAL COUNTIES, THE ILLINOIS DEPARTMENT OF TRANSPORTATION QUANTITIES PURCHASED FROM EACH COMPANY SHALL BE COMPUTED ON A DISTRICT BY DISTRICT BASIS (NOT COUNTY BY COUNTY). FOR THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY, QUANTITIES PURCHASED FROM EACH COMPANY SHALL BE COMPUTED SEPARATELY FOR EACH SALT STORAGE FACILITY LOCATION. FOR OTHER STATE AGENCIES & LOCAL GOVERNMENTAL UNITS, GUARANTEES SHALL BE COMPUTED SEPARATELY FOR EACH PARTICIPANT, BASED UPON THE LOCATIONS CONTRACTED QUANTITY, INDEPENDENT FROM THE ILLINOIS DEPARTMENT OF TRANSPORTATION DISTRICT AND ILLINOIS TOLL HIGHWAY QUANTITIES.

LATE SEASON ORDERS & DELIVERY:

THIS PROVISION SHALL ONLY BE AVAILABLE TO THOSE PARTICIPANTS WHO HAVE REACHED 120.% OF THEIR ESTIMATED QUANTITIES; AND AS SUCH, AVAILABLE ONLY UPON MUTUAL AGREEMENT OF THE PARTIES.

WHERE SUPPLY EXISTS, PARTICIPANTS OF THIS SOLICITATION MAY DESIRE DELIVERIES AFTER APRIL 1 SO AS TO REPLENISH SUPPLY FOR FUTURE NEEDS.

PLEASE PROVIDE BELOW A SINGLE-PERCENT DISCOUNT TO BE APPLIED TO THE VENDORS CONTRACTED PRICE AND A DELIVERY AFTER RECEIPT OF ORDER (ARO) EXPECTATION FOR THIS LATE SEASON DELIVERY PROVISION.

SINGLE-PERCENT DISCOUNT FROM CONTRACTED PRICE: \_\_\_\_\_%

DELIVERY WILL BE MADE IN THIS NUMBER OF DAYS ARO: \_\_\_\_\_

CONTRACT NO: 4017548    4017549    4017550    4017551  
J68113 : ROCK SALT SPECIFICATION REQUIREMENTS:

ROCK SALT SHALL COMPLY WITH THE REQUIREMENTS OF AASHTO SPECIFICATION M143, SODIUM CHLORIDE TYPE 1, GRADE 1.

- \* ROCK SALT FURNISHED ON ANY ORDER WILL NOT CONTAIN MORE THAN
- \* ONE-HALF POUND NOR LESS THAN 35 PPM OF FERRIC FERRICYANIDE
- \* OR SODIUM FERROCYANIDE PER TON AT THE DELIVERY POINT.

ROCK SALT SHALL BE FREE FLOWING FRESH STOCK. RECLAIMED OR RE-CRUSHED ROCK SALT WILL NOT BE ACCEPTED AND SHALL BE REJECTED BY DELIVERY SITE.

BIDDER NOTICE:  
ALTERNATE SPECIFICATION ROAD SALT OFFERING WILL NOT BE CONSIDERED.

CONTRACT NO: 4017548  
J68115 : ORDERS / DELIVERY / INVOICES:

ORDER PLACEMENT:  
ORDERS MAY BE PLACED WITH THE VENDOR ( MONDAY - FRIDAY ) VIA TELEPHONE WITH A WRITTEN OR FAX CONFIRMATION. VENDORS SHALL

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ARRANGE FOR IMMEDIATE SHIPMENT UPON RECEIPT OF ORDER FROM AN  
AUTHORIZED PARTICIPATING AGENCY REPRESENTATIVE.

ORDER QUANTITY:  
ORDERS SHALL BE SCHEDULED IN AMOUNTS THAT MAKE UP FULL (22-25 TON)  
TRUCKLOADS, ORDERS FOR LESS THAN TRUCKLOAD WILL NOT BE ACCEPTED.

INITIAL ORDERS:  
THE ILLINOIS DEPARTMENT OF TRANSPORTATION AND THE ILLINOIS STATE TOLL  
HIGHWAY REQUIRE THE SUCCESSFUL VENDORS TO SHIP INITIAL FILL-UP ORDERS  
PRIOR TO OCTOBER 31, 2014. PLEASE REFERENCE THE ATTACHMENTS, HEREBY  
MADE PART OF THIS INVITATION FOR BID. THE VENDOR(S) SHALL NOTIFY EACH  
DESTINATION ENTITY WHEN INITIAL SHIPMENTS ARE TO BEGIN.

