

SALT AND AGGREGATE UTILIZATION AGREEMENT

by and between

Maryland Department of Transportation
State Highway Administration

and

Town of Boonsboro, Maryland

This AGREEMENT (“**Agreement**”) made as of the 1st day of September 2017, executed in duplicate, by and between the Maryland Department of Transportation State Highway Administration (“**MDOT SHA**”) and the Town of Boonsboro, Washington County, Maryland, a political subdivision of the State of Maryland and a body politic and corporate (“**TOWN**”).

WHEREAS, during certain winter snow emergency operations (“**Snow Event**”) the TOWN may have a need to obtain additional salt (“**Salt**”) and/or stone dust abrasives or aggregate (“**Aggregate**”), to effectively complete their winter snow operations; and

WHEREAS, the TOWN has requested, and MDOT SHA has agreed, to allow the TOWN to obtain Salt and/or Aggregate from MDOT SHA stockpiles during a Snow Event in accordance with the terms and conditions contained herein; and

WHEREAS, the TOWN shall reimburse MDOT SHA for the cost of Salt and/or Aggregate plus other related expenses; and

WHEREAS, MDOT SHA and the TOWN agree that this Agreement will benefit both parties of this Agreement and will promote the safety, health and general welfare of the citizens of the State.

NOW, THEREFORE, in consideration of the premises and of the mutual promises between the MDOT SHA and the TOWN, as set forth herein, the adequacy of which is hereby acknowledged, the parties hereby agree to the following:

I. TERM & BUDGET

The Term of this Agreement is for a period of three (3) years beginning the first (1st) day of September 2017 and ending on the thirty first (31st) day of August 2020, both dates inclusive, unless sooner terminated as set forth herein. For budgeting and planning purposes only, during the Term of this Agreement the total cost for: i) Salt shall not exceed One Hundred Five Thousand Dollars (\$105,000), and ii) Aggregate shall not exceed _____ (\$_____). This is an estimate only and the TOWN shall be responsible for actual costs incurred at the time of acquisition.

II. SALT & AGGREGATE COSTS

- A. The cost of Salt, at the time of execution of this Agreement is Ninety Dollars and Sixteen Cents (\$ 90.16) per ton, which includes the price of the Salt, a Delivery Charge and an Overhead Charge.
- B. The cost of Aggregate, at the time of execution of this Agreement is _____ Dollars and _____ Cents (\$ _____) per ton, which includes the price of the Aggregate, a Delivery Charge and an Overhead Charge.
- C. The Salt and/or Aggregate prices listed herein are subject to awarded contracts by MDOT SHA and shall be adjusted accordingly.
- D. The Delivery Charge includes the cost of fuel and mileage to transport the Salt and/or Aggregate to an MDOT SHA Salt dome. The Overhead Charge is determined by the federally approved Overhead Rate that may be adjusted on October 1st of each year. The current Overhead Rate is eight and two tenths percent (8.2%).
- E. The cost of the Salt and/or Aggregate may be adjusted weekly to account for Delivery Charge variances.

III. ESTABLISHMENT of the SALT and/or AGGREGATE COSTS

MDOT SHA has established a charge number for the TOWN which will be used to document Salt and/or Aggregate withdrawals from MDOT SHA's inventory system. The current charge number for the TOWN is **BY214M84**.

IV. PROCEDURES

- A. Salt and Aggregate Scheduling
 - 1. MDOT SHA Shop Locations: For purposes of this Agreement, the MDOT SHA shops to be used for Salt and/or Aggregate for the TOWN, as determined by MDOT SHA, are:

-Park Head Salt Dome
 - 2. Prior to a Snow Event: The TOWN will contact Mark Benner, MDOT SHA's Resident Maintenance Engineer (RME), or designee, of the Hagerstown Shop at 301-791-4790 to arrange for the TOWN's trucks to be loaded with the Salt and/or Aggregate at the designated location the day before a local forecasted snow if time permits; otherwise MDOT SHA and the TOWN will determine which MDOT SHA salt storage site is

appropriate to use to load the Salt and/or Aggregate onto the trucks and MDOT SHA will provide an operator to facilitate the loading of the Salt and/or Aggregate.

