North Dakota Department of Transportation INVITATION TO BID

NDDOT Contract # 50141213

| Bid Number: 775-45-14-050 | Bid Opening Date & Time: 07/30/2014 02:00 PM |
|--|--|
| Items: Salt, Road Maintenance | Buyer: Sue Eberle |
| Bid Mailing Address: 608 East Boulevard Avenue | Telephone Number: 701-328-4465 |
| City, State, Zip: Bismarck, ND 58505-0700 | Email: seberle@nd.gov |
| Contract Period: 09/01/2014 TO 08/31/2015 | Date Prepared: 07/16/2014 |
| | DECRONOF |

BID RESPONSE

Please submit your bid response on the attached forms in conformance with the instructions and specifications in the NDAC 04-12-01 – 04-12-16. One copy of your bid response must be returned to the North Dakota Department of Transportation (NDOT) prior to the time and date specified for the bid opening. Bid responses received after the time and day specified for the bid opening will be rejected. Mark envelope with word "BID" and the opening time and date. If your bid response is accepted by NDDOT, then your bid response will constitute a binding contract.

| This contract is made and entered into by and between Vendor Name | CONTRACT | |
|--|---|--|
| This contract is made and entered into by and between | | |
| Vendor Name | NDDOT for the state of N | North Dakota (hereinafter state) and |
| | Vendor Address | |
| NSC Minerals Utd. | 2241 Spee | rs. Ave, Saskatoon, SK, Canad |
| (hereinafter vendor). In consideration of and for the acthe bid response, the vendor agrees and promises to specified in the bid response, all goods, merchandise, bid response and for which the vendor has been awa contract in accordance with the terms and conditions regulations mentioned therein, and shall comply with promulgated by the State Purchasing Division; such in Management Appendix and Civil Rights Appendix, botagreement. The following must be completed by the vendor; fail vendor Name NSC minerals Ltd. Mailing Address 2241 Speers Aue., Saskatoon, St | cceptance by the state of sell, furnish, and deliver to supplies, commodities, and the transfer of the contained in the bid respondent all applicable provisionanual being made a path attached, are hereby ture to do so may result in | the offer made by the vendor pursuant to to the state, at the time, places, and prices equipment, or other items contained in the e state. The vendor shall fully perform this ponse including all specifications, rules, or ions of the NDAC 04-12-01 — 04-12-16 art of this contract by reference Risk incorporated into and results of the rejection of the vendors bid proposal. |
| Telephone Number Fax Number | | E-mail Address |
| M. NEIL CAMERON PRES. & CE | 78-0178 | nscenseminerals, com |
| Name & Title (Type or Print) Signature SULY 25/14 | Pres., or oth be rejected. Officer, plea | d by Owner; Partner; Corp. Pres., Vice her authorized Corp. Officer or bid may (if signed by other authorized Corp. se attach copy of Power of Attorney or entation showing authority to sign.) |
| Date FOR ND DEPARTMENT OF TRANSPORTATION USE | ONLY Accepted by the | state according to provisions of award |
| Authorized Signature | | Date |
| Darry R. Rosendahl, sep. sin. | • | 21 AUG 20 14 |
| Recommended for approval | Date | Approximate contract amount |
| brown | 8-12-19 | \$ 2,472,086.24 |

North Dakota Department of Yransportation

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APPROVED as to execution this

day of AUGUST 2014

ATJORNEY GENERAL

By

SPECIAL ASST. AFFORMEY GENERAL

CLA 7480 (Div. 50)

MAILING INSTRUCTIONS

Mail only one completed and signed request for bid document per envelope, unless instructed otherwise. Request for bid documents not signed or received after the date and time specified in the request for bid will be rejected.

BID IS: ⊠ SEALED ☐ NOT SEALED

Address the envelope containing your response in the following manner:

BID NUMBER - 775-45-14-050
BID OPENING DATE/TIME - July 30, 2014, 2:00 p.m.
N. D. DEPT. OF TRANSPORTATION
PROCUREMENT SECTION
608 E BOULEVARD AVE
BISMARCK ND 58505-0700

BIDDERS INSTRUCTIONS

- 1. <u>Acceptance/Rejection/Waiver.</u> The state of North Dakota reserves the right to accept or reject any or all bids and to waive minor irregularities or technicalities, provided such waiver does not substantially change the offer or provide a competitive advantage to any vendor, in the judgment of the state.
- 2. <u>Affirmative Action.</u> The contractor will take affirmative action in complying with all Federal and State requirements concerning fair employment and employment of individuals with disabilities, and concerning the treatment of all employees without regard to discrimination by reason of race, color, religion, sex, national origin, or disability.
- 3. <u>Assistance to Bidders with a Disability.</u> Bidders with a disability that need an accommodation must contact the Procurement Officer prior to the deadline for receipt of bids so that reasonable accommodations can be made.
- 4. <u>Alterations and/or Corrections.</u> The person signing the bid response must initial any or all manual alterations and/or corrections to the bid response. Those bid responses with alterations and/or corrections that are not initialed may be rejected.
- 5. <u>Award.</u> Award will be made to a responsive, responsible bidder with the lowest price considering conformity with specifications, terms of delivery, quality, and serviceability. NDDOT reserves the right to consider bids varying in minor respects from any specific requirements herein, but judged to meet the intent of this request.

Contracts are not awarded at the bid opening. Bid responses will be firm for 30 days, unless stated otherwise.

- 6. <u>Awards, Splitting of.</u> The state reserves the right to make awards by item, groups of items, or on the total low bid for all the items specified as indicated in the detailed specifications. Bidders interested only in the total low bid for all items are to state 'all or nothing' on their bid response.
- 7. Bidder Checklist, HAVE YOU REMEMBERED TO:
 - Bid F.O.B. Destination (Ship To: Address) Freight Prepaid.
 - Mark envelope as indicated.
 - Review Standard Terms and Conditions contained in this solicitation.
 - · Sign your bid on the cover sheet.
 - Initial all bid/pricing changes you made.
 - Bid responses must be submitted in ink or type written.
 - Review and complete all requirements contained in this solicitation to ensure compliance.
- 8. <u>Bidder's Responsibility and Late Bids.</u> It is the bidder's responsibility to ensure that a bid response is physically deposited with the NDDOT Procurement Office prior to the date and time specified for the opening. Late bid responses will not be opened and will be rejected and returned regardless of the degree of lateness or the reasons. It is the bidder's responsibility to comply with the State of North Dakota's laws and regulations.

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9. <u>Bid Summary.</u> Bid summaries are available when the bid has been awarded. When bids are issued using the State's electronic bidding system, the bid summary will be posted and available for download from: http://www.nd.gov/spo/

Bid summaries will be mailed to those bidders who supply a self-addressed, stamped envelope with their bid response. A copy of the bid summary may also be obtained by visiting the NDDOT Procurement Office during normal working hours.

