

ARTICLES OF AGREEMENT

MADE AND ENTERED into this 28th day of July in the year 2022, effective July 1, 2022.

BY AND BETWEEN

Cranberry Township, Butler County, PA
2525 Rochester Rd. Ste. 400
Cranberry Twp, PA 16066

hereinafter referred to as “Municipality,” and

Cargill, Inc. - Salt, Road Safety
24950 Country Club Boulevard
Suite 450
North Olmsted, OH 44070

hereinafter referred to as “Seller.”

WITNESSETH

WHEREAS, Municipality, a participating municipality in the SHACOG Purchasing Alliance (hereinafter referred to as “Purchasing Alliance”), has received proposals for the supply and delivery of Rock Salt (Sodium Chloride) through the Purchasing Alliance; and

WHEREAS, the Purchasing Alliance has solicited those proposals by duly advertising for bids, publishing specifications, and receiving and opening bids for said supply and delivery of Rock Salt; and

WHEREAS, Seller has submitted a proposal in response to the aforementioned solicitation for bids by the Purchasing Alliance for the supply and delivery of Rock Salt; and

WHEREAS, Municipality has determined that Seller is the lowest responsible bidder meeting the aforementioned specifications.

NOW, THEREFORE, Municipality and Seller agree as follows:

1. The recitals and preamble are incorporated into this contract as if the same were set forth at length and such shall become an integral part of this contract.
2. Municipality accepts the proposal submitted by Seller to supply and deliver Rock Salt to Municipality and is entering into this contract with Seller.
3. Seller agrees and is bound to supply and deliver Rock Salt to Municipality in accordance with the terms and conditions of the specifications and Seller’s proposal and is entering into this contract with Municipality.
4. The initial term of this Agreement shall be in effect from the date first listed above and shall remain in full force and effect until June 30, 2023. Thereafter, it may be extended annually by the Municipality for up to two (2) additional option years or until June 30, 2025, provided that Municipality shall exercise the option to extend by giving written notice to Seller of the exercise of the option by May 1 of each year during which this Agreement is in effect and, further provided that the adjusted bid price for each additional one-year option yields a price that allows Seller to continue the contractual relationship.

5. Seller agrees and is bound to supply and deliver in accordance with the terms and conditions of the specifications and its proposal such quantities of Rock Salt as are represented and determined by the estimated annual tonnage of Municipality in the initial term of the contract and in any subsequent option years.
6. Municipality agrees to purchase a minimum of eighty (80%) percent of its annual estimated tonnage from Seller at the bid price in the initial term of the contract and at the adjusted bid price(s) in any subsequent option year(s) in which the option to extend the contract term is successfully exercised. Municipality also agrees to purchase all of its additional tonnage, as needed, up to one hundred twenty-five (125%) percent of its annual estimated tonnage, exclusively from Seller, at the bid price(s) in the initial term of the contract and at the adjusted bid price(s) in any subsequent option year(s). Municipality may also purchase quantities in excess of one hundred twenty-five (125%) percent of its annual estimated tonnage from Seller pursuant to the terms and conditions of the specifications either during the initial term of the contract or during any subsequent option year(s).
7. Seller agrees to invoice Municipality directly for Rock Salt delivered by Seller to Municipality. Municipality agrees to pay Seller within sixty (60) calendar days from receipt of Seller's invoice.
8. In the event that Seller refuses or fails for any reason to perform any of its obligations pursuant to this Agreement, Municipality may, at its option, terminate the Agreement, and Municipality will be obligated to pay Seller only for the Rock Salt delivered prior to termination. In addition, Municipality may, whether or not it terminates this agreement, pursue any additional remedies at law or equity, which may be available.
9. Seller represents and warrants that it has delivered to the Purchasing Alliance or Municipality, when required, a Performance Bond in the amount and in accordance with the terms and conditions of the bid documents.
10. In consideration of the faithful performance of the Agreement by Seller, Municipality agrees to pay or cause to be paid to Seller the sum of **\$88.96 per ton** of Rock Salt delivered during the initial term of the contract. This price shall be known as the "bid price." In any subsequent option years, Municipality agrees to pay or cause to be paid to Seller the "adjusted bid price" per ton as adjusted, pursuant to the Detailed Specifications, by the Consumer Price Index in each of those years. During either the initial term or any subsequent option year(s), this price may also be adjusted by the Fuel Price Adjustment section of the Detailed Specifications. In addition, if Municipality chooses to make any purchases pursuant to the Alternate Bids submitted by Seller, either during the initial term or any option year(s), Municipality agrees to pay or cause to be paid to Seller the appropriate amounts based on those bids, adjusted, as applicable, pursuant to the Detailed Specifications.
11. This Agreement incorporates by reference the Advertisement for Bids, General Instructions to Bidders, Detailed Specifications, Addenda or Bulletins (if applicable), Seller's Bid Proposal and Seller's Bonds, which are made part hereof with like force and effect as though recited herein.
12. It is agreed and understood that this Agreement shall be interpreted, construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania, and the laws of the Commonwealth of Pennsylvania shall apply to all aspects of performance hereunder. It is further agreed and understood that if any part, term, condition or provision of the Agreement is held to be illegal or in conflict with any law of the Commonwealth of Pennsylvania or of the United States, the validity of the remaining parts, terms, conditions or provisions shall not be affected, and the rights and obligations of the Municipality and Seller shall be construed and enforced as if the Agreement did not contain the particular part, term condition or provision held to be invalid.

IN WITNESS WHEREOF the parties hereto have caused this contract to be executed on the day and year first entered above.

ATTEST:

Cranberry Township

Daniel D. Santoro
Township Manager/Secretary

By: _____
Richard Hadley,
Chairman, Board of Supervisors

ATTEST:

Cargill, Incorporated - Salt, Road Safety

By: _____
