EPA United States Environmental Protection Agency

EPA REGION 5 Enforcement and Compliance Assurance Division

INSPECTION REPORT

Inspection Entry Date/Time	June 13, 2024, 9:38 a.m. (CST)	Announced: No
Inspection Exit Date/Time	June 13, 2024, 1:40 p.m. (CST)	Access: Granted
Weather	Sunny	
Media	Water	
Statute(s)/Program(s)	Clean Water Act, National Pollutant Discharge Elimination System (NPDES) permit program	
Type of Inspection	Industrial Stormwater Inspection (ISI)	
Permittee Name	Compass Minerals America Inc.	
Facility or Site Name	32 – Receiving Site, 31 – Kinder Domes, 24 – Small Pad, 21 – Portland Pad, 22 & 23 – Kinder Sublet, 5 & 6 – Big Pad, 16 – Scale House, 18 – Scale House 2	
Facility/Site Physical Address	Receiving Site – 1551 S. Carferry Drive, Kinder Domes – 1601 S. Carferry Drive, Small Pad – 1830 S. Carferry Drive, Portland Pad – 2061 S. Harbor Drive, Kinder Sublet – 2175 & 2225 S. Carferry Drive, Big Pad – 1101 E. Bay Street, Scale House 2001 S. Lincoln Memorial Drive, Scale House 2 – 1101 E. Bay Street	
City, State, Zip Code	Milwaukee, WI 53207	
County/Borough/Parish	Milwaukee	
Facility GPS Coordinates	Scale House) 43.007837536101746, -87.89299176736368	
Mailing Address (If different)	czajkowski@compassminerals.com	
FRS ID	3601677714	
SIC and/or NAICS	4226	

Lead Inspector: BENJAMIN ATKINSON	Digitally signed by BENJAMIN ATKINSON Date: 2024.08.19 10:21:40 -05'00'		
Benjamin Atkinson			
	EPA REGION 5	atkinson.ben@epa.gov	(312) 353-8243
Supervisor Review: Ryan Bahr	Digitally signed by Ryan Bahr Date: 2024.08.19 10:47:44 -05'00'		
Ryan J. Bahr			
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SECTION I – INTRODUCTION

Site Entry and Inspection Objectives

This report is based on information supplied by Compass Minerals representatives, direct observations made by EPA Region 5 inspectors, records and reports maintained by the Facility and other information including: photographs taken by EPA Region 5 inspectors, verbal or written statements made by Facility representatives during or subsequent to the on-site Inspection, and materials, processes, data, photographs, or documents shown, demonstrated, or submitted to the EPA Region 5 inspectors by Facility representatives during or subsequent to the on-site Inspection. In addition, information gathered prior to or subsequent to the Inspection from a review of US Environmental Protection Agency (EPA), state, and/or public records may be included in this report.

EPA Region 5 Inspector Ben Atkinson and Val Dooling (the Inspectors) along with WDNR Inspector Jamie Lambert, arrived at Compass Minerals (the "Site" or "Facility"), located at various addresses listed above all of which are located on the Port of Milwaukee in Milwaukee, Wisconsin at 9:51 a.m. (CST) on June 13, 2024, for an unannounced inspection. The Inspectors presented credentials to Thomas Czajkowski and informed him that this was an EPA Region 5 inspection to investigate elements as authorized by Clean Water Act (CWA) Section 308 and implementing regulations. The Inspectors confirmed that their vehicle was parked in an appropriate location and followed Mr. Czajkowski into the Scale House. The Inspectors explained that the inspection would consist of an interview portion, facility walk through, and closing conference. The Inspectors explained that the Facility could claim any information provided as Confidential Business Information. The Inspectors then began the interview portion of the inspection. Mr. Czajkowski explained that Compass Minerals operated a salt mine in Ontario, Canada and shipped salt to the Facility where it was unloaded, stored, and distributed to various clients. He identified the parcels at Port Milwaukee where they operated (see Appendix 1 – Maps). He explained that the Port Milwaukee parcel map was not accurate due to various subleases and use agreements among the tenants. Specifically parcels 5 & 6 were leased to Kinder Morgan but used by Compass Minerals in exchange for the use of parcels 22 & 23. Parcel 31 consists of two domes and is leased to Kinder Morgan but used exclusively by Compass Minerals for speciality salt. Compass Minerals also has salt stored in the domes on Kinder Morgan site on parcel 2. Parcel 1 is a general use dock and can be used by any tenants on a first come first serve basis and was occasionally used by Compass Minerals. Compass Minerals was not using parcel 1 at the time of the inspection.

Mr. Czajkowski explained that Compass Minerals generally receives shipments at Parcel 32 – Receiving Site and it is then trucked to one of the storage pads where it is built into a pile. The loaders are owned and operated by Kinder Morgan and Portland Trucking does all on-site trucking. Once the pile is complete, a third party is called to cover the pile with tarps which are kept closed until the pile is needed to fill orders.

When asked if the Facility had an Industrial Storm Water WPDES Permit or Storm Water Pollution Prevention Plan, Mr. Czajkowski explained that when he came to the site approximately 10 years ago he found two letters from the WDNR notifying North American Salt Company (the previous name of the Facility) that they were no longer required to maintain permit coverage and were terminating permit coverage (see Appendix 3 – Additional Documents). He stated that the State of Wisconsin conducts annual audits under Trans 277 DOT regulations. He stated that all the storage pads had berms for storm water containment and there were no known storm water drains on the parcels. He stated that he conducted a daily drive around inspection of the storage piles.