- 10. <u>Bid Bond.</u> Waived in this instance: however, bidder(s) failing to enter into a contract with this office, upon notification of award, may be subject to removal from the bidder's list.
- 11. <u>Clarifications, Bid Changes and Questions Deadline</u>. The Procurement Officer is the point of contact. <u>Any irregularities, lack of clarity, requested bid changes and all questions regarding this bid and the procurement process must be addressed to the Procurement Officer referenced on the first page of this document <u>not later than end of business July 23, 2014.</u> (Contact information is indicated on cover page). If a bid amendment is required, it will generally be issued <u>after this date</u>.</u>

The bidder is cautioned that the requirement of this solicitation can be altered only by written amendments and that verbal communications from whatever source are of no effect.

12. Definitions.

- Bidder any person or firm submitting a competitive bid in response to a solicitation.
- Bid summary a summary of all bid responses received by the NDDOT Procurement Office.
- Bid response the executed document submitted by a bidder in response to a solicitation.
- Contract a deliberate written agreement between two or more competent persons to perform specific act or acts.
- Contractor any person or firm having a contract with a governmental body.
- Solicitation the process of notifying prospective bidders that the state wishes to receive bids for furnishing goods or services.
- 13. <u>Deviation from Specifications Supplied by NDDOT.</u> Unless otherwise indicated by the bidder, it will be assumed that specifications will be met in all respects. Any deviation from the minimum specifications indicated herein must be clearly pointed out PRIOR TO THE DEADLINE FOR RECEIPT OF QUESTIONS; otherwise, it will be considered that the items offered are in strict compliance with these specifications, and the bidder will be held responsible.
- 14. <u>Electronic & Facsimile Bids.</u> Bid responses are not to be email attached or faxed to the NDDOT unless this transmittal method has been authorized by the Procurement Officer or bid document. (Contact the Procurement officer regarding additional requirements and exceptions.) Bid responses electronically submitted or faxed may be rejected as non-responsive.
- 15. <u>Eligible Bidders.</u> Road salt manufacturers/producers only shall be deemed eligible bidders. Bids submitted by trucking or other companies who do not manufacture or produce road salt will be rejected.
- 16. <u>Freight/F.O.B. Destination.</u> Freight and transportation charges are to be included in the price of the products, unless otherwise specified in the solicitation. (F.O.B. Free On Board).
- 17. <u>Indemnification.</u> The attached Risk Management will be incorporated into the contract. The successful Bidder may be required to furnish proof of insurance, as detailed in the Risk Management Appendix.
- 18. <u>Multiple Bid(s)</u>. Bidders may submit more than one bid response(s) for the item(s) specified in the solicitation. Each bid submitted must comply in all aspects with the bid requirements and these instructions.
- 19. <u>Negotiation</u>. NDDOT reserves the right to negotiate with the successful bidder to ensure the best possible consideration is afforded to all concerned.
- 20. <u>Open Records.</u> After award, bid documents will be subject to the North Dakota open records law. Records are closed or confidential only if specifically stated in law. If a request for public information is received, the procurement officer will determine whether the information is an exception to the North Dakota open records law, and the information will be processed appropriately. Those interested in reviewing the bid file, are to make

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NSC MINERALS LTD. 2241 SPEERS AVENUE SASKATOON, SK S7L 5X6 arrangements, with the NDDOT Procurement Office. The NDDOT Procurement Office hours are 8:00 a.m. - 12:00 p.m. and 1:00 p.m. - 5:00 p.m. Monday through Friday.

- 21. Performance Bond. Successful bidders will not be required to furnish a performance bond; however, failure to perform satisfactorily will result in the immediate termination of the contract(s) and bidders may be subject to removal from the bidder's list.
- 22. Preparation of Bid. Bids will be accepted on NDDOT forms only. If the document is located on the State Procurement Office website, then bidder is to download the document and type or write their responses as indicated by the bid document. Alteration of the bid document may be cause for bid rejection. Bidders are cautioned to examine specifications and all instructions. Failure to do so will be at the bidder's risk.
- 23. Pricing. Unit prices are to be stated in United States currency and based on the unit of measurement specified in the solicitation, F.O.B. Destination, to the NDDOT delivery locations specified herein.

In the event of mathematical differences between the unit price and extended total, the unit price will prevail.

- 24. Protest of Award. An interested party may protest the award within seven days after receiving notice in accordance with N.D.C.C. 54-44.4-12 and N.D.A.C. 4-12-14.
- 25. Receipt of Bids. All sealed bids received by the NDDOT Procurement Office will be opened and read at 608 East Boulevard Avenue, Bismarck, North Dakota, at the time specified in the solicitation.
- 26. Rejection. Bid responses may be rejected if:
 - The bid response is not legible.
 - The bid response is not submitted on the form supplied.
 - The bid response is not completed as requested.
 - The bid response is completed and/or signed in pencil.
 - The bid response is faxed to the procurement office.
 - The bid response is not signed by an authorized company representative.
 - The bid response is not responsive to the specifications or other requirements of the solicitation.
 - Changes to the bid response are not initialed.
 - The bid response is received after the time and date specified.
 - The bidder has not met Vendor Registration requirements or is suspended or debarred.
 - The bid document has been altered by the bidder.
 - The bidder is determined to be not responsible (N.D.A.C. 4-12-11-04).
 - The price is not fair and reasonable
 - Or a combination of above.
- 27. Signature. The bid must be signed manually in ink. The name and title of the person signing the bid response must be typed or printed above the signature. The bid must be signed by Owner, Partner, Corp. Pres., Vice Pres., or other authorized Corp. Officer or the bid may be rejected. If signed by other authorized Corp. Officer or representative, please attach a letter signed by the Owner, Partner, Corp. Pres., or Vice Pres. indicating the individual has authority to enter into a contract on behalf of the company (or a Power of Attorney).
- 28. Supplemental Terms and Conditions. Bids including supplemental terms and conditions will be accepted, but supplemental conditions that conflict with any conditions contained in this ITB or that diminish the State's rights will be considered null and void. The State is not responsible for identifying conflicting supplemental terms and conditions before issuing a contract award.

After award of contract:

- a) If a conflict arises between a supplemental term or condition included in the bid and a term or condition of the ITB, the term or condition of the ITB will prevail, and,
- b) If the State's rights would be diminished as a result of application of a supplemental term or condition included in the bid, the supplemental term or condition will be considered null and void.

Changes, modifications, additions, or alterations to the bid document could be cause for rejection of the submitted bid at the sole discretion of the NDDOT. Contact the Procurement Officer in writing prior to the deadline for clarifications.

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29. <u>Taxes.</u> The State does not pay sales tax or federal excise tax. The state sales tax exemption number is E-2001. The federal tax-free transaction number is 45-0309764.

