

## CONTRACT FOR PURCHASE OF ROAD SALT 2023-2024 SEASON

This Contract for Purchase of Road Salt (the “Agreement”) is made and entered into this 27th day of November, 2023, by and between the COUNTY OF MCHENRY, ILLINOIS, a body politic, located at 2200 North Seminary Avenue, Woodstock, Illinois 60098 (“County”) and Compass Minerals America Inc., a Delaware Corporation, with its principal place of business located at 9900 West 109<sup>th</sup> Street, Suite 100, Overland Park, KS 66210 (“Seller”) and sets forth the terms and conditions under which County agrees to buy and Seller agrees to sell road salt as set forth below.

1. Goods. During the term of this Agreement, County agrees to purchase from Seller and Seller agrees to sell to County Enhanced Rock Salt. McHenry County participated in the Lake County DOT (“LCDOT”) joint salt bid and accepted the 80%-120% option of Compass Minerals’ bid for enhanced rock salt. According to the LCDOT joint salt bid, County agrees to purchase a minimum of 80% (3,200 tons) and no more than 120% (4,800 tons) during the 2023-2024 season, and Seller agrees to deliver within those quantities at a price of \$114.02 per ton.
2. Term and Termination. This Agreement shall be effective and binding for an initial term from the date of its execution and ending on June 30, 2024, or upon the last delivery of the quantity of goods specified in this Agreement, unless the parties otherwise agree in writing. Either party may terminate this Agreement upon thirty (30) days prior written notice to other party. Upon termination of this Agreement, County shall pay to Seller, within thirty (30) days after the date of termination, all undisputed amounts owing to Seller hereunder.
3. Price. The total cost for the minimum amount of 3,200 to a maximum total of 4800 tons of enhanced rock salt is \$364,864.00 to \$547,296.00. Seller shall submit an itemized invoice for the Goods. County shall pay to Seller the amount agreed upon no later than 30 days from receiving such invoice. County shall pay interest at the rate of 1 percent per month on accounts that are past due. County may withhold fees invoiced for Goods to the extent such fees are disputed in good faith and provided that County gives Seller written notice and explanation of the good faith dispute within thirty (30) days of receiving the invoice. The parties shall work together to resolve any such dispute prior to the next invoice. If County fails to send notice of a disputed item in a timely manner, County shall be deemed to have accepted the item without reservation. If one or more items on an invoice are disapproved, but not the entire invoice, then the portion that is not disapproved shall be timely paid by the County.
4. Delivery. County will give Seller 72 business hours advance notice regarding the quantity of Goods requested for delivery. Upon receipt of the request for delivery, Seller will arrange for delivery through a carrier chosen by Seller, the costs of which shall be F.O.B. County’s destination. Seller shall arrange for delivery to be made within 72 business hours after its receipt of County’s request for delivery.
5. Insurance. Seller shall maintain for duration of this Agreement and any extension thereof, at seller’s expense, insurance that includes “Occurrence” basis wording and is issued by a company, or companies, qualified to do business in the State of Illinois that are acceptable to the County, which requires that the company(ies) be assigned a Best’s Rating of A or higher with a Best’s financial size category of Class XIV or higher in the following types and amounts:
  - (a) Commercial General Liability in a broad form, to include, but not limited to, coverage for the following where exposure exists: Bodily Injury and Property Damage, Premises/Operations, Independent contractors, Products/Completed Operations, Personal Injury and Contractual Liability; limits of liability not less than:  
  
\$1,000,000 per occurrence and \$2,000,000 in the aggregate;

- (b) Business Auto Liability to include, but not be limited to, coverage for the following where exposure exists: Owned Vehicles, Hired and Non-Owned Vehicles and Employee Non-Ownership; limits of liability not less than:  
  
\$1,000,000 per occurrence, combined single limit for:  
Bodily Injury Liability and Property Damage Liability;
- (c) Workers' Compensation Insurance to cover all employees and meet statutory limits in compliance with applicable state and federal laws. The coverage must also include Employer's Liability with minimum limits of \$100,000 for each incident.