SEASONAL ORDERS:  
OTHER STATE AGENCIES AND LOCAL GOVERNMENTAL UNITS RESERVE THE RIGHT  
TO PURCHASE UP TO 50.% OF THE ESTIMATED ORDER REQUIREMENTS PRIOR TO  
NOVEMBER 30, 2014. VENDOR SHALL NOTIFY EACH DELIVERY POINT OF WHEN  
SHIPMENT IS TO BEGIN.

DELIVERY TIME:  
DELIVERIES ARE TO BE MADE WITHIN SEVEN WORKING DAYS, OR AS EXTENDED BY  
ORDER GUIDELINE HEREIN. FOR ALL ORDERS PLACED BY CONTRACT PARTICIPANTS  
ON OR AFTER DECEMBER 1, 2014 AND PRIOR TO APRIL 1, 2015 ORDER DELIVERY  
PERFORMANCE SHALL BE SUBJECT TO APPLICATION OF LIQUIDATED DAMAGES AS  
STATED HEREIN.

ORDERING TIMELINE:  
FOR AN ORDER PLACED PRIOR TO 9:00 A.M. ON A GIVEN DAY, THAT DAY WOULD  
BE CONSIDERED AS THE FIRST CALENDAR DAY OF THE SEVEN (7) DAY DELIVERY  
PERIOD. FOR AN ORDER PLACED AFTER 9:00 A.M. ON A GIVEN DAY, THE DAY  
FOLLOWING WOULD BE CONSIDERED AS THE FIRST CALENDAR DAY OF THE SEVEN  
(7) DAY DELIVERY PERIOD, OR AS AMENDED BY ORDER GUIDELINES HEREIN.

ORDERING GUIDELINE:  
AN AGENCY MAY ORDER UP TO 20.% OF THEIR 100.% CONTRACTED TONNAGE IN  
ANY GIVEN WEEK AND VENDOR SHALL DELIVER WITHIN 7 WORKING DAYS AFTER  
RECEIPT OF ORDER. QUANTITIES ORDERED ABOVE THE 20 PERCENT THRESHOLD  
SHALL HAVE AN EXTENDED DELIVER TIME OF ONE-WORKING-DAY FOR EACH ONE-  
PERCENTAGE-POINT ABOVE THE 20.% GUIDELINE. FOR EXAMPLE, IF AN AGENCY  
ORDERS 25.% OF THEIR AWARDED TOTAL 100 TON, DELIVERY OF THE FIRST 20  
TONS ( 20.% ) SHALL BE WITHIN 7 WORKING DAYS AFTER RECEIPT OF ORDER.  
THE REMAINING 5 TONS SHALL BE DELIVERED WITHIN 12 WORKING DAYS AFTER  
RECEIPT OF THE ORDER.

PEAK SEASON:  
AFTER HOURS AND WEEKEND DELIVERY ARRANGEMENTS ARE ENCOURAGED DURING  
SEVERE SEASONAL WEATHER EVENTS TO PROVIDE VENDOR ADDITIONAL ABILITY  
TO MAINTAIN A PROMPT ORDER DELIVERY SCHEDULE. ORDERS PLACED DURING  
PEAK SEASON SHOULD BE IN ACCORDANCE WITH PROJECTED REQUIREMENTS AND  
NOT IN EXCESS OF THE ORDER GUIDELINES, THEREBY HINDERING A VENDOR'S  
ABILITY TO MAINTAIN A PROMPT ORDER DELIVERY SCHEDULE.

DELIVERY SCHEDULE:  
SALT ORDER DELIVERIES WILL BE ACCEPTED ONLY DURING REGULAR WORK DAYS  
( MONDAY THRU FRIDAY ) AND WORKING DAY HOURS ( 7:30 A.M. - 3:30 P.M. )  
EXCLUDING STATE HOLIDAYS, EXCEPT WHERE SPECIAL ARRANGEMENTS ARE MADE  
IN ADVANCE WITH APPROPRIATE REPRESENTATIVE AT THE DELIVERY SITE.

DELIVERY LOCATIONS:  
A COMPLETE LIST OF DELIVERY LOCATIONS FOR IDOT AND THE TOLLWAY IS  
INCLUDED HEREIN. SPECIFIC ADDRESSES FOR LOCAL GOVERNMENTAL UNITS  
AND OTHER STATE AGENCIES WILL BE GIVEN AT THE TIME OF ORDER.