Attendees

Organization	Attendee Name	Title	Present in Opening Conf.	Present in Closing Conf.
EPA Region 5	Benjamin Atkinson	Lead Inspector	Yes	Yes
EPA Region 5	Val Dooling	Environmental Engineer	Yes	Yes
Wisconsin DNR	Jamie Lambert	Wastewater Specialist Senior	Yes	Yes
Compass Minerals	Thomas Czajkowski	Operations Manager	Yes	Yes

Facility/Site Description

EPA Region 5 lead inspector confirmed the following facility information:

Facility/Site Information

Location(s)

Parcel / Name	Description
32 / Receiving Site	Used for receiving shipments of salt
31 / Chemical Salt Domes	Kinder Morgan Domes used to store chemical salt
24 / Small Pad	Salt storage pad
23 & 22	Sublet in exchange for use of parcels 6 & 5
21 / Portland Pad	Salt storage pad
18 / Scale House 2	Secondary scale used during high volume
16 / Scale House	Scale for trucks
6 & 5 / Big Pad	Salt storage pad
2	Kinder Morgan site where salt of a specific particle size is stored
1 / Terminal 1	General use terminal sometimes used by Facility

SECTION II – OBSERVATIONS

Location: South side of Parcels 5 & 6 / Big Pad		
Observation #: 001	**Date:** June 13, 2024	**Weather:** Sunny
EPA observed the south entrance to the Big Pad. EPA observed what appeared to be salt deposited on E. Bay Street.		
Photos 1 to 2		

Location: West side of Parcels 5 & 6 / Big Pad		
Observation #: 002	**Date:** June 13, 2024	**Weather:** Sunny

EPA observed the west side of Parcels 5 & 6 / Big Pad. EPA observed sections of the berm along the west side of the Big Pad which were made of sand instead of asphalt. EPA observed what appeared to be salt deposited in the area west of the berm and onto S. Harbor Drive by runoff flowing through the sand sections of the berm. EPA observed a storm water drain with beehive grate in the road right-of-way east of S. Harbor Drive. EPA observed what appeared to be salt residue on the ground around the drain.

Photos 3 to 9

Location: West end of the north side of Parcels 5 & 6 / Big Pad

Observation #: 3 **Date:** June 13, 2024 **Weather:** Sunny

EPA Observed the west end of the north side of the Big Pad. EPA Observed standing water surrounded by what appeared to be white salt staining in the area north of the berm. The water and staining appeared to lead to an area where the tarp covering the salt pile was extending beyond the berm. EPA observed three locations where the tarp had seperated and salt was exposed.

Photos 10 to 13

Location: East end of the north side of Parcels 5 & 6 / Big Pad

Observation #: 4 **Date:** June 13, 2024 **Weather:** Sunny

EPA Observed the east end of the north side of the Big Pad. EPA observed a storm water drain outside of the berm on the north side of the big pad approximately 200 feet west of the northeast corner.

Photos 14 to 15

Location: Northeast corner and east side of Parcels 5&6 / Big Pad

Observation #: 5 **Date:** June 13, 2024 **Weather:** Sunny

EPA observed a stormwater drain outside the berm at the northeast corner of the Big Pad. EPA observed water flowing to and into the drain from a flow path outside the berm on the east side of the Big Pad. EPA observed what appeared to be salt deposits along the flow path. EPA observed a white and a green pipe protruding through berm. EPA observed that both pipes had plugs in them. EPA observed that the green pipe was cracked around the plug and liquid was flowing around plug from the west side of the berm to the east side of the berm. EPA observed that a piece of tarp was partially plugging the west end of the green pipe.

Photos 16 to 23

Location: East and southeast sides of parcels 6 & 5 / Big Pad

Observation #: 6 **Date:** June 13, 2024 **Weather:** Sunny

EPA observed the location where open side of the salt pile on the Big Pad met the older covered part of the pile. EPA observed that it appeared that runoff had overflowed the berm and resulted in salt being deposited outside the berm. EPA also observed salt that had overtopped the berm and observed outside the berm on the southeast side of the Big Pad.

Photos 24 to 27

Location: Parcel 21 / Portland Pad

Observation #: 7 **Date:** June 13, 2024 **Weather:** Sunny

EPA observed the berm around the Portland Pad. No salt was stored on the Portland Pad at the time of the inspection. EPA observed multiple breaks in the berm around the Portland Pad. EPA observed that the chain link fence on the east side of the pad had a rust line. EPA Observed what appeared to be erosional pathways on the west side of the pad. EPA observed that there was a pipe protruding through berm on the northwest corner with a flow path from the interior of the pad to the area northwest of the pad.

Photos 28 to 41

Location: West side of parcel 24 / Small Pad

Observation #: 8 **Date:** June 13, 2024 **Weather:** Sunny

EPA observed the west side of the Small Pad. EPA observed stormwater drains along the center of S. Carferry Drive. EPA observed what appeared to be salt that had overtopped the berm on the western edge. EPA observed a hole in the ground in the road right-of-way that was covered with a piece of sheet metal next to an upside-down manhole cover.

Photos 42 to 46

Location: Northwest corner, north side, and east side of parcel 24 / Small Pad

Observation #: 9 **Date:** June 13, 2024 **Weather:** Sunny

EPA observed an area in the northwest corner of the small pad where the tarp was covering what appeared to be a low spot in the berm. EPA observed what appeared to be salt staining on the ground north of berm on the north side of the Small Pad. EPA observed the east side of the Small Pad.

Photos 47 to 49

Location: Parcel 31 / Kinder Domes

Observation #: 10 **Date:** June 13, 2024 **Weather:** Sunny

EPA observed what appeared to be salt coming out of the entrance to the northern dome on Parcel 32 as well as what appeared to be salt staining on the ground and around standing water. EPA also observed what appeared to be salt staining on the ground around the railroad tracks where the chemical salt is loaded into train cars.

Photos 50 to 53

Location: Along seawall west of parcels 31 and 32		
Observation #: 11	**Date:** June 13, 2024	**Weather:** Sunny
EPA observed erosional pathways and holes in the seawall along the west side of parcels 31 and 32.		
Photos 54 to 62		
Location: West side of parcel 32 / Receiving Area		
Observation #: 12	**Date:** June 13, 2024	**Weather:** Sunny
EPA observed the west side of parcel 32 / Receiving Area. The Facility had recently received a shipment which was being loaded into trucks and taken to the Large Pad. EPA observed what appeared to be salt staining on the ground on the west side of the Receiving Area.		
Photos 63 to 65		
Location: East side of parcel 32 / Receiving Area		
Observation #: 13	**Date:** June 13, 2024	**Weather:** Sunny
EPA observed storm water drains in the center of S. Carferry Drive along the east side of parcel 32 / Receiving Area. EPA observed what appeared to be salt staining in the road. EPA observed a hole in the pavement at the entrance to the Receiving area.		
Photos 67 to 69		

SECTION III – RECORDS REVIEW

There were no records to review at the facility.

SECTION IV – SAMPLING ACTIVITIES AND ANALYTICAL RESULTS

No sampling was conducted.