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- 30. <u>Vendor Registration</u>. Bids will be accepted from bidders who are not currently Approved Bidders for the State of North Dakota; however, the successful bidder may be required to become approved prior to award, in accordance with N.D.C.C. 54-44.4-09. To become an Approved Bidder, you must: 1) register with the North Dakota Secretary of State (fees apply), and 2) submit a completed Bidder List Application to the ND State Procurement Office. Registration instructions and forms are available on-line at: www.nd.gov/spo/vendor. Contact the ND State Procurement Office at 701-328-2683 or infospo@nd.gov for assistance.
- 31. Withdrawal or changes to a bid response prior to the bid opening date and time. A bidder may withdraw or make a change to his bid response prior to the bid opening date and time. The request to make a change or withdraw must be in writing by a representative of the firm. The request to withdraw or change must be signed by the bidder or his designated representatives.
- 32. <u>Withdrawals after the bid opening date and time.</u> Withdrawals after the bid opening will be allowed only upon written approval from the NDDOT Procurement Office. Vendors continually withdrawing bids after the bid opening may be removed from the Vendor Database.

GENERAL CONTRACT TERMS AND CONDITIONS

- 1. <u>Applicable Law and Venue.</u> Any dispute arising out of this agreement will be resolved under the laws of the State of North Dakota.
- 2. <u>Binding Contract.</u> The acceptance of a bid response in writing by the purchasing agency constitutes a contract between the bidder and the State. Written acceptance from the purchasing agency will be in the form of a purchase order, notification of award, or contract. Any oral agreement or arrangement by a bidder with a State employee or purchasing agency will have no force or effect unless reduced to writing.
- 3. Compliance with Laws, Nondiscrimination and Affirmative Action. The contractor must, in performance of work under this contract, fully comply with all applicable federal, state or local laws, rules, regulations and policies, including those relating to nondiscrimination, affirmative action, accessibility and civil rights including Title VI of the Civil Rights Act of 1964. The contractor agrees to file all required reports on time, to make required payroll deductions, and to pay all taxes and premiums owed on time, including sales and use taxes and unemployment compensation and workers' compensation premiums. The contractor shall have and keep current at all times during the term of this contract all licenses and permits required by law.
- 4. <u>Contract Amendments, Waivers.</u> After a binding contract has been entered into, no changes (i.e. additions, substitutions, subcontracting or a price adjustment) may be made, unless prior approval has been obtained from the purchasing agency and Procurement Officer.

The terms of this contract shall not be waived, altered, modified, supplemented, or amended, in any manner whatsoever, except by written instrument signed by the parties. No waiver consent, modification or change of terms of this agreement shall bind either party unless in writing and signed by both parties. Such waiver, consent, modification, or change, if made shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this agreement.

5. <u>Contract Term and Renewal Option.</u> The NDDOT will enter into a contract with an effective date **beginning September 1, 2014, and ending August 31, 2015**, inclusive. This contract may be renewed upon satisfactory completion of the initial contract term. The NDDOT reserves the right to execute up to four options to renew this contract for a period of twelve (12) months each, not to exceed sixty (60) months total. Renewals will be documented by amendment.

The NDDOT reserves the right to renegotiate price and terms provided that such negotiated price and terms fall within the original scope of work for this bid. Negotiations may be conducted annually or at such times that additional and unexpected services falling within the scope of the contract may occur. Such changes will be documented by amendment to the contract.

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6. Contract Termination.

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- a. **Termination without Cause.** This contract may be terminated by mutual consent of both parties, or by either party upon 30 days' written notice.
- b. **Termination for Lack of Funding or Authority.** The State may terminate this contract effective upon delivery of written notice to the contractor, or on any later date stated in the notice, under any of the following conditions:
 - i. If funding from federal, state, or other sources is not obtained and continued at levels sufficient to allow for purchase of the services or supplies in the indicated quantities or term. The contract may be modified by agreement of the parties in writing to accommodate a reduction in funds.
 - ii. If federal or state regulations or guidelines are modified, changed or interpreted in such a way that the services are no longer allowable or appropriate for purchase under this contract or are no longer eligible for the funding proposed for payments authorized by this contract.
 - iii. If any license or certificate required by law or regulation to be held by the contractor to provide the services required by the contract is for any reason denied, revoked or not renewed.

Any such termination of this contract under (i), (ii), or (iii), above, shall be without prejudice to any obligations or liabilities of either party already accrued prior to such termination.

- c. **Termination for Cause.** The State by written notice to the contractor may terminate the whole or any part of this contract:
 - i. If the contractor fails to provide services required by this contract within the time specified herein or any extension thereof; or
 - ii. If the contractor fails to perform any of the other provisions of this contract, or so fails to pursue the work as to endanger performance of this contract in accordance with its terms and after receipt of written notice from the State, fails to correct such failures within ten days or such longer period as NDDOT may authorize.
 - iii. The rights and remedies of the State provided in the above clause related to defaults by the contractor are not exclusive and are in addition to any other rights and remedies provided by law or under this contract.
- d. **Termination, Deliveries.** If the contract is terminated for any reason, the contractor is responsible for delivery of all commodities and services ordered prior to the termination, unless those orders had been canceled by the Purchasing Agency or Entity.
- 7. <u>Contract Price Adjustment:</u> The Contract Unit Prices shall be firm for the twelve (12) months of the contract period. On an annual basis, all unit prices may be subject to price adjustment (increase / decrease). The request for a price adjustment shall be submitted to the Procurement Office at least forty five (45) days before the scheduled contract expiration date and <u>must include justification</u> for the proposed change. The Procurement Officer will respond as follows:
 - 1) The request may be granted,
 - 2) The contract may be cancelled and solicitation may be re-advertised, or
 - 3) The contract may be continued without change.

If a price increase is approved by the NDDOT, the date the increase will be effective along with the new unit prices will be included in an amendment document. Approval of any price increase renews the twelve month firm price period.

The State shall also be advised of and receive the benefit of any price decrease. The same notification and review process will apply to a decrease in cost.

- 8. <u>Materials and Workmanship.</u> All material and workmanship shall be subject to inspection and testing at the discretion of the purchasing agency.
- 9. <u>Inspection and Investigations.</u> The State reserves the right to conduct inspections and investigations related to the bidder and offered commodities or services to make determinations regarding compliance with the bid requirements and responsibility of the bidder.

NSC MINERALS LTD. 2241 SPEERS AVENUE SASKATOON, SK S7L 5X6

ITB 775-45-14-050, Salt, Road Maintenance Page 5 of 15 <u>Billing and Payment Procedures:</u> Orders may be placed by telephone, facsimile, or email. The bidder shall deliver the order and bill the district. The NDDOT will then process payment through voucher with reference to contract number.

Payment will normally be made within thirty days after delivery and acceptance of commodities or services under this contract and receipt of a correct invoice. All invoice and payment inquiries must be directed to the purchasing agency.