VENDOR & J.P. UNIT NOTICE:  
IDOT DISTRICT COUNTY CHANGES WERE EFFECTIVE FY'07  
AND CURRENT REGION/DISTRICT MAP AVAILABLE ON-LINE.  
( WWW.DOT.IL.GOV / MAPS / REGIONAL MAP )

PAYMENT OF TOLLS:  
THE CONTRACTOR SHALL BE REQUIRED TO PAY THE FULL AMOUNT OF TOLLS,  
IF ANY, INCURRED DURING THE DURATION OF THE CONTRACT. SAID TOLLS  
WILL NOT BE REFUNDED BY THE ORDERING AGENCY.

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INVOICES:

VENDOR INVOICES SHALL SHOW THE DATE ORDERS WERE PLACED WITH THE VENDOR AND THE DATES AND AMOUNTS OF SALT DELIVERED.

DELIVERY TICKETS:

EACH DELIVERY TICKET SHALL BE A DIRECT ENTRY (NO MANUAL ENTRIES) CERTIFIED SCALE TICKET INDICATING GROSS, TARE, AND NET WEIGHT OF EACH TRUCKLOAD OF ROCK SALT. UNLESS OTHERWISE DIRECTED, DELIVERY TICKET MUST ALSO BE SIGNED BY AN AUTHORIZED AGENCY REPRESENTATIVE AT THE DELIVERY LOCATION POINT TO VERIFY THAT AGENCY HAS ACCEPTED THE MATERIAL. THE VENDOR SHALL INCLUDE THE RELEASE ORDER NUMBER AND THE DATE OF DELIVERY ON EACH DELIVERY TICKET. THE VENDOR WILL ENSURE ALL WEIGHTS AND MEASURES SHOWN ON ALL TICKETS ARE CORRECT.

DELIVERY REQUIREMENTS:

ALL TRUCK LOADS SHALL BE COVERED WITH APPROVED WEATHERPROOF MATERIAL. THE VENDOR SHALL ENSURE THE DELIVERY PERSON INSPECTS THE INSIDE OF THE TRAILER AND ALL SALT IS REMOVED FROM THE TRAILER BEFORE LEAVING A DELIVERY POINT.

CONTRACT NO: 4017548

J68116 : STOCKPILES & AVAILABILITY:

STOCKPILE AND DELIVERY PERFORMANCE:

FREEZING OF WATERWAYS AND THE IMPACT ON DELIVERY MUST BE REASONABLY ANTICIPATED BY THE VENDOR AND IS NOT A CAUSE TO CLAIM FORCE MAJEURE.

STOCKPILE AVAILABILITY:

SUCCESSFUL VENDORS SHALL HAVE STOCKPILES OF ROCK SALT IN ILLINOIS OR NEAR IT'S BOUNDARIES IN SUFFICIENT QUANTITIES TO SATISFY CONTRACTUAL REQUIREMENTS AND STOCKPILE STAGING REQUIREMENTS SHALL BE AS FOLLOWS:

\* AT UPPER MISSISSIPPI RIVER STOCKPILE LOCATIONS \*  
\* DISTRICT-1, DISTRICT-2, DISTRICT-3, DISTRICT-4 \*  
100.% BY DECEMBER 1, 2014

\* AT ALL OTHER STOCKPILE LOCATIONS \*  
50.% BY DECEMBER 1, 2014  
100.% BY JANUARY 1, 2015

SUCH STOCKPILES MUST BE NEAR ENOUGH TO DELIVERY POINTS TO ALLOW FOR TIMELY DELIVERY AS REQUIRED BY CONTRACTUAL REQUIREMENTS.

VENDORS SHALL FURNISH SATISFACTORY EVIDENCE OF STOCKPILE STATUS UPON REQUEST FROM CMS AND SUPPLY AND SUBMIT SUCH WITHIN A STATED TIMELINE.

VENDORS MAY ALSO BE REQUIRED TO FURNISH A LIST OF COMMITMENTS AGAINST THESE STOCKPILES AS A RESULT OF OTHER CONTRACTUAL AGREEMENTS.

STOCKPILE INSPECTIONS:

THE STATE RESERVES THE RIGHT TO INSPECT AND/OR TEST THE ROCK SALT PROVIDED AT THE VENDOR'S STOCKPILE POINTS OR AT THE SALT STORAGE FACILITY DESTINATION, WHICHEVER IS MOST CONVENIENT TO THE STATE.