SECTION V - AREAS OF CONCERN

1. The salt outside of the sand berm areas on the west side of the Big Pad has the potential to contribute pollutants to storm water flowing to the storm water drain on the west side of the Big Pad.
2. The salt staining outside the berm on the northwest corner of the Big Pad indicates that the berm has not contained the salt and there is potential to contribute pollutants to stormwater flowing off the site.
3. The separation of the tarp on the north side of the Big Pad has the potential to increase the salt pile's exposure to precipitation creating more contaminated runoff.
4. The storm water drain on the north side of the big pad, west of the northeast corner of Big Pad, is in close proximity to the Big Pad and lacks controls to prevent contaminated runoff from flowing to it.
5. EPA observed water flowing from the green pipe in the berm on the east side of the Big Pad, flowing north along the east side of the berm, and discharging into the drain located at the northeast corner of the Big Pad.
6. EPA observed salt that had overtopped the berm and observed on the ground outside the berm on the southeast side of the Big Pad.
7. The berm around the Portland Pad is in disrepair and may not contain stormwater were salt stored at the site.
8. The pipe in the northwest corner of the Portland Pad berm could convey contaminated stormwater off the site.
9. Salt was observed outside the berm on the west side of the Small Pad with a potential to contaminate storm water running to the drains along S. Carferry Drive.
10. Salt staining on the ground to the north of the Small Pad may indicate that the north berm is not containing contaminated storm water.
11. Salt staining was observed outside the domes.
12. Salt staining was observed on the west of the Receiving Pad indicating that the berm may not be containing contaminated storm water runoff.
13. Salt staining was observed in the road east of the Receiving Pad indicating that the berm may not be containing contaminated storm water runoff.
14. The Facility does not have an Industrial Storm Water Permit.

SECTION VI – CLOSING CONFERENCE AND FOLLOW UP

Follow Up

The following items were requested by the inspector at the time of the inspection.

1) Physical address of each site. – Provided during the inspection
2) Contact information for Holley Hurst (Environmental Coordinator) – provided during the inspection
3) SIC code for the Facility
4) Copies of letters from the WDNR terminating permit coverage
5) Lease agreements for sites not directly leased to Facility
6) Ask Kinder Morgan if they have information on stormwater drains north of the Big Pad and provide that information.

On June 26, 2024, Mr. Czajkowski provided an email in which he provided an SIC code “for the product on the pads” of 14790303 (Salt – Common Mining). He also provided the following documents.

- Compass Minerals Lease Agreement with the Port of Milwaukee
- Compass Minerals Handling agreement with Kinder Morgan (Document has been redacted to remove dollar amounts.)
- WI Chapter Trans 277
- Latest WI DOT Trans 277 Audit
- 2 copies of Storm water exemption letters from State of WI