- 10. <u>Subcontracts, Assignment</u>: The contractor shall not subcontract, assign or transfer the contractor's interests or duties under this contract without express written consent of the purchasing agency.
- 11. <u>Successors in Interest</u>: The provisions of this agreement shall be binding upon and shall inure to the benefit of the parties hereto, and their respective successors and assigns.
- 12. <u>Receiving:</u> Deliveries must arrive at the designated destination(s) during normal business hours unless other shipping/receiving instructions are issued by NDDOT personnel. The contractor shall contact the NDDOT to schedule delivery dates and times at least 24 hours in advance of delivery.

All NDDOT offices will be closed in recognition of State holidays. Any day declared a holiday by the President or Governor will also be recognized by office closure.

13. <u>Service Representative.</u> The contractor must provide a dedicated customer service representative to provide support for this contract. The contractor shall notify the Procurement Officer in the event the representative is changed.

| NAME: Jaime | Dekelver - Vice F | resident of Logistics |
|------------------|-------------------------------|------------------------------------|
| (Name of pe | rson servicing this contract) | |
| BUSINESS NAME: _ | NSC minerals L | td. |
| MAILING ADDRESS | 2241 Speers Ave | · |
| CITY & STATE: | Saskatoon, SK | ZIP CODE: STLSK6 |
| PHONE NUMBER: | (306)934-6477 | TOLL FREE: (888)668-7258 |
| FAX NIIMBER: | (306)242-0178 | E-MAII: idelelue conscionerals com |

ADDITIONAL CONTRACT SPECIFICATIONS

Sealed bids will be received for furnishing sodium chloride in the form of **ROAD MAINTENANCE SALT** as per the following instructions and specifications. Bids must be received at the North Dakota Department of Transportation (NDDOT), Procurement Section, 608 E Boulevard Ave., Bismarck ND 58505-0700 no later than 2:00 p.m. July 30, 2014, at which time and place such bids will be publicly opened and read.

<u>CONTRACT AWARD:</u> Award will be made to a responsive, responsible bidder with the lowest price considering conformity with specifications, terms of delivery, quality, and past performance. The NDDOT reserves the right to award in the best interests of the state.

Any individual contractor may be awarded multiple districts for salt deliveries. NDDOT reserves the right to limit the tonnage of salt awarded to any one bidder, taking into consideration the vendor's capacity to deliver, as determined by NDDOT.

If the contractor's bid is accepted and the contract awarded to the same, the contractor shall execute and affect a contract in accordance with the terms of the contractor's bid within 10 days after notice of award.

Should the prime contractor(s) fail to meet the delivery or product specification requirements of the resultant contract(s) of this bid, the State reserves the right to purchase the material from the nearest available source. Any additional cost incurred as a result by the NDDOT may be collected from the prime contractor(s).

BIDDER MMCC

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SASKATOON, SK S7L 5X6

<u>BID PRICE:</u> The total bid price is to include all discounts and deductions, and is to be less federal and state taxes. Tax exemption certificates will be furnished upon request.

Unit prices are to be the price per TON for salt in bulk, delivered by truck, F.O.B. Destination, to the NDDOT delivery locations specified herein.

Delivery to locations not shown in the bid response will be at the unit price established for the closest bid point.

Payment for sodium chloride failing to meet product specifications may be reduced at a rate of up to twenty percent (20%) of the invoice price per ton. The State reserves the right to waive any or all price adjustments. For price adjustments due to liquidated damages, see the Performance Requirements section.

OFF SEASON DISCOUNT: A bidder who is concerned with meeting delivery deadlines in the late fall to fill orders, may want to plan for summer or off season deliveries. The summer or off season deliveries may also provide for better opportunity of back hauls which could reduce shipping costs. Bidders are invited to submit an 'off-season' delivery discount for orders placed May 1 – August 31. The discount will be a percentage off of the delivered price by district. Bidders are not required to include discounts in their bid offer. If offered, please indicate this discount in the Bid Response section of this bid document.

Discounts will be applied if offered. If a discount is submitted, then the discount shall be bid as a percentage that will be calculated and deducted from the material total for each district.

Discounts will not be used to determine low bid by district.

<u>FUEL SURCHARGE ADJUSTMENT</u>: The contract will apply a fuel cost adjustment to motor diesel fuel for increases/decreases in fuel costs during the contract period. The adjustment will be based on the average monthly fuel cost and any increase/decrease will be applied to the loads shipped for the next month.

The Procurement Officer will determine a monthly average price for motor diesel fuel for each calendar month by using the weekly prices posted in the "Weekly Retail On-Highway Diesel Prices – Midwest Region" maintained by the Energy Information Administration of the U.S. Department of Energy (USDOE) to determine the fuel cost adjustment factor which will be applied. http://tonto.eia.doe.gov/oog/info/wohdp/diesel.asp.

Contractors, districts and the Maintenance Division will be notified by the Procurement Officer when a fuel cost adjustment is to be made.

The price for diesel fuel in the Midwest on the 1ST Monday of July 2014 as determined from USDOE reporting will be the base price from which adjustments will be determined. The following table is <u>an example</u> of the table which will be used to determine the unit price adjustment factor: The adjustment factor will be applied to the Contract Unit Price by District for road maintenance salt as awarded.

BIDDER MMC

NSC MINERALS LTD.

2241 SPEERS AVENUE 45

SASKATOON, SK S7L 5X6

Contract Unit Price (firm 12 mth) x Fuel Cost Adjustment Factor = Next Month's Unit Price

| · | REFERENCE | | | |
|---------------------|-----------|-------------------------------|--|--|
| FUEL PRICE RANGE | | % ADJUSTMENT TO UNIT PRICE | | |
| \$2.050 | \$2.149 | -5.85% | | |
| \$2.150 | \$2.249 | -5.20% | | |
| \$2.250 | \$2.349 | -4.55% | | |
| \$2.350 | \$2.449 | -3.90% | | |
| \$2.450 | \$2.549 | -3.25%_ | | |
| \$2.550 | \$2.649 | -2.60% | | |
| \$2.650 | \$2.749 | -1.95% | | |
| \$2.750 | \$2.849 | -1.30% | | |
| \$2.850 | \$2.949 | -0.65% | | |
| \$2.950 | \$3.049 | 0.00% | | |
| \$3.050 | \$3.149 | 0.65% | | |
| \$3.150 | \$3.249 | 1.30% | | |
| \$3.250 | \$3.349 | 1.95% | | |
| \$3.350 | \$3.449 | 2.60% | | |
| \$3.450 | \$3.549 | 3.25% | | |
| \$3.550 | \$3.649 | 3.90% | | |
| \$3.650 | \$3.749 | 4.55% | | |
| \$3.750 | \$3.849 | 5.20% | | |
| \$3.850 | \$3.949 | 5.85% | | |

The table will expand upward and/or downward as necessitated by fuel price fluctuation.