VENDOR STOCKPILE DELIVERY CONTACTS:

THE SUCCESSFUL VENDOR SHALL BE REQUIRED TO SUBMIT TO THE BUREAU OF STRATEGIC SOURCING (BOSS) WITHIN TEN (10) CALENDAR DAYS AFTER RECEIPT OF THE CONTRACT, A LIST OF DELIVERY CONTACTS AND PHONE NUMBERS LIST FOR AWARDED COUNTIES. VENDOR SHALL ALSO PROVIDE A "EMERGENCY CONTACT" PHONE NUMBER FOR USE WHEN "STOCKPILE CONTACT" IS NON-RESPONSIVE TO AGENCY INQUIRIES.

STOCKPILE AND ORDER STATUS REPORTS:

VENDOR SHALL PROVIDE STOCKPILE AND ORDER STATUS REPORTS UPON REQUEST AND AS REQUESTED TO THE BUREAU OF STRATEGIC SOURCING FOR USE IN ITS' CONTRACT ADMINISTRATION EFFORT. FAILURE TO COMPLY IN TIMELY MANNER MAY BE CONSIDERED A BREACH OF CONTRACT.

CONTRACT NO: 4017548    4017549    4017550    4017551  
J68118 : INSURANCE / INDEMNIFICATIONS:

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INSURANCE:

THE VENDOR OR CONTRACTOR SHALL NOT COMMENCE WORK UNTIL ALL THE INSURANCE REQUIRED BY THIS SECTION HAS BEEN OBTAINED.

ALL BIDDERS SHALL FURNISH CERTIFICATES OF INSURANCE WITH THE BID OF THE KIND AND IN THE AMOUNTS STATED HEREINAFTER:

- (A) COMPREHENSIVE AUTOMOBILE LIABILITY INSURANCE  
\$500,000 BODILY INJURY PER PERSON  
\$1,000,000 BODILY INJURY PER OCCURRENCE  
\$500,000 PROPERTY DAMAGE PER OCCURRENCE  
OR  
\$1,000,000 COMBINED SINGLE LIMIT (CSL) PER OCCURRENCE
- (B) COMMERCIAL GENERAL LIABILITY INSURANCE  
\$1,000,000 COMBINED SINGLE LIMIT PER OCCURRENCE  
\$2,000,000 GENERAL ANNUAL AGGREGATE
- (C) WORKER'S COMPENSATION INSURANCE  
STATUTORY LIMITS  
EMPLOYER'S LIABILITY: \$500,000 PER OCCURRENCE

REQUIRED INSURANCE SHALL INCLUDE PREMISES/OPERATIONS, INDEPENDENT CONTRACTORS, COMPLETED OPERATIONS, CONTRACTUAL ON ALL CONTRACTS INCLUDING INDEMNITY OBLIGATIONS AND BROAD FORM PROPERTY DAMAGE COVERAGE.

THE VENDOR, CONTRACTORS AND SUBCONTRACTORS, SHALL CAUSE THE INSURERS TO ATTACH AN ENDORSEMENT TO THEIR RESPECTIVE POLICIES PROVIDING THAT THE STATE AND ITS OFFICERS AND EMPLOYEES SHALL BE NAMED AS ADDITIONAL INSURED WITH RESPECT TO THE POLICIES & ANY UMBRELLA EXCESS LIABILITY COVERAGE FOR OCCURRENCES ARISING IN WHOLE OR IN PART OF THE WORK AND OPERATIONS PERFORMED IN RELATION TO THE CONTRACT FOR THE STATE BY THE CONTRACTOR OR ITS SUBCONTRACTORS.

ALL COSTS FOR INSURANCE AS SPECIFIED HEREIN WILL BE INCLUDED IN THE CONTRACT UNIT PRICES. SAID INSURANCE SHALL BE MAINTAINED DURING THE LENGTH OF THE CONTRACT.