These documents can be found in Appendix 3 – Additional Documents

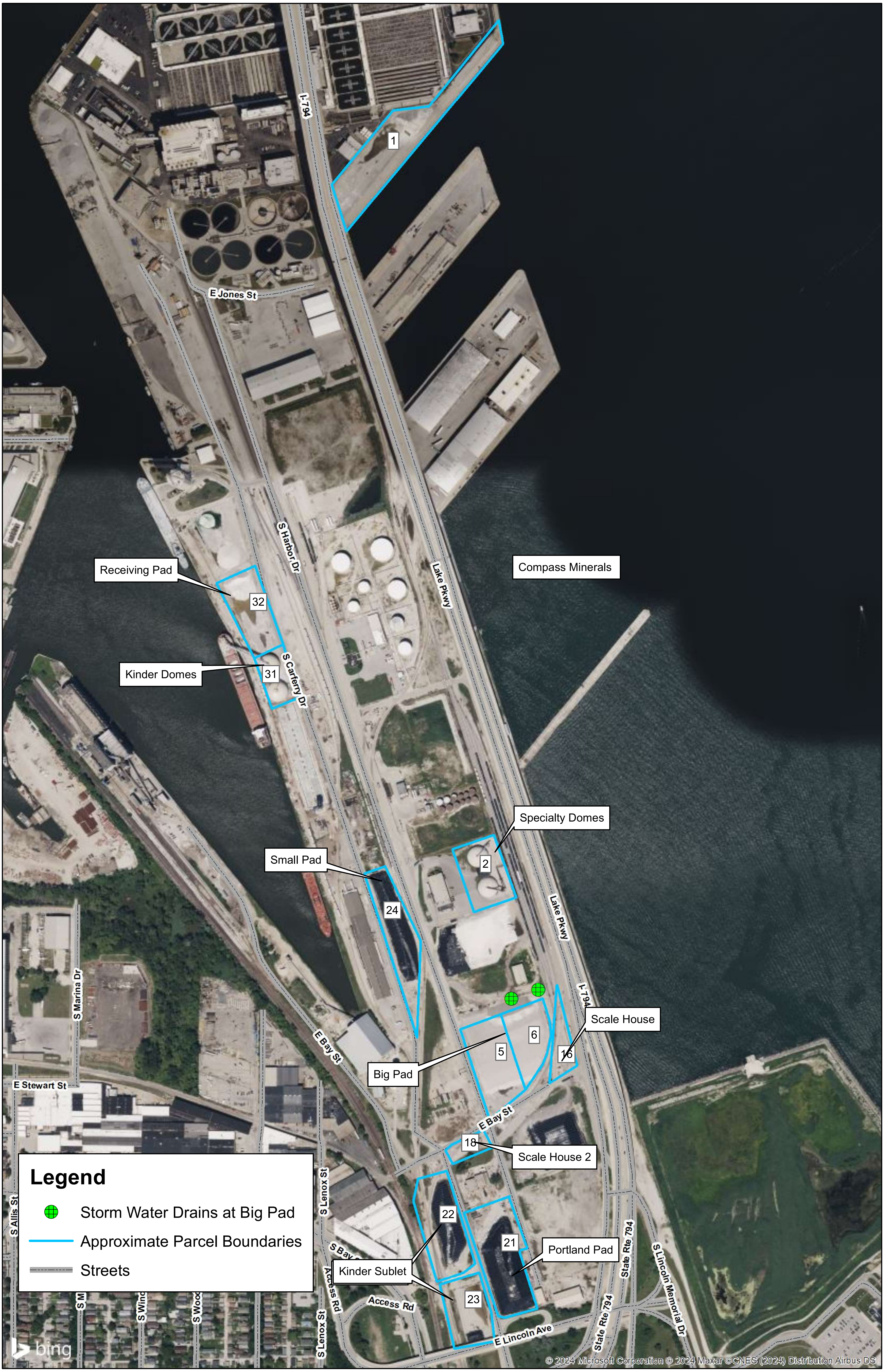
SECTION VII – LIST OF APPENDICES

1. Aerial Maps

2. Photo Log

3. Additional Documents

Appendix 1



Compass Minerals
Receiving Pad
32
Kinder Domes
31
Specialty Domes
2
Small Pad
24
Scale House
6
5
16
Big Pad
18
Scale House 2
22
21
Portland Pad
Kinder Sublet
23
1
I-794
E Jones St
S Harbor Dr
Lake Pkwy
S Carferry Dr
E Bay St
S Marina Dr
E Stewart St
S Lenox St
Access Rd
E Lincoln Ave
State Rte 794
S Lincoln Memorial Dr
S Allis St
Legend
Storm Water Drains at Big Pad
Approximate Parcel Boundaries
Streets
© 2024 Microsoft Corporation © 2024 Maxar ©CNES (2024) Distribution Airbus DS

Appendix 2

Compass Minerals
EPA Inspection June 13, 2024
All photos taken by Val Dooling, Environmental Engineer, U.S. EPA
Camera: RICOH WG-4

1: RIMG0001
Description: View of south working face of salt pile on Big Pad and rail line
Location: Big Pad
Camera Direction: East Date/Time: June 13, 2024 11:22 AM

2: RIMG0002
Description: View of south working face of salt pile on Big Pad and rail line, same as Photo 1.
Location: Big Pad
Camera Direction: East Date/Time: June 13, 2024 11:25 AM

3: RIMG0003
Description: View of western edge of salt pile on Big Pad, including berm and vehicle loading access road on salt pile. Beehive storm drain is visible to the left of the berm.
Location: Big Pad
Camera Direction: North   Date/Time: June 13, 2024 11:27 AM

4: RIMG0004
Description: Same view of western edge of salt pile on Big Pad as Photo 3. Beehive storm drain is visible to the left of the berm. Salt is visible outside the berm.
Location: Big Pad
Camera Direction: North   Date/Time: June 13, 2024 11:28 AM

5: RIMG0005
Description: Same view of western edge of salt pile on Big Pad as Photo 3. Beehive storm drain is visible to the left of the berm. Salt is visible outside the berm.
Location: Big Pad
Camera Direction: North   Date/Time: June 13, 2024 11:28 AM

6: RIMG0006
Description: Two manholes in roadway to the west the salt pile and of Photos 4-5.
Location: Big Pad
Camera Direction: West   Date/Time: June 13, 2024 11:29 AM

7: RIMG0007
Description: Beehive stormdrain west of the salt pile on Big Pad and the same as visible in Photos 4-5.
Location: Big Pad
Camera Direction: North   Date/Time: June 13, 2024 11:29 AM

8: RIMG0008
Description: Beehive stormdrain visible in Photo 7. Ground staining visible on the ground near the drain.
Location: Big Pad
Camera Direction: Down   Date/Time: June 13, 2024 11:30 AM

9: RIMG0009
Description: Wiew of western edge of salt pile on Big Pad. Salt is visible outside the berm and salt staining visible on road.
Location: Big Pad
Camera Direction: North   Date/Time: June 13, 2024 11:31 AM

10: RIMG0010
Description: View of north end of salt pile on Big Pad. Salt staining visible outside of berm and sitting liquid with tarp debris visible.
Location: Big Pad
Camera Direction: East
Date/Time: June 13, 2024 11:34 AM

11: RIMG0011
Description: Same view as Photo 10. Salt pile out of view to the right.
Location: Big Pad
Camera Direction: Northeast
Date/Time: June 13, 2024 11:34 AM

12: RIMG0012
Description: Opening in tarp on north end of covered salt pile.
Location: Big Pad
Camera Direction: South
Date/Time: June 13, 2024 11:37 AM

13: RIMG0013
Description: Opening in tarp on north end of salt pile. Different view than that in Photo 12.
Location: Big Pad
Camera Direction: South Date/Time: June 13, 2024 11:37 AM

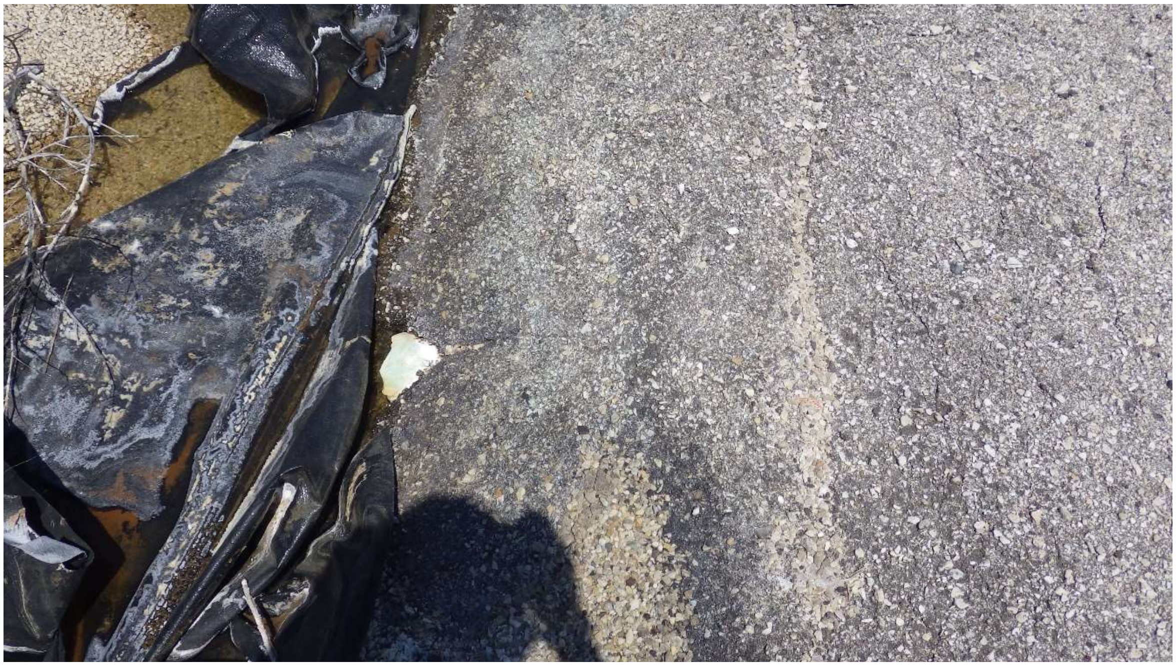
14: RIMG0014
Description: Drain at the north end of salt pile.
Location: Big Pad
Camera Direction: South Date/Time: June 13, 2024 11:39 AM