Example: USDOE reports are issued each Monday. If June has four weeks reporting. ((June 7 @ \$2.899 + June 14 @ \$2.874 + June 21 @ \$2.908 + June 28 @\$2.893) / 4 wks.) = \$2.894 (rounded to two decimal places). This represents a unit price adjustment of -0.65% using the table presented above if the base fuel price is \$2.950 - \$3.049. If the Contract Unit Price is \$36.00 per Ton, then \$36.00 Ton x -0.65% = \$35.77 for the month of July shipments. The increased or decreased fuel cost adjustment for all loads shipped in July would be based on June's fuel cost adjustment factor and so on throughout the contract period.

The fuel cost adjustment method will not change throughout the term of the contract. An average for the last month of the contract annually will not be performed since at that time the contract will either be under review for extension or will be in the solicitation process. If the contract is extended, the new base price for diesel fuel will be the cost per gallon as determined by USDOE on the 1st Monday of July of each consecutive year.

<u>CONTRACT VOLUME</u>: The quantities to be purchased will depend on requirements as determined by climatic conditions. An estimation based on previous purchase requirements is listed in the schedule of contemplated purchases. It is possible that no purchases may be required for some of the shipping points listed. NDDOT reserves the right to vary purchase quantities from those indicated, based on actual need. Quantities are based on best information available at this time.

NDDOT, in consideration for the unit price obtained from the supplier, agrees to purchase under each contract a minimum of 70% of the estimated quantities. We reserve the right to purchase up to 130% of the estimated quantities, if inclement weather necessitates additional salt purchases.

<u>PNEUMATIC DELIVERY</u>: Some districts prefer pneumatic deliveries. Where indicated bidders shall provide a fee per ton which will be added to invoices for loads shipped with pneumatic equipment.

BIDDER MMC

NSC MINERALS LTD 775-45-14-050, Salt , Road Maintenance 2241 SPEERS AVENUE Page 8 of 15

SASKATOON, SK S7L 5X6

PERFORMANCE REQUIREMENTS

ORDERING AND DELIVERY REQUIREMENTS: Orders will be placed beginning September 1, 2014.

The North Dakota Department of Transportation is divided into eight district locations. The district offices order salt for their sections. A listing of NDDOT contact people at each location will be provided to the successful bidder(s). The salt storage in the section locations is limited by the salt storage capacity; therefore, salt orders will be placed as needed throughout the winter. Severe weather may cause the rapid depletion of salt inventories, and require the district to place orders under emergency conditions. The district will notify the vendor that emergency conditions exist at the time the order is placed.

Orders will be placed by the districts for sodium chloride for shipment by truck, 27 ton / 25 metric ton lots, and in bulk form. Orders may be placed by telephone, facsimile, or email. The bidder shall deliver the order and bill the district. The NDDOT will then process payment through voucher with reference to contract number.

Routine deliveries must begin within 7 days and be completed within 12 calendar days after receipt of the order. For orders larger than 200 tons, an additional day shall be allowed for each 50 tons ordered over 200 tons. Emergency orders require delivery of a minimum of 100 ton / 91 metric ton (per district) within 96 hours of the order.

Occasionally, a district may order large quantities for salt/sand mixing. A district may be mixing at two locations, at the same time, in late September-early October. The district must give the vendor one week notice prior to the commencement of delivery. Orders for mixing may be as large as 700 tons and must be delivered within a two week period. The additional day for orders larger than 200 tons will not apply in this instance.

Vendors must notify the districts if they are unable to meet required delivery schedules. Consideration will be given for delays due to road closures. If deliveries cannot be made due to severe weather, the vendor must contact the ordering district so that NDDOT can prioritize deliveries. When situations warrant, the contractor may request and NDDOT may authorize delivery at times and by means not normally allowed under the terms of this contract.

<u>LIQUIDATED DAMAGES</u>: Liquidated damages will be assessed by NDDOT Maintenance Division at a rate of \$0.30/ton per day after 12 calendar days for routine orders, after the fourth calendar day for emergency orders, and after the adjusted required delivery period for orders larger than 200 tons. NDDOT districts should notify the Maintenance Division regarding orders eligible for the application of liquidated damages. The State reserves the right to waive any or all parts of these liquidated damages.

BIDDER MM

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75-45-14-050, Salt , Road Maintenance

SASKATCON, SK S7L 5X6

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NORTH DAKOTA DEPARTMENT OF TRANSPORTATION SPECIFICATIONS FOR SODIUM CHLORIDE TO BE USED FOR MAINTENANCE PURPOSES

1. <u>Description</u>: This specification consists of supplying sodium chloride, in the form of rock salt, to the North Dakota Department of Transportation (NDDOT) for use as a deicer in snow and ice removal and for various other purposes.

2. Materials:

- A. <u>Standard Specification</u>: The sodium chloride shall meet the standard specification requirements of ASTM D 632-01 Type I with the following exceptions:
 - Remove section 4. Chemical Requirements and insert the following: The sodium chloride shall Shall conform to the following requirements for chemical composition:

| Sodium Chloride (NaCl), min, % | 98.0 |
|--------------------------------|------|
| Insoluables, max, % | 1.0 |

- 2. Remove section 4. Physical Requirements and insert the following:
 - 5.1 Gradina
 - 5.1.1 *Type I* The grading of Type I sodium chloride, when tested by means of laboratory sieves conforming to Specification E 11, shall conform to the following requirements for particle size distribution:

| Max % Passing |
|---------------|
| 100 |
| 100 |
| 100 |
| 95 - 100 |
| 65 - 90 |
| 5 - 25 |
| 0 - 10 |
| |

- 3. Remove section 6. Permissible Variations.
- B. <u>Moisture Content</u>: A maximum moisture content of 1.0 percent by weight will be allowed. If the sodium chloride is delivered with more than 1.0 percent moisture, the shipment will be accepted provided the material is still suitable for use and a price adjustment will be made to compensate for all moisture over 1.0 percent. If the material is not suitable for use, the shipment will not be accepted.
- 3. Packaging and Marking: The sodium chloride shall be delivered in bulk lots as specified by the NDDOT. For each bulk lot, the contractor shall furnish the NDDOT with a copy of a 'Certificate of Compliance' from the manufacturer furnishing the sodium chloride certifying that it conforms to the specifications herein. The 'Certificate of Compliance' shall be submitted to the Maintenance Supervisor or an employee assigned by the Maintenance Supervisor to receive the certificate for the respective district and shall include the following:
 - 1. Name of the supplier.
 - 2. Truck number
 - 3. Bulk lot number
 - 4. Clear identification of the type and grade of sodium chloride supplied.
 - 5. Quantity of sodium chloride represented by the certificate (in tons).
 - 6. Statement that the sodium chloride meets the specification herein required by the Contract.
 - 7. Signature of responsible representative from sodium chloride manufacturer.

NSC MINERALS LTD.