3. During the Snow Event: The TOWN will contact the appropriate MDOT SHA Shop nearest to that truck and request to be loaded at an approximate preferred time of arrival. MDOT SHA will then arrange for an operator to meet the TOWN truck at that location as close to the preferred time as possible without negatively affecting MDOT SHA operations. In addition, if a TOWN truck is in the vicinity of a specific dome during a Snow Event and an MDOT SHA operator is present, the TOWN truck may then be topped off, if desired. In situations where the MDOT SHA Snow Event operations are already active when the TOWN operations begin, the TOWN can notify MDOT SHA as far in advance as possible and MDOT SHA will make every effort to provide an operator at all the locations requested in order to begin loading TOWN trucks with Salt and/or Aggregate.
4. Post Snow Event: The TOWN can contact the appropriate MDOT SHA shop to request re-loading after a Snow Event, and MDOT SHA will schedule the re-loading at both parties' convenience.
5. The TOWN shall not return any unused Salt and/or Aggregate to any MDOT SHA shop.

B. Load Records

1. The TOWN shall ensure all vehicles picking up Salt and/or Aggregate on their behalf are identified by a sticker or placard indicating the TOWN's name.
2. Only an MDOT SHA authorized loader operator shall load the TOWN trucks.
3. MDOT SHA shall create a written loading record that must be signed by the TOWN driver. A copy shall be given to the TOWN driver to account for every load of Salt and/or Aggregate that the TOWN receives from MDOT SHA. Each load record shall contain the following information:
 - a. truck number or license tag number,
 - b. the number of scoops/ buckets loaded,
 - c. the number of tons loaded based on the scoops / bucket size value multiplied by the number of scoops /buckets.
 - d. the ratio of Salt and Aggregate (e.g. 70/30, 50/50, etc.) for mixed loads.

V. PAYMENT

- A. MDOT SHA shall provide a detailed invoice to the TOWN by May 31st of each year for all actual costs incurred by MDOT SHA to provide Salt and/or Aggregate to the TOWN. The invoice shall be accompanied by normal documentation from MDOT SHA to evidence actual costs incurred.
 - 1. In the event the TOWN receives a mixture of Salt and Aggregate, then such mixture will be noted on each load ticket along with the ratio of Salt to Aggregate; the quantity on such tickets will be multiplied by the mixture ratio and recorded independently as Salt and Aggregate.
- B. Upon request by the TOWN, MDOT SHA may provide information to include the number of buckets and estimated tonnage provided to the TOWN for each date of withdrawal.
- C. The estimated cost of the Salt and/or Aggregate is based on the average amount of Salt and/or Aggregate used during the previous five (5) years at the prevailing rate at the time of execution of this Agreement and will be subject to future adjustments during the Term according to costs for Salt and/or Aggregate for delivery and overhead in effect at that time.
- D. REIMBURSEMENT
 - 1. Reimbursement to MDOT SHA for the SALT during the Term, including MDOT SHA overhead, is estimated to be One Hundred Five Thousand Dollars (\$105,000) and is based on estimated quantities from the previous year, however, actual costs and tonnage may vary and the TOWN shall reimburse MDOT SHA for all actual tonnage (which includes the delivery charge) and overhead costs.
 - 2. Reimbursement to MDOT SHA for the Aggregate during the Term, including MDOT SHA overhead, is estimated to be _____ Dollars (\$_____) and is based on estimated quantities from the previous year, however, actual costs and tonnage may vary and the TOWN shall reimburse MDOT SHA for all actual tonnage which includes delivery charge and overhead costs.
- E. In the event of extremely heavy Salt and/or Aggregate usage, MDOT SHA reserves the right to submit progress billings to the TOWN in lieu one annual invoice.
- F. The TOWN shall reimburse MDOT SHA for all costs incurred by MDOT SHA for all supplied Salt and/or Aggregate provided during the winter pursuant to this Agreement within thirty (30) days of receipt of each invoice.
- G. In the event MDOT SHA does not receive payment of invoices within thirty (30) days of the TOWN's receipt of each invoice, MDOT SHA will notify the TOWN of the overdue payment and provide the TOWN the opportunity to pay such overdue amounts. If payment of the overdue amount is not received within thirty

(30) days following notification, MDOT SHA will then notify the TOWN in writing, and the parties hereby agree that MDOT SHA may make a deduction from the TOWN's share of Highway User Revenue equal to the overdue invoice amount(s) or MDOT SHA may refer the overdue amount to the Central Collection Unit, at 300 West Preston Street, Room 500, Baltimore MD 21201-2365 for collection of overdue amount.