15: RIMG0015
Description: View of drain from Photo 14
Location: Big Pad
Camera Direction: Down Date/Time: June 13, 2024 11:39 AM

16: RIMG0016
Description: View of northeast corner and east side of salt pile. Water flowing north through salt into stormwater drain.
Location: Big Pad
Camera Direction: South Date/Time: June 13, 2024 11:42 AM

17: RIMG0017
Description: View of berm with broken asphalt and salt and liquid are present outside of berm along eastern edge of salt pile. EPA observed water flowing out of the green pipe, along the flow path, and into the storm water drain located northeast of the Big Pad.
Location: Big Pad
Camera Direction: West   Date/Time: June 13, 2024 11:45 AM

18: RIMG0018
Description: View towards drain from Photo 17. Liquid and salt visible inside and outside of berm and in a pathway towads drain.
Location: Big Pad
Camera Direction: North   Date/Time: June 13, 2024 11:45 AM



19: RIMG0019
Description: View of pipe built into berm. This pipe end is located inside the berm.
Location: Big Pad
Camera Direction: Down	Date/Time: June 13, 2024 11:46 AM

20: RIMG0020
Description: View of the other end of pipe from Photo 19 which is built into salt pile berm. The pipe appeared to have a red cap at the end.
Location: Big Pad
Camera Direction: West	Date/Time: June 13, 2024 11:47 AM

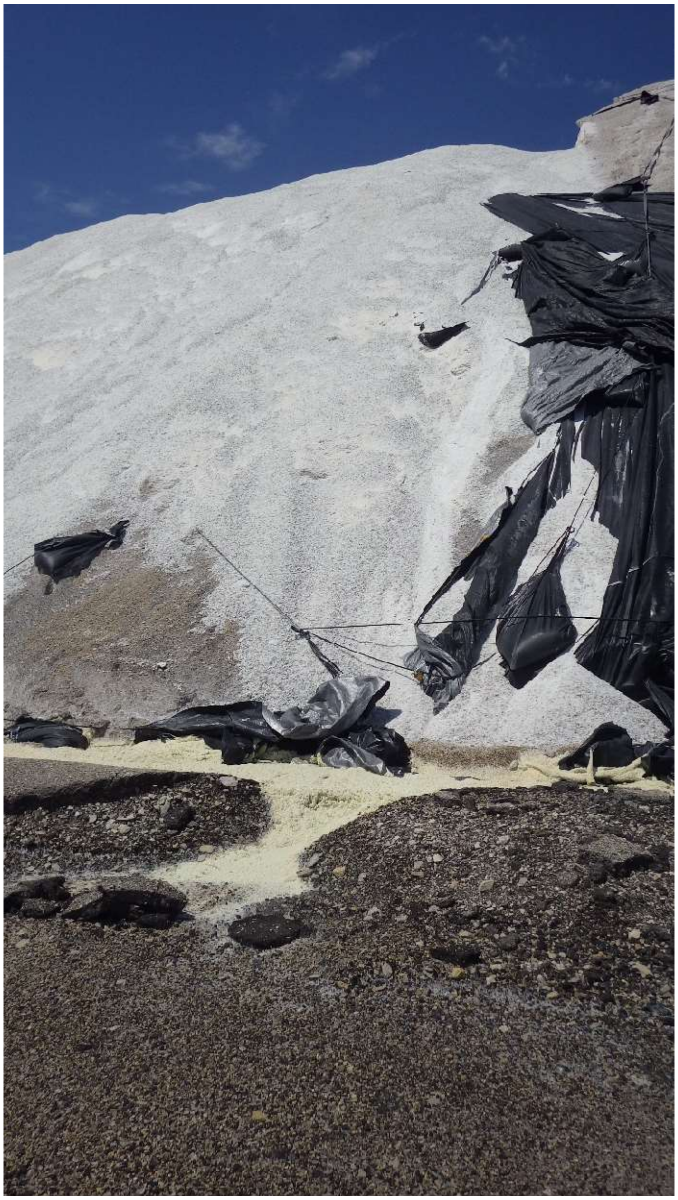
21: RIMG0021
Description: End of pipe built into berm with a yellow cap and is different from the one documented in Photo 19-20. This photo is of the outside of the berm and inspectors observed flow of water eminating from pipe.
Location: Big Pad
Camera Direction: West Date/Time: June 13, 2024 11:47 AM

22: RIMG0022
Description: Closer image of end of pipe in Photo 21.
Location: Big Pad
Camera Direction: West Date/Time: June 13, 2024 11:48 AM

23: RIMG0023

Description: Tarp and water inside of berm. The tarp is sucked into pipe and obscuring the other end of the pipe documented in Photo 22.
Location: Big Pad
Camera Direction: Down   Date/Time: June 13, 2024 11:48 AM

24: RIMG0024
Description: View of east end of salt pile and berm.
Location: Big Pad
Camera Direction: North
Date/Time: June 13, 2024 11:50 AM