2241 SPEERS AVENUE 775-45-14-050, Salt , Road Maintenance Page 10 of 15 SASKATOON, SK S7L 5X6

BIDDER

- 4. <u>Inspection</u>: The Department reserves the right to sample and test the material either at the point of manufacture or after delivery. In such cases, the result of the tests shall govern the acceptance or rejection of the material. Every facility shall provide free entry should the purchaser elect to sample the material at the place of manufacture. If the purchaser decides to sample the material after delivery, it is understood that the sample will be taken directly from the freight car or truck.
- **5.** <u>Method of Measurement</u>: The sodium chloride will be measured by the ton as shown on the 'Certificate of Compliance' delivered and accepted by the NDDOT. The NDDOT reserves the right to weigh any or all bulk lots.
- 6. <u>Basis of Payment</u>: The quantity of sodium chloride measured shall be paid at the contract price per ton for sodium chloride in the form of rock salt. Price and payment shall include delivery charges to the location set forth in the bid.

BID RESPONSE FOR SODIUM CHLORIDE IN THE FORM OF ROCK SALT

| BISMARCK AREA - DISTRICT 1 | | | | |
|----------------------------|---------------------------------------|--|--|--|
| Delivery Point | Salt Shed Storage Capacity in tons | Estimated Purchase Quantity in Tons | Price per Ton | |
| Bismarck | 2900 | 4000 | grant from the second of the s | |
| Center | 340 | 440 | | |
| Flasher | 185 | 200 | Control Contro | |
| Glen Ullin | 1000 | 1200 | | |
| Linton | 375 | 200 | i je je karalina i politika i pol | |
| McClusky | 390 | _260 | | |
| Napoleon | 285 | 200 | | |
| Selfridge | 185 | 300 | Land to the state of the state | |
| Steele | 1230 | 1000 | | |
| Underwood | 1000 | 1200 | 100 mg | |
| Total Total | 7890 | 9000 | \$78.85 | |

% Off season delivery discount for orders placed May 1 – August 31 - Bismarck district

Pneumatic delivery charge – Bismarck District \$ 30.00 +on

| VALLEY CITY AREA - DISTRICT 2 | | | | |
|-------------------------------|---------------------------------------|--|--|--|
| Delivery Point | Salt Shed Storage Capacity in tons | Estimated Purchase Quantity in Tons | Price per Ton | |
| Ashley | 60 | 30 | Price per Ton | |
| Courtenay | 120 | 30 | All Approximation | |
| Edgeley | 500 | 300 | | |
| Ellendale | 500 | 120 | | |
| Gackle | 120 | 120 | | |
| Jamestown | 1200 | 150 | 22 A STATE OF THE | |
| Litchville | No Shed | 0 | Fig. 1. September 1995 and the September 1995 | |
| Medina | 500 | 420 | A second of the particular of the second of | |
| Oakes | 120 | 150 | | |
| Valley City | 850 | 1620 | ALIAN TOTAL PROPERTY OF THE PR | |
| Wishek | 500 | 60 | | |
| Total | 4470 | 3000 | \$94.86 | |

| Off season delivery discount for orders placed May 1 – August 31 – Valley City district | Off season d | delivery discount fe | or orders placed May | 1 – August 31 – | Valley City district | 5 | % |
|---|--------------|----------------------|----------------------|-----------------|----------------------|---|---|
|---|--------------|----------------------|----------------------|-----------------|----------------------|---|---|

Pneumatic delivery charge - Valley City District \$ 20.00 | ton

NSC MINERALS LTD.
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BID RESPONSE FOR SODIUM CHLORIDE IN THE FORM OF ROCK SALT

| DEVILS LAKE AREA - DISTRICT 3 | | | | |
|-------------------------------|---------------------------------------|--|---------------|--|
| Delivery Point | Salt Shed Storage Capacity in tons | Estimated Purchase Quantity in Tons | Price per Ton | |
| Cando | 270 | 0 | | |
| Carrington | 200 | 0 | | |
| Devils Lake | 1200_ | 0 | 1900 B | |
| Fessenden | No Shed | 0 | | |
| Langdon | 200_ | 0 | | |
| Maddock | 200_ | 300 | | |
| Pekin | 200_ | 0 | | |
| Rolla | 125_ | 0 | | |
| Rugby | 600 | 500 | | |
| Total | 2995 | 800 | \$77.85 | |

Off season delivery discount for orders placed May 1 – August 31 – Devils Lake district Pneumatic delivery charge – Devils Lake District \$ 20.00/ton

| MINOT AREA - DISTRICT 4 | | | | |
|-------------------------|---------------------------------------|--|--|--|
| Delivery Point | Salt Shed Storage Capacity in tons | Estimated Purchase Quantity in Tons | Price per Ton | |
| Bottineau | 350 | 125 | And the Control of th | |
| Garrison | 400_ | 100 | And the second s | |
| Harvey | 350 | 75 | | |
| Kenmare | 300 | 150 | | |
| Minot | 750_ | 300 | | |
| Mohall | 300 | 200 | | |
| Parshall | 350 | 300 | | |
| Towner | 120 | 75 | The Property of the Control of the C | |
| Velva | 150_ | 75 | poden. | |
| Total | 3070 | 1400 | \$70.59 | |

| Off season delivery discount for orders placed May 1 – August 31 - Minot district | 5 | % |
|---|---|---|
| Pneumatic delivery charge – Minot District \$20.00/ton | | |

NSC MINERALS LTD.

SASKATOON, SK S7L 5X6

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BID RESPONSE FOR SODIUM CHLORIDE IN THE FORM OF ROCK SALT

| DICKINSON AREA - DISTRICT 5 | | | | |
|-----------------------------|---------------------------------------|--|---|--|
| Delivery Point | Salt Shed Storage Capacity in tons | Estimated Purchase Quantity in Tons | Price per Ton | |
| Beach | 500 | 250 | | |
| Belfield | 500 | 150 | | |
| Beulah | 500 | 400 | | |
| Bowman | 500 | 150 | o Control | |
| Dickinson | 1500 | 750 | | |
| Hettinger | 500 | 200 | | |
| Killdeer | 500 | 200 | | |
| Mott | 500 | 150 | | |
| New England | 300 | 75 | Albania de la composición del composición de la | |
| Richardton | 500 | 200 | A A A | |
| Total | 5800 | 2525 | \$84.74 | |

Pneumatic delivery charge – Dickinson District \$ 20.00 | ton

| GRAND FORKS AREA - DISTRICT 6 | | | | |
|-------------------------------|---------------------------------------|--|--|--|
| Delivery Point | Salt Shed Storage Capacity in tons | Estimated Purchase Quantity in Tons | Price per Ton | |
| Adams | 1060 | 225 | | |
| Cavalier | 700 | 0 | Alexander San Company | |
| Cooperstown | 1060 | 408 | print service libraries | |
| Drayton | 2000 | 125 | ### ################################## | |
| Finley | No Shed | 0 | | |
| Grafton | 1060 | 400 | | |
| Grand Forks | 4576 | 1000 | 10 (1) (1) (1) (1) (1) (1) (1) (1) (1) (1) | |
| Larimore | 1060 | 0 | | |
| Michigan | 1060 | 200 | Para la propieta | |
| Total | 12576 | 2358 | \$86.68 | |

| Off season delivery discount for orders placed May 1 – August 31 – Grand Forks district | 5 | _% |
|---|---|----|
| | | |