INDEMNIFICATIONS:

THE VENDOR OR CONTRACTOR SHALL INDEMNIFY AND SAVE HARMLESS THE STATE, ITS OFFICERS, DIRECTORS, AGENTS AND EMPLOYEES FROM ANY AND ALL CLAIMS, SUITS, ACTIONS, COSTS AND FEES OF EVERY NATURE OR DESCRIPTION, ARISING FROM, GROWING OUT OF OR CONNECTED WITH THE WORK TO BE PERFORMED UNDER THIS CONTRACT, OR ON ACCOUNT OF OR IN CONSEQUENCE OF ANY NEGLIGENCE IN SAFEGUARDING SAID WORK OR ON ACCOUNT OF OR IN CONSEQUENCES OF USING SUCH UNACCEPTABLE MATERIALS IN PERFORMING SAID WORK, OR BECAUSE OF ANY ACT OR OMISSION, NEGLIGENCE OR MISCONDUCT OF THE CONTRACTOR OR VENDOR AND HIS SUBCONTRACTOR(S) OR BECAUSE OF ANY CLAIMS OR AMOUNT RECOVERED BY SAID REASON OF ANY INFRINGEMENT OF ANY PATENT, TRADEMARK OR COPYRIGHT OR BY REASON OF THE VIOLATION OF ANY LAW, ORDINANCE, ORDER OR DECREE, OR BECAUSE OF CONTRACTOR'S OR VENDOR'S FAILURE TO OBTAIN AND MAINTAIN ALL INSURANCE REQUIRED UNDER THIS CONTRACT, AND SUCH INDEMNITY SHALL NOT BE LIMITED BY REASON OF THE ENUMERATION OF ANY INSURANCE COVERAGE HEREIN PROVIDED. NOTHING HEREIN CONTAINED SHALL BE CONSTRUED AS TO BE PROHIBITING THE STATE, ITS OFFICERS, DIRECTORS, AGENTS OR EMPLOYEES FROM RETAINING THEIR OWN LEGAL COUNSEL AND DEFENDING ANY ACTIONS OR SUITS BROUGHT AGAINST THEM AND, IN SUCH EVENT, THE CONTRACTOR OR VENDOR SHALL ALSO BE LIABLE FOR ALL COSTS AND FEES INCURRED IN THE DEFENSE OF ANY SUCH CLAIM, DEMAND OR SUIT.

CONTRACT NO: 4017548  
J68119 : DEDUCTIONS & DAMAGES:

DEDUCTIONS:

THE STATE RESERVES THE RIGHT TO MAKE DEDUCTIONS FOR MOISTURE BY WEIGHT AS REDUCTIONS TO TON PRICE OF THE ROCK SALT. SUCH DEDUCTIONS SHALL BE MADE ON THE BASIS OF THE MOISTURE CONTENT PERCENTAGE, AS DETERMINED BY THE ILLINOIS DEPARTMENT OF TRANSPORTATION.

THE STATE RESERVES THE RIGHT TO ACCEPT DELIVERY OF ROCK SALT WHICH, ACCORDING TO ANALYSIS BY THE ILLINOIS DEPARTMENT OF TRANSPORTATION,

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HAS A SODIUM CHLORIDE (NACL) CONTENT OF LESS THAN 95.0 PERCENT, BUT NOT LESS THAN 90.0 PERCENT. WHEN SUCH RESERVATION IS APPLIED, FINAL PAYMENT WILL BE MADE ON THE FOLLOWING BASIS:

- 1) WHEN SODIUM CHLORIDE (NACL) CONTENT IS LESS THAN THE SPECIFICATION REQUIREMENT BUT IS NOT LESS THAN 94.0 PERCENT THE PRICE TO BE PAID SHALL BE THE CONTRACT PRICE LESS \$5.00 PER TON.
- 2) WHEN SODIUM CHLORIDE CONTENT IS LESS THAN 94.0 PERCENT BUT NOT LESS THAN 90.0 PERCENT, PRICE PAID SHALL BE CONTRACT PRICE LESS \$10.00 PER TON.

LIQUIDATED DAMAGES:

FROM 12/1/14 - 4/1/15, IF THE VENDOR IS UNABLE TO MAKE DELIVERY WITHIN THE AUTHORIZED DELIVERY TIME THE STATE SHALL ASSESS AND HAVE THE RIGHT TO RETAIN AS LIQUIDATED DAMAGES, AND NOT AS A PENALTY, \$0.20 PER TON PER WORKING DAY ON THE UNDELIVERED PORTION OF THE ORDER.