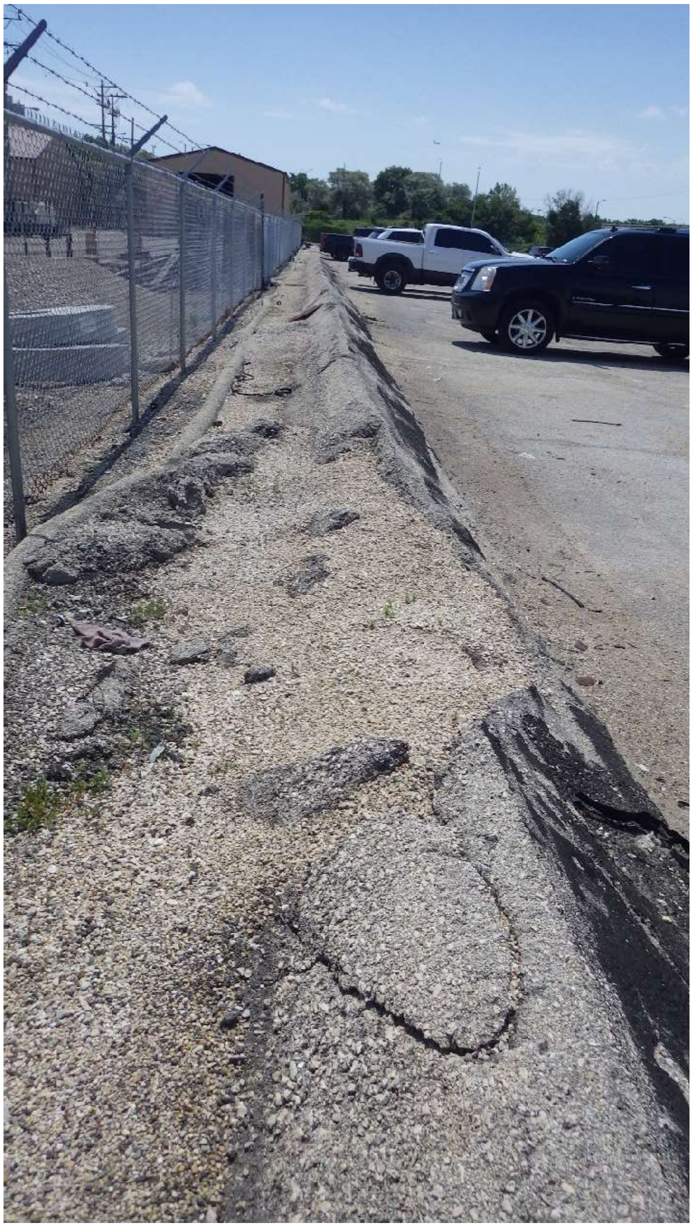


25: RIMG0025
Description: Salt overtop of and outside of the berm at the location where the tarp coverage ends and working face of the pile begins on east edge.
Location: Big Pad
Camera Direction: West
Date/Time: June 13, 2024 11:51 AM

26: RIMG0026
Description: Low berm with cracks along southeast edge of pile
Location: Big Pad
Camera Direction: Northeast Date/Time: June 13, 2024 11:53 AM

27: RIMG0027
Description: View of road and low lying area between Big Pad and office. Salt pile is out of view to the left.
Location: Big pag
Camera Direction: East Date/Time: June 13, 2024 11:54 AM

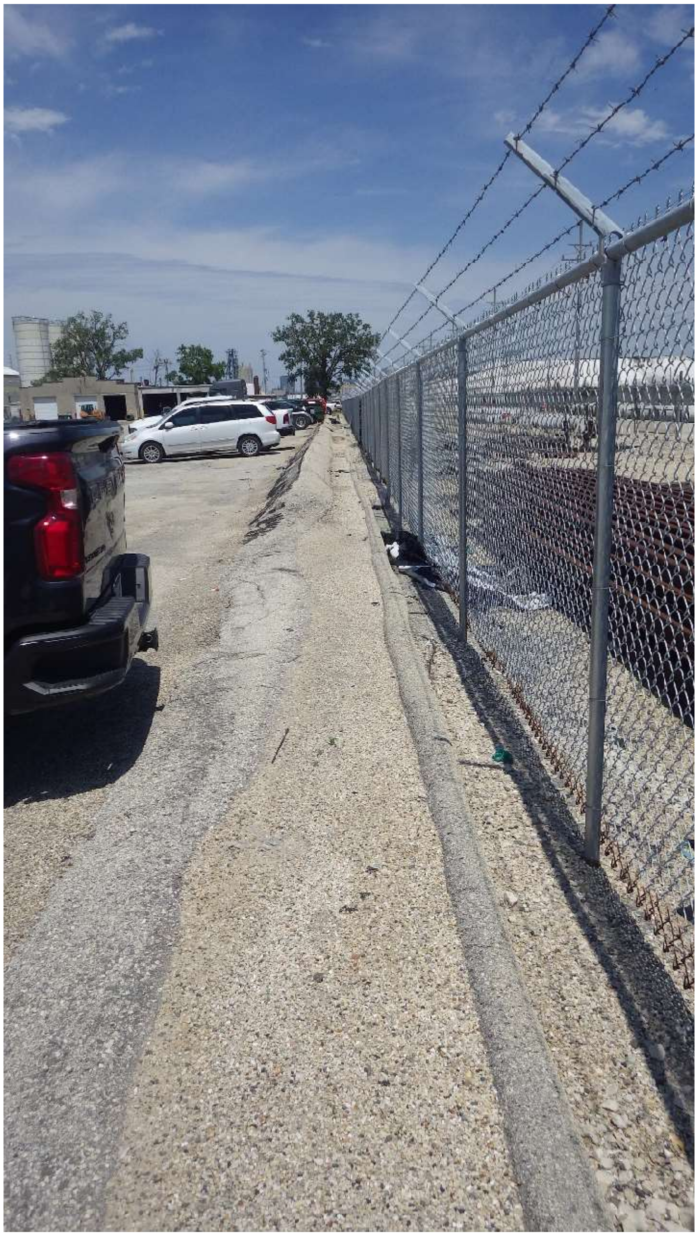
28: RIMG0028
Description: Eastern edge of berm
Location: Portland Pad
Camera Direction: South
Date/Time: June 13, 2024 12:03 PM



29: RIMG0029
Description: Break in eastern edge of berm
Location: Portland Pad
Camera Direction: South
Date/Time: June 13, 2024 12:04 PM

30: RIMG0030
Description: Rust line on bottom of fence on eastern side
Location: Portland Pad
Camera Direction: East Date/Time: June 13, 2024 12:05 PM

31: RIMG0031
Description: Rust line on bottom of fence on eastern side
Location: Portland Pad
Camera Direction: North
Date/Time: June 13, 2024 12:05 PM



32: RIMG0032
Description: Change in berm height on eastern berm
Location: Portland Pad
Camera Direction: North
Date/Time: June 13, 2024 12:06 PM