Pneumatic delivery charge – Grand Forks District \$ 30.00 (ton

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BID RESPONSE FOR SODIUM CHLORIDE IN THE FORM OF ROCK SALT

| WILLISTON AREA - DISTRICT 7 | | | | |
|-----------------------------|---------------------------------------|--|--|--|
| Delivery Point | Salt Shed Storage Capacity in tons | Estimated Purchase Quantity in Tons | Price per Ton | |
| Bowbells | 500 | 220 | | |
| Crosby | 500 | 220 | CARACTER STATE OF THE STATE OF | |
| New Town | 500 | 100 | essent english the Troppe Typichep Life | |
| Stanley | 1000 | 1350 | | |
| Tioga | 500 | 100 | | |
| Watford City | 500 | 100 | To Front State County of the | |
| Williston | 1500 | 1500 | the state of the s | |
| Total | 5000 | 3590 | \$81.32 | |

Off season delivery discount for orders placed May 1 – August 31 - Williston district

Pneumatic delivery charge - Williston District \$ 20.00 / ton

| FARGO AREA - DISTRICT 8 | | | | |
|-------------------------|---------------------------------------|--|--|--|
| Delivery Point | Salt Shed Storage Capacity in tons | Estimated Purchase Quantity in Tons | Price per Ton | |
| Casselton | 450 | 450 | Complete Com | |
| Fargo | 3000 | 2500 | | |
| Forman | 450_ | 350 | 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | |
| Hillsboro | 450 | 650 | Andrew Service Commence of the | |
| Leonard | No Shed | 0 | SEATE LIST | |
| Lidgerwood | 450_ | 450 | 1984 and 19 | |
| Lisbon | 450_ | 250 | Land the second second | |
| Mayville | 450 | 400 | | |
| Wahpeton | 450 | 650 | ASSESSED STANDARDS COMMENT | |
| Wyndmere | 1000 | _ 450 | | |
| Total | 7150 | 6150 | \$98.61 | |

| Off season delivery discount for orders placed May 1 – August 31 - Fargo district | 5_ | % |
|---|----|---|
| Pneumatic delivery charge – Fargo District \$ 20.00 ton | | |

NSC MINERALS LTD.

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NORTH DAKOTA DEPARTMENT OF TRANSPORTATION CIVIL RIGHTS APPENDIX

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the Contractor), agrees as follows:

- 1. <u>Compliance with Regulations</u>: The Contractor shall comply with the regulations relative to nondiscrimination in federally-assisted programs of the Department of Transportation, Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.
- 2. <u>Nondiscrimination</u>: The Contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, national origin, sex, age, disability/handicap, or income status**, in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Contractor shall not participate, either directly or indirectly, in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.
- 3. <u>Solicitations for Subcontracts, Including Procurements of Materials and Equipment</u>: In all solicitations, either by competitive bidding or negotiation, made by the Contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the Contractor of the Contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, national origin, sex, age, disability/handicap, or income status.**
- 4. <u>Information and Reports</u>: The contractor shall provide all information and reports required by the Regulations, or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the North Dakota Department of Transportation or the Federal Highway Administration to be pertinent to ascertain compliance with such Regulations, orders, and instructions. Where any information required of a Contractor is in the exclusive possession of another who fails or refuses to furnish this information, the Contractor shall so certify to the North Dakota Department of Transportation, or the Federal Highway Administration, as appropriate, and shall set forth what efforts it has made to obtain the information.
- 5. <u>Sanctions for Noncompliance</u>: In the event of the Contractor's noncompliance with the nondiscrimination provisions of this contract, the North Dakota Department of Transportation shall impose such contract sanctions as it or the Federal Highway Administration may determine to be appropriate, including but not limited to:
 - a. withholding of payments to the Contractor under the contract until the Contractor complies, and/or
 - b. cancellation, termination, or suspension of the contract, in whole or in part.
- 6. <u>Incorporation of Provisions</u>: The Contractor shall include the provisions of paragraphs 1 through 6 in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto.

The Contractor shall take such action with respect to any subcontract or procurement as the North Dakota Department of Transportation or the Federal Highway Administration may direct as a means of enforcing such provisions, including sanctions for noncompliance provided, however, that in the event a Contractor becomes involved in, or is threatened with, litigation by a subcontractor or supplier as a result of such direction, the Contractor may request the North Dakota Department of Transportation to enter into such litigation to protect the interests of the State; and, in addition, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

**The Act governs race, color, and national origin. Related Nondiscrimination Authorities govern sex, 23 U.S.C. 324; age, 42 U.S.C. 6101; disability/handicap, 29 U.S.C. 790; and low income, E.O. 12898.

NDD9T North Dakota Department of Transportation

NSC MINERALS LTD. 2241 SPEERS AVENUE SASKATOON, SK S7L 5X6

CLA 7480 (Div. 50)

mmC

Risk Management Appendix

Service Contracts with Private Individuals, Companies, Corporations, Etc.:

Contractor agrees to defend, indemnify, and hold harmless the state of North Dakota, its agencies, officers and employees (State), from and against claims based on the vicarious liability of the State or its agents, but not against claims based on the State's contributory negligence, comparative and/or contributory negligence or fault, sole negligence, or intentional misconduct. The legal defense provided by Contractor to the State under this provision must be free of any conflicts of interest, even if retention of separate legal counsel for the State is necessary. Contractor also agrees to defend, indemnify, and hold the State harmless for all costs, expenses and attorneys' fees incurred if the State prevails in an action against Contractor in establishing and litigating the indemnification coverage provided herein. This obligation shall continue after the termination of this agreement.

Contractor shall secure and keep in force during the term of this agreement, from insurance companies, government self-insurance pools or government self-retention funds authorized to do business in North Dakota, the following insurance coverages:

- 1) Commercial general liability and automobile liability insurance minimum limits of liability required are \$250,000 per person and \$1,000,000 per occurrence.
- 2) Workers compensation insurance meeting all statutory limits.
- 3) The State of North Dakota, its agencies, officers, and employees (State) shall be endorsed as an additional insured on the commercial general liability and automobile liability policies.
- 4) Said endorsements shall contain a "Waiver of Subrogation" in favor of the state of North Dakota.
- 5) The policies and endorsements may not be canceled or modified without **thirty (30) days prior written notice** to the undersigned State representative.

Contractor shall furnish a certificate of insurance evidencing the requirements in 1, 3, and 4, above to the undersigned State representative prior to commencement of this agreement.