DELIVERY FAILURE DAMAGES:

IF AFTER SEVEN DAYS ASSESSMENT OF LIQUIDATED DAMAGE CLAIMS, A VENDOR HAS STILL FAILED TO DELIVER AS REQUIRED, THE STATE RESERVES THE RIGHT TO TAKE ACTION TO REMEDY THE FAILURE OF VENDOR TO PERFORM WITHOUT A PRIOR NOTIFICATION OF SUCH FAILURE. THIS MAY INCLUDE TERMINATION OF THE ORDER AND PURCHASE OF SALT FROM OTHER SOURCES, OR OTHER ACTION TO ENSURE AVAILABILITY OF SALT FOR PUBLIC SAFETY PURPOSES.

THE VENDOR WILL BE INELIGIBLE TO RECEIVE AWARDS ON ANY FUTURE BIDS OR CONTRACTS UNTIL REIMBURSEMENT FOR DAMAGES HAS BEEN COMPLETED.

CONTRACT NO: 4017548 4017549 4017550 4017551  
J68121 : QUALITY ASSURANCE, DAMAGES & DEDUCTIONS:

WEIGHTS AND MEASURES:

STATE AND LOCAL GOVERNMENTAL UNITS RESERVE THE RIGHT TO REQUIRE THAT TRUCKS MAY OCCASIONALLY BE DIRECTED TO A SCALE IN THE VICINITY OF THE DELIVERY POINT AS A CHECK ON DELIVERED TRUCKLOADS. THE STATE RESERVES THE RIGHT TO TAKE ACTION TO REMEDY VENDORS FAILURE TO PROVIDE ACCURATE WEIGHTS AND MEASURES.

FOREIGN MATERIALS:

TRUCKLOADS OF ROCK SALT CONTAINING ANY FOREIGN MATERIAL SUCH AS MUD, ROCKS, GRADER TEETH, WOOD, TARPAULINS, ETC., MAY BE REJECTED AT THE DELIVERY SITE. IN THE EVENT ANY AGENCY DISCOVERS FOREIGN MATERIAL IN TRUCKLOADS OF ROCK SALT ALREADY DUMPED AT ITS LOCATION, THE SALT AND FOREIGN MATTER MAY BE RELOADED ONTO THE CARTAGE HAULER'S TRUCK BY THE AGENCY AND RETURNED FOR CREDIT AND THE VENDOR SHALL IMMEDIATELY SHIP A CONFORMING LOAD OF REPLACEMENT ROCK SALT, OR AT AGENCIES OPTION TO ISSUE A REFUND CONSISTENT WITH THE DOLLAR AMOUNT OF ORIGINAL ORDER.

CONTRACT NO: 4017548 4017549 4017550 4017551  
J68123 : ECONOMIC ADJUSTMENT:

ECONOMIC ADJUSTMENT PROVISION:

THE CONTRACTOR'S PRICES SHALL REMAIN FIRM UP TO THE MAX.% GUARANTEED PURCHASE LIMITS UNLESS SUBSEQUENTLY PASSED LAW IMPOSES AN ADDITIONAL UN-ANTICIPATED COST, IN WHICH CASE CONTRACTORS MAY REQUEST THE STATE CONSIDER REIMBURSEMENT FOR THAT COST IN ACCORDANCE WITH THIS SECTION.

IN THE EVENT A DISTRICT OF THE ILLINOIS DEPARTMENT OF TRANSPORTATION, ILLINOIS TOLL HIGHWAY, OR A UNIT OF GOVERNMENT REACHES THEIR MAXIMUM GUARANTEED PURCHASE LIMIT ESTABLISHED BY THIS CONTRACT AND ELECTS TO PURCHASE ADDITIONAL ROCK SALT OVER AND ABOVE THE MAXIMUM GUARANTEED PURCHASE LEVELS, THE CONTRACTORS SHALL ABIDE IN ACCORDANCE WITH THE REQUIREMENTS OF THE "ECONOMIC ADJUSTMENT CLAUSE" INCLUDED HEREIN.

RENEWAL PRICING SHALL BE THE SAME AS IN THE INITIAL CONTRACT, UNLESS VENDOR REQUESTS A PRICE INCREASE THAT MEETS ALL REQUIREMENTS OF THE "ECONOMIC ADJUSTMENT CLAUSE", OR DECREASE DUE PURSUANT TO THE CLAUSE.

ECONOMIC ADJUSTMENT CLAUSE:

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NOTE: ECONOMIC ADJUSTMENTS MAY BE REQUESTED BY THE VENDOR ONLY BETWEEN APRIL 1 AND SUCCEEDING MAY 1. PRICE INCREASE REQUESTS SHALL NOT BE ALLOWED TO EXCEED 5.% FOR ANY GIVEN LINE ITEM.