33: RIMG0033
Description: Break or missing secondard berm on southeast corner of pad
Location: Portland Pad
Camera Direction: South
Date/Time: June 13, 2024 12:07 PM

34: RIMG0034
Description: Erosional pathway on western edge of pad. Note rust line on bottom of fence.
Location: Portland Pad
Camera Direction: West Date/Time: June 13, 2024 12:10 PM

35: RIMG0035
Personally Identifiable Information has been redacted from this image.
Description: Spillover on berm on western edge
Location: Portland Pad
Camera Direction: South Date/Time: June 13, 2024 12:10 PM


36: RIMG0036
Description: Pipe built into northwest corner of berm. Pavement wet in pathway leading to and away from pipe indicating recent discharge.
Location: Portland Pad
Camera Direction: North   Date/Time: June 13, 2024 12:11 PM

37: RIMG0037
Description: Pipe from Photo 36 outside of the berm and leading towards water outside of fenceline.
Location: Portland Pad
Camera Direction: West
Date/Time: June 13, 2024 12:11 PM

38: RIMG0038
Description: Wet pavement and mud inside of berm leading towards the pipe from Photos 36-37, indicative of water pathway.
Location: Portland Pad
Camera Direction: Southeast
Date/Time: June 13, 2024 12:12 PM

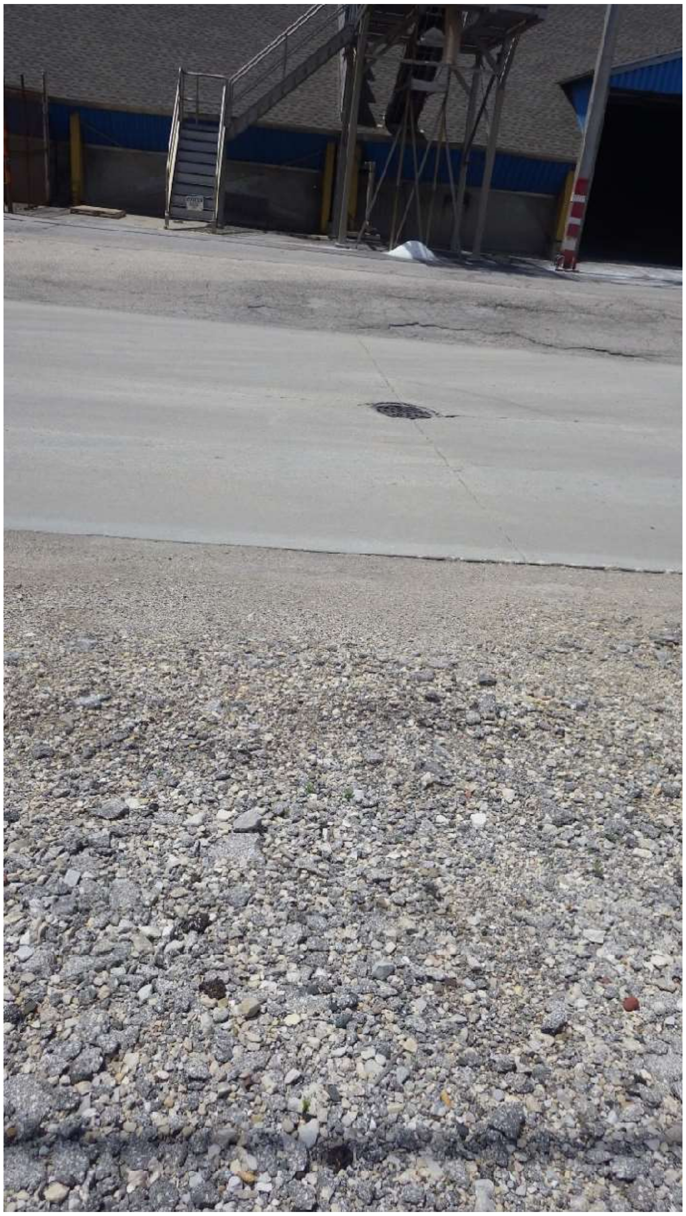
39: RIMG0039
Description: Two manholes outside fenceline north of pipe from Photo 36-37.
Location: Portland Pad
Camera Direction: West Date/Time: June 13, 2024 12:14 PM

40: RIMG0040
Description: Erosional pathway under fence, north of Portland Pad on western edge.
Location: Portland Pad
Camera Direction: Northwest Date/Time: June 13, 2024 12:15 PM

41: RIMG0041
Description: Equipment stored north of Portland Pad. Fenceline and erosional pathway from Photo 40 is visible on right.
Location: Portland Pad
Camera Direction: South   Date/Time: June 13, 2024 12:15 PM

42: RIMG0042
Description: Western edge and berm. Manholes are visible on side of road and in center of roadway on left.
Location: Small Pad
Camera Direction: North   Date/Time: June 13, 2024 12:24 PM

43: RIMG0043
Description: Salt runover berm on western edge of Small Pad. Roadway manhole from Photo 42 is visible.
Location: Small Pad
Camera Direction: South   Date/Time: June 13, 2024 12:25 PM



44: RIMG0044
Description: Manhole in center of roadway west of Small Pad.
Location: Small Pad
Camera Direction: West
Date/Time: June 13, 2024 12:26 PM