The State reserves the right to obtain complete, certified copies of all required insurance documents, policies, or endorsements at any time. Any attorney who represents the State under this contract must first qualify as and be appointed by the North Dakota Attorney General as a Special Assistant Attorney General as required under N.D.C.C. Section 54-12-08.

When a portion of a Contract is sublet, the Contractor shall obtain insurance protection (as outlined above) to provide liability coverage to protect the Contractor and the State as a result of work undertaken by the Subcontractor. In addition, the Contractor shall ensure that any and all parties performing work under the Contract are covered by public liability insurance as outlined above. All Subcontractors performing work under the Contract are required to maintain the same scope of insurance required of the Contractor. The Contractor shall be held responsible for ensuring compliance with those requirements by all Subcontractors.

Contractor's insurance coverage shall be primary (i.e., pay first) as respects any insurance, self-insurance or self-retention maintained by the State. Any insurance, self-insurance or self-retention maintained by the State shall be excess of the Contractor's insurance and shall not contribute with it. The insolvency or bankruptcy of the insured Contractor shall not release the insurer from payment under the policy, even when such insolvency or bankruptcy prevents the insured Contractor from meeting the retention limit under the policy. Any deductible amount or other obligations under the policy(ies) shall be the sole responsibility of the Contractor. This insurance may be in a policy or policies of insurance, primary and excess, including the so-called umbrella or catastrophe form and be placed with insurers rated "A-" or better by A.M. Best Company, Inc. The State will be indemnified, saved, and held harmless to the full extent of any coverage actually secured by the Contractor in excess of the minimum requirements set forth above.

RM Consulted 2007 Revised 5-09 

NSC MINERALS LTD. 2241 SPEERS AVENUE SASKATOON, SK S7L 5X6

MMC.



Certificate of Insurance

No.: 2013-9

Dated: November 29, 2013

This document supersedes any certificate previously issued under this number

This is to certify that the Policy(ies) of insurance listed below ("Policy" or "Policies") have been issued to the Named Insured identified below for the policy period(s) indicated. This certificate is issued as a matter of information only and confers no rights upon the Certificate Holder named below other than those provided by the Policy(ies).

Notwithstanding any requirement, term, or condition of any contract or any other document with respect to which this certificate may be issued or may pertain, the insurance afforded by the Policy(ies) is subject to all the terms, conditions, and exclusions of such Policy(ies). This certificate does not amend, extend, or alter the coverage afforded by the Policy(ies). Limits shown are intended to address contractual obligations of the Named Insured.

Limits may have been reduced since Policy effective date(s) as a result of a claim or claims.

Certificate Holder:

North Dakota Department of Transportation Procurement, Room 22 608 E Boulevard Avenue Bismarck, ND 58508-0700 Named Insured and Address:

NSC Minerals Ltd. 2241 Speers Avenue Saskatoon, SK S7L5X6

Dharmesh Samji

This certificate is issued regarding:

| Type(s) of Insurance | Insurer(s) | Policy Number(s) | Effective/ Expiry Dates | Sums Insured Or | Limits of Liability |
|---|----------------------|---------------------|----------------------------|---|----------------------------|
| COMMERCIAL GENERAL LIABILITY Including Cross Liability | Lloyd's Underwriters | B0509DR625013 | | Bodily Injury and Property Damage Liability | \$ 1,000,000 Each Claim |
| Contingent Employer's Liability Contractual Liability | | | | Products & Completed Operations | \$ 2,000,000 Aggregate |
| | | | | Non - Owned Auto | \$ 2,000,000 |
| | | | | Tenants Legal Liability | \$ 2,000,000 |
| | | | | Pollution - IBC 2313 | \$ 2,000,000 |

Additional Information:

ADDITIONAL INSURED:

North Dakota Department of Transportation - Procurement as additional insured where required by written contract or written agreement with respect to Commercial General Liability, but only with respect to the above and arising out of the operations of the Named Insured.

WAIVER OF SUBROGATION:

A waiver of subrogation shall be provided in favor of the Certificate Holder, but only with respect to liability arising out of the operations of the Named Insured.

PRIMARY/NON-CONTRIBUTORY: Commercial General Liability Policy, but only with respect to work performed by the Insured.

Notice of cancellation:

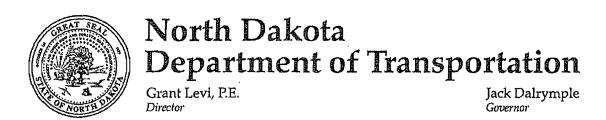
Should any of the policies described herein be cancelled before the expiration date thereof, the insurer(s) affording coverage will endeavour to mail 30 days written notice to the certificate holder named herein, but failure to mail such notice shall impose no obligation or liability of any kind upon the insurer(s) affording coverage, their agents or representatives, or the issuer of this certificate.

| Marsh | Canada Limited |
|------------|----------------|
| Suite 301. | PCS Tower |

122 - 1st Avenue South Saskatoon, SK S7K 7E5 Telephone: 306-683-6967 Fax: 306-653-5090 mark.feader@marsh.com Marsh Canada Limited

By:

Mark Feader



Amendment #1

To: From: M. Neil Cameron, President, NSC Minerals Ltd. Sue Eberle, Financial Mgmt. Division, NDDOT

Date:

August 19, 2014

Re:

ITB 775-45-14-050, Salt, Road Maintenance

NSC Minerals Ltd. has provided correspondence dated August 18, 2014 regarding the risk management appendix requirement for automobile liability insurance.

NSC Minerals Ltd. has stated that all salt sold under the duration of this contract will be conveyed into trucks at the plant and hauled by third party carriers.

NSC Minerals Ltd. will require that all third party carriers contracting with NSC Minerals Ltd. to haul road salt for the North Dakota Department of Transportation shall provide evidence of sufficient automobile liability insurance coverage to meet the risk management requirements of the State of North Dakota.

Signed by:

M. Neil Cameron, President, NSC Minerals Ltd.

Dated

Aug. 19/14

Eberle, Sue M.

From:

Jaime DeKelver <jdekelver@nscminerals.com>

Sent:

Monday, August 18, 2014 11:10 AM

To:

Eberle, Sue M.

Subject:

Automobile Liability Insurance

Attachments:

20140818095805132.pdf

Hi Sue,

Please see attached documentation from our last contract regarding the Automobile Liability Insurance component of our contract. This email will confirm that all salt sold under the duration of this contract will be conveyed into trucks at the plant and hauled by third party carriers. NSC Minerals Ltd. will require that all third party carriers contracting with NSC Minerals Ltd. to haul road salt for the North Dakota Department of Transportation shall provide evidence of sufficient automobile liability insurance coverage to meet the risk management requirements of the State of North Dakota.

If you require anything further, please let me know.

Regards, Jaime DeKelver, CCLP Vice President of Logistics



NSC Minerals Ltd.
306.934.0708 Direct
306.934.6477 Main
888.668.7258 Toll-Free
306.242.0178 Fax
jdekelver@nscminerals.com
www.nscminerals.com