VENDOR MUST DEMONSTRATE AND CERTIFY THAT INCREASES IN THE ACTUAL COSTS FOR GOODS COVERED BY THE AWARDED CONTRACT ISSUED AS THE RESULT OF THIS INVITATION FOR BID HAVE INCREASED BY MORE THAN 2.50 PERCENT DURING THE TIME PERIOD IN WHICH THE CONTRACT IS IN EFFECT. THE VENDOR SHALL, UPON SUBMISSION OF WRITTEN PROOF OF SUCH INCREASE TO THE STATE AND APPROVAL BY THE BUREAU OF STRATEGIC SOURCING SHALL BE ENTITLED TO ADJUST THEIR PRICE BY AN AMOUNT SUFFICIENT TO COMPENSATE THE VENDOR COMPLETELY AND PRECISELY FOR SUCH AN INCREASE. SUCH INCREASES SHALL BECOME EFFECTIVE ONLY AFTER REQUIRED ALL APPROVALS AND FINAL EXECUTION SIGNATURES UPON THE CONTRACT AMENDMENT.

ALL CLAIMS FOR SUCH AN ADJUSTMENT MUST INCLUDE CERTIFICATION FROM THE MANUFACTURER/SUPPLIER VERIFYING THAT HIS COST AT THE TIME OF THE BID AWARD AT THE TIME OF THE REQUESTED INCREASE. AN INCREASE WILL BE ALLOWED ONLY BASED ON THE COST TO THE VENDOR. NO INCREASE OR CHANGE IN VENDOR'S ACTUAL OVERHEAD OR PROFIT, OR OTHER FACTORS WILL BE APPROVED. THE STATE RESERVES THE RIGHT TO ASK FOR INVOICES, PUBLISHED PRICE LISTS, OR OTHER EVIDENCE ESTABLISHING THE VENDOR'S COSTS TO SUPPORT THE INCREASE, ANY INCREASES WHICH ARE 2.50 PERCENT OR LESS WILL NOT BE CONSIDERED.

IN ALL CASES, THE VENDOR MUST FILE A CLAIM FOR SUCH ADJUSTMENT PRIOR TO THE DELIVERY OF THE GOODS. IF A VENDOR HAS PRIOR COMPLAINTS FILED AGAINST THEM FOR NON-DELIVERY, THEIR REQUEST MAY BE DENIED UNTIL SUCH TIME AS PRIOR COMPLAINTS ARE RESOLVED, TO THE SATISFACTION OF B.O.S.S. IN ANY EVENT, THE CLAIM FOR SUCH ADJUSTMENT WILL NOT APPLY TO ORDERS DATED PRIOR TO THE DATE B.O.S.S. RECEIVED THE REQUIRED DOCUMENTATION NECESSARY TO JUSTIFY THE INCREASE.

IN THE EVENT SUCH COSTS SHOULD DECREASE BY MORE THAN 5.% DURING THE TIME PERIOD SUCH CONTRACT IS IN EFFECT, THE VENDOR SHALL ADJUST THE PRICE DOWNWARD TO REFLECT SUCH DECREASE. SUCH DECREASES SHALL BECOME EFFECTIVE IMMEDIATELY UPON NOTIFICATION TO THE VENDOR BY ITS SUPPLIER OF THE AMOUNT OF THE DECREASE. IT IS THE RESPONSIBILITY OF THE VENDOR TO NOTIFY THE STATE OF ILLINOIS, CMS BUREAU OF STRATEGIC SOURCING, OF ANY SUCH DECREASE.

LOCAL GOVERNMENTAL UNITS WILL BE RESPONSIBLE FOR ENSURING THAT THE PROVISIONS OF THE ECONOMIC ADJUSTMENT CLAUSE ARE MET IN APPROVING CONTRACT PRICE INCREASES AND DECREASES.

CONTRACT NO: 4017549  
J68115 : ORDERS / DELIVERY / INVOICES:

ORDER PLACEMENT:  
ORDERS MAY BE PLACED WITH THE VENDOR ( MONDAY - FRIDAY ) VIA TELEPHONE WITH A WRITTEN OR FAX CONFIRMATION. VENDORS SHALL ARRANGE FOR IMMEDIATE SHIPMENT UPON RECEIPT OF ORDER FROM AN AUTHORIZED PARTICIPATING AGENCY REPRESENTATIVE.