VI. GENERAL

- A. MDOT SHA does not supply Brine, a pretreatment salt-based mixture.
- B. MDOT SHA and the TOWN agree to cooperate with each other to accomplish the terms and conditions of this Agreement.
- C. The provisions contained in this Agreement shall be binding upon the parties until the earlier to occur of; (i) three (3) years from the date first written above, (ii) thirty (30) days after written notice has been given by either party to the other that they elect to no longer be bound by the terms and conditions of this Agreement, or (iii) August 31, 2020. However, termination of this Agreement and any Amendments is contingent on all outstanding invoices being paid by the TOWN to MDOT SHA.
- D. The TOWN shall indemnify, hold harmless and defend, at MDOT SHA's option, the State of Maryland, MDOT SHA and the Maryland Department of Transportation, from and against any and all liabilities, obligations, damages, penalties, claims, costs, charges and expenses, incurred in connection with the loss of life, personal injury and/or property damage arising from or in connection with the activities performed pursuant to this Agreement by the TOWN or its contractors, agents or assigns.
- E. MDOT SHA shall reserve the right to limit or deny Salt and/or Aggregate to the TOWN in order to avoid jeopardizing MDOT SHA's snow remediation operations.
- F. This Agreement shall inure to and be binding upon the parties hereto, their agents, successors and assigns.
- G. This Agreement and the rights and liabilities of the parties hereto shall be determined in accordance with Maryland law and in Maryland courts.
- H. The recitals (WHEREAS clauses) at the beginning of this Agreement are incorporated as substantive provisions of this Agreement.
- I. All notices and/or invoices, if to the TOWN, shall be addressed to:

Megan Clark
Town Manager
Town of Boonsboro

21 North Main Street
Boonsboro, MD 21713
Phone: 301 432-5141
Fax:
E-mail: town.manager@myactv.net

And if to MDOT SHA:

Mark Benner
Resident Maintenance Engineer
Maryland Department of Transportation
State Highway Administration
18320 Col. Henry K. Douglas Dr.
Hagerstown, MD 21740
Phone: 301-791-4790
Fax: 301-791-4694
E-mail: MBenner@sha.state.md.us

With copies to:

Mr. Anthony Crawford District Engineer, D-6
Maryland Department of Transportation
State Highway Administration
1251 Vocke Road
La Vale, MD 21502-3347
Phone: 301-729-8400
Fax: 301-729-6968
Email: acrawford@sha.state.md.us

And,

MDOT SHA Agreements Team
Office of Procurement and Contract Management
Maryland Department of Transportation
State Highway Administration
707 N. Calvert Street
Mailstop C-405
Baltimore, MD 21202
Phone: (410) 545-5547
E-mail: SHAAGreementsTeam@sha.state.md.us

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized officers on the day and year first above written.

**MARYLAND DEPARTMENT OF TRANSPORTATION
STATE HIGHWAY ADMINISTRATION**

WITNESS

By: _____ (SEAL)
Gregory Slater Date
Administrator

**APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:**

RECOMMENDED FOR APPROVAL:

Assistant Attorney General

Tim Smith, PE
Deputy Administrator/Chief Engineer
for Operations

Jason A. Ridgway, PE
Acting Deputy Administrator/Chief Engineer
Planning, Engineering, Real Estate, and
Environment

William J. Bertrand
Director
Office of Finance

**MAYOR AND COUNCIL TOWN OF
BOONSBORO, WASHINGTON COUNTY**
a body corporate and politic

WITNESS

BY: _____ (Seal)
Howard Long
Mayor

Date

**APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:**

TOWN Attorney