6. Evidence of Insurance.

- (a) The County shall be provided with Certificates of Insurance evidencing the above required insurance, prior to commencement of the contract and thereafter with certificates evidencing renewals or replacements of said policies of insurance at least fifteen (15) days prior to the expiration or cancellation of any such policies;
- (b) The contractual liability arising out of the contract shall be acknowledged on the Certificate of Insurance by the insurance company;
- (c) The County shall be provided with thirty (30) days prior notice, in writing, of Notice of Cancellation or material change and said notification requirement shall be stated on the Certificate of Insurance;
- (d) Subcontractors, if any, comply with the same insurance requirements. In addition to being named as an additional insured on the Certificate of Insurance, each liability policy shall contain an endorsement naming the County as an additional insured. A copy of the endorsement shall be provided to County along with the Certificate of Insurance; and,
- (e) Have McHenry County named as an additional insured and the address for certificate holder must read exactly as:

County of McHenry, **a body politic**  
2200 N. Seminary Avenue  
Woodstock, IL 60098

- (f) Insurance Notices and Certificates of Insurance shall be provided to:

McHenry County, Purchasing Department  
2200 N. Seminary Avenue, Room 200  
Woodstock, Illinois 60098

- 7. Risk of Loss. The risk of loss from any casualty to the Goods, regardless of the cause, will be the responsibility of the Seller until the Goods have been received by County.
- 8. Acceptance. County will have the right to inspect the Goods upon receipt, and within 5 business days after delivery, County must give written notice to Seller of any claim for damages on account of condition, quality, or grade of the goods and County must specify the basis of the claim in detail. If the Goods or tender of delivery fail in any respect to conform to the provisions of this Agreement, County may reject the Goods upon written notice to Seller within 5 business days of receiving the Goods.

- a. Seller may, at its option inspect the Goods at County's facility to confirm that the Goods do not conform. In the event the Goods do not conform to this Agreement, Seller, at its option, shall replace the Goods at its own expense or credit County the amount of the purchase price for the non-conforming Goods. Failure of County to comply with the conditions set forth in this Paragraph will constitute irrevocable acceptance of the Goods by County.
9. Warranty. Seller warrants that the Goods are new and free from substantive defects in workmanship and materials; that the Goods are fit for the ordinary purposes for which such Goods are intended to be used; and that the Goods conform to any promise or affirmations of fact made on their container or label, if any.
10. Limitation of Liability. In no event shall either party be liable for any special, indirect, incidental or consequential damages arising out of or connected with this Agreement or the Goods, regardless of whether a claim is based on contract, tort, strict liability or otherwise.
11. Notice. All notices and other communications required to be given under the Agreement shall be in writing and shall be deemed to have been given (i) when personally delivered; (ii) three (3) business days after mailing, postage prepaid, by certified mail; or (iii) when delivered (and receipted for) by an overnight delivery service, addressed in each case to the parties at the addresses set forth in the first paragraph hereof.
12. Entire Agreement. This Agreement constitutes the entire agreement between County and Seller. This Agreement supersedes all prior contemporaneous communications, representations or agreements, whether oral or written, with respect to the subject matter thereof and has been induced by no representations, statements, or agreements other than those herein expressed. No agreement hereafter made between the parties shall be binding on either party unless reduced in writing and signed by the party sought to be bound thereby.
13. Governing Law and Venue. The parties agree this Agreement has been executed and delivered in Illinois and that their relationship and any and all disputes, controversies or claims arising under this Agreement shall be governed by the laws of the State of Illinois, without regard to conflicts of laws principles. The parties further agree that the exclusive venue for all such disputes shall be the Circuit Court of the 22<sup>nd</sup> Judicial Circuit of McHenry County, Illinois, and the parties hereby consent to the personal jurisdiction thereof.
14. Compliance with Laws. Each party hereto covenants and agrees to comply with all applicable federal, state, and local laws, codes, ordinances, rules and regulations. Failure to comply with the law shall constitute a breach of contract and shall permit the County to terminate this Agreement.
15. Non-Appropriation of Funds. This Agreement is made subject to available budgetary appropriations and shall not create any obligation on behalf of the County in excess of such appropriations. In the event that no funds or insufficient funds are appropriated and budgeted, this Agreement shall terminate without penalty or expense to the County thirty (30) days after written notification of termination from the County.
16. Force Majeure. Seller shall not be liable for its failure to perform its respective obligations under this Agreement when such failure is caused by acts of God, strikes, lockouts, fires, war conditions, political unrest, acts of terrorism, foreign or domestic governmental controls or other actions, embargoes or other causes beyond its control.
17. Waiver. Either Party's failure to insist upon strict compliance with any provision hereof or its failure to enforce any rights or remedy in any instance shall not constitute or be deemed to be a waiver of any provision, right or remedy.
18. Severability. The invalidity or unenforceability of any particular word, phrase, sentence, paragraph or provision of this Agreement shall not affect the other words, phrases, sentences, paragraphs or provisions

hereof. This Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted and the remainder construed so as to give them meaningful and valid effect.

19. Miscellaneous. This Agreement shall be binding upon the parties and their respective heirs, successors, and assigns.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first set forth above.

**The County of McHenry**

**Compass Minerals America, Inc.**

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Print Name: Adam M. Letendre

Print Name: \_\_\_\_\_

Title: Director of Procurement & Special Services

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_