ORDER QUANTITY:  
ORDERS SHALL BE SCHEDULED IN AMOUNTS THAT MAKE UP FULL (22-25 TON) TRUCKLOADS, ORDERS FOR LESS THAN TRUCKLOAD WILL NOT BE ACCEPTED.

INITIAL ORDERS:  
THE ILLINOIS DEPARTMENT OF TRANSPORTATION AND THE ILLINOIS STATE TOLL HIGHWAY REQUIRE THE SUCCESSFUL VENDORS TO SHIP INITIAL FILL-UP ORDERS PRIOR TO OCTOBER 31, 2014. PLEASE REFERENCE THE ATTACHMENTS, HEREBY MADE PART OF THIS INVITATION FOR BID. THE VENDOR(S) SHALL NOTIFY EACH DESTINATION ENTITY WHEN INITIAL SHIPMENTS ARE TO BEGIN.

SEASONAL ORDERS:  
OTHER STATE AGENCIES AND LOCAL GOVERNMENTAL UNITS RESERVE THE RIGHT TO PURCHASE UP TO 50.% OF THE ESTIMATED ORDER REQUIREMENTS PRIOR TO NOVEMBER 30, 2014. VENDOR SHALL NOTIFY EACH DELIVERY POINT OF WHEN SHIPMENT IS TO BEGIN.

CONTRACT ITEMS/SERVICES  
BY LINE ITEM

T NUMBER: T5920  
PAGE NO.: 00019

LINE#	DESCRIPTION/MFGR/BRAND	QUANTITY FROM/TO	UNIT	DISCOUNT	UNIT PRICE
00046	CONTINUED.... VILLAGE OF, COOK COUNTY VENDOR: MORTON SALT INC : CONTRACT NO: 4017548				
00058	COMMODITY CODE: 2899-681-2672 SALT, ROCK, BULK - HODGKINS*, VILLAGE OF, COOK COUNTY VENDOR: MORTON SALT INC : CONTRACT NO: 4017548	1200.000	TON	N/A	\$ 48.93000
00059	COMMODITY CODE: 2899-681-2680 SALT, ROCK, BULK - HOFFMAN ESTATES*, VILLAGE OF, COOK COUNTY VENDOR: MORTON SALT INC : CONTRACT NO: 4017548	6960.000	TON	N/A	\$ 52.31000
00091	COMMODITY CODE: 2899-681-5220 SALT, ROCK, BULK - SCHILLER PARK*, VILLAGE OF, COOK COUNTY VENDOR: MORTON SALT INC : CONTRACT NO: 4017548	1200.000	TON	N/A	\$ 50.46000
00109	COMMODITY CODE: 2899-681-6090 SALT, ROCK, BULK - WINNETKA*, VILLAGE OF, COOK COUNTY VENDOR: MORTON SALT INC : CONTRACT NO: 4017548	1440.000	TON	N/A	\$ 51.69000
00111	COMMODITY CODE: 2899-681-0120 SALT, ROCK, BULK - NAPERVILLE, U.S.34 & CB & ORR, DUPAGE COUNTY INITIAL: 2,000 SEASONAL: 6,860 VENDOR: MORTON SALT INC : CONTRACT NO: 4017548	8860.000	TON	N/A	\$ 52.31000
00112	COMMODITY CODE: 2899-681-0181 SALT, ROCK, BULK - WHEATON (140 N. COUNTY FARM RD.), DUPAGE COUNTY VENDOR: MORTON SALT INC : CONTRACT NO: 4017548	200.000	TON	N/A	\$ 52.31000
00113	COMMODITY CODE: 2899-681-0121 SALT, ROCK, BULK - OAKBROOK IL.56 AND IL.83, DUPAGE COUNTY INITIAL: 2,600 SEASONAL: 5,400 VENDOR: MORTON SALT INC : CONTRACT NO: 4017548	8000.000	TON	N/A	\$ 50.46000
00119	COMMODITY CODE: 2899-681-0880 SALT, ROCK, BULK - CAROL STREAM*, VILLAGE OF, DUPAGE COUNTY VENDOR: MORTON SALT INC : CONTRACT NO: 4017548	1680.000	TON	N/A	\$ 52.31000
00125	COMMODITY CODE: 2899-681-3250 SALT, ROCK, BULK - LOMBARD*, VILLAGE OF, DUPAGE COUNTY ( 2 DELIVERY LOCATIONS ) VENDOR: MORTON SALT INC :	2000.000	TON	N/A	\$ 51.69000