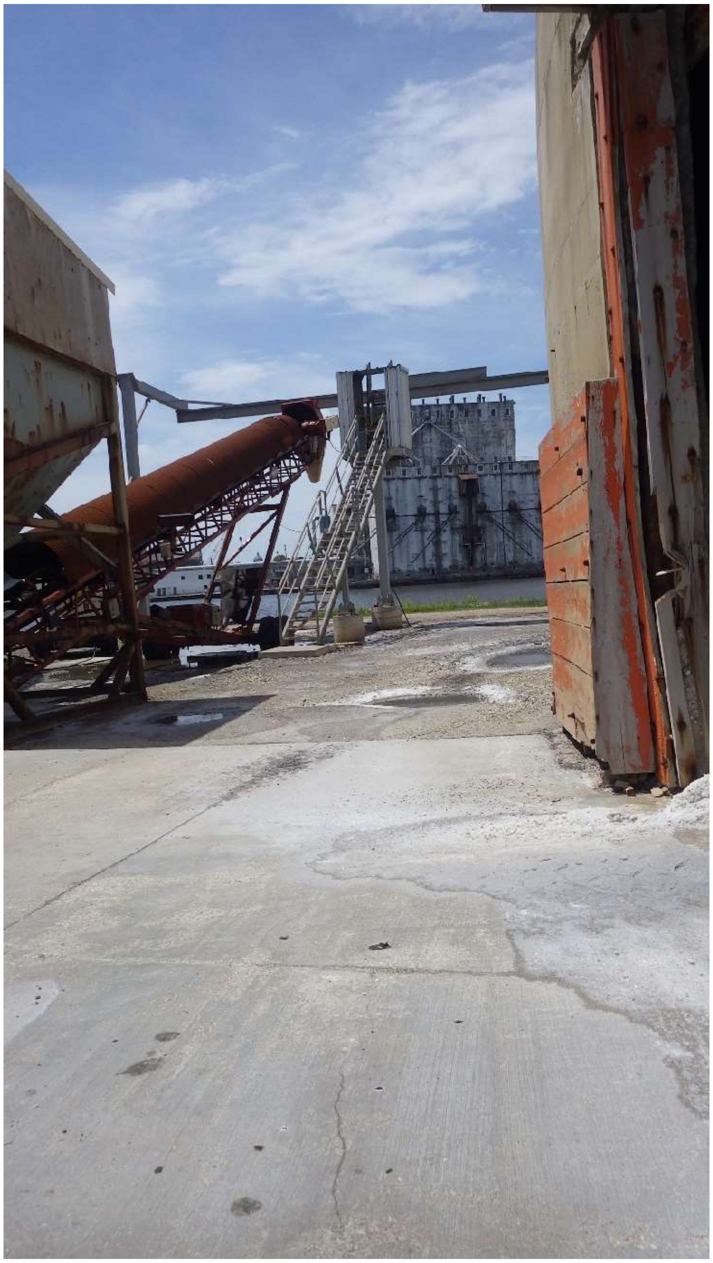
45: RIMG0045
Description: Manhole structure dislodged from original location and metal plate on ground covering hole on western edge of Small Pad.
Location: Small Pad
Camera Direction: Northwest Date/Time: June 13, 2024 12:27 PM

46: RIMG0046
Description: Berm along western edge of Small Pad. Note manhole in center of roadway.
Location: Small Pad
Camera Direction: North Date/Time: June 13, 2024 12:28 PM

47: RIMG0047
Description: Tarp coverning over low spot of berm on northwestern edge of Small Pad.
Location: Small Pad
Camera Direction: South   Date/Time: June 13, 2024 12:29 PM

48: RIMG0048
Description: North end of salt pile on Small Pad. Staining visible on ground off of pad.
Location: Small Pad
Camera Direction: East   Date/Time: June 13, 2024 12:29 PM

49: RIMG0049
Description: Reddish brown standing water on eastern edge of Small Pad.
Location: Small Pad
Camera Direction: North
Date/Time: June 13, 2024 12:32 PM

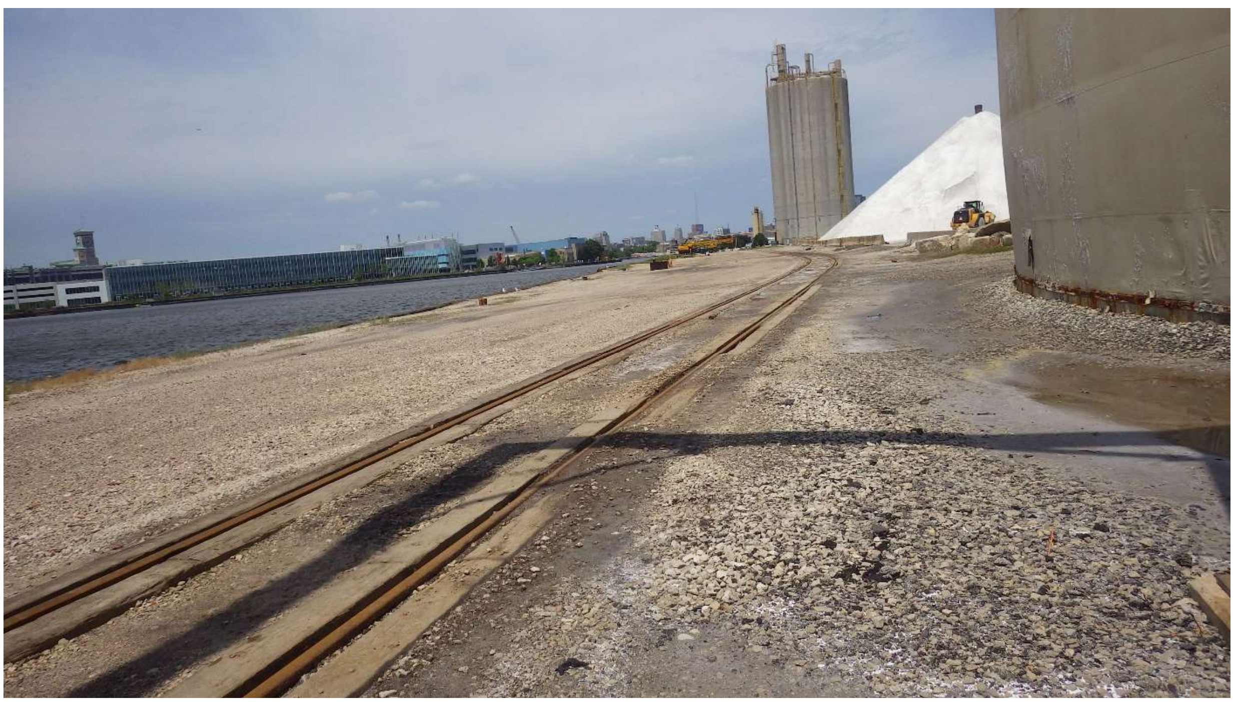


50: RIMG0050
Description: Opening of Kinder Dome on right. Salt residue and staining visible outside of domes.
Location: Kinder Domes
Camera Direction: West
Date/Time: June 13, 2024 12:38 PM

51: RIMG0051
Description: Same view as Photo 50. Kinder Dome entrances on right and left. Loading hopper visible on left center with ground staining underneath.
Location: Kinder Domes
Camera Direction: West Date/Time: June 13, 2024 12:38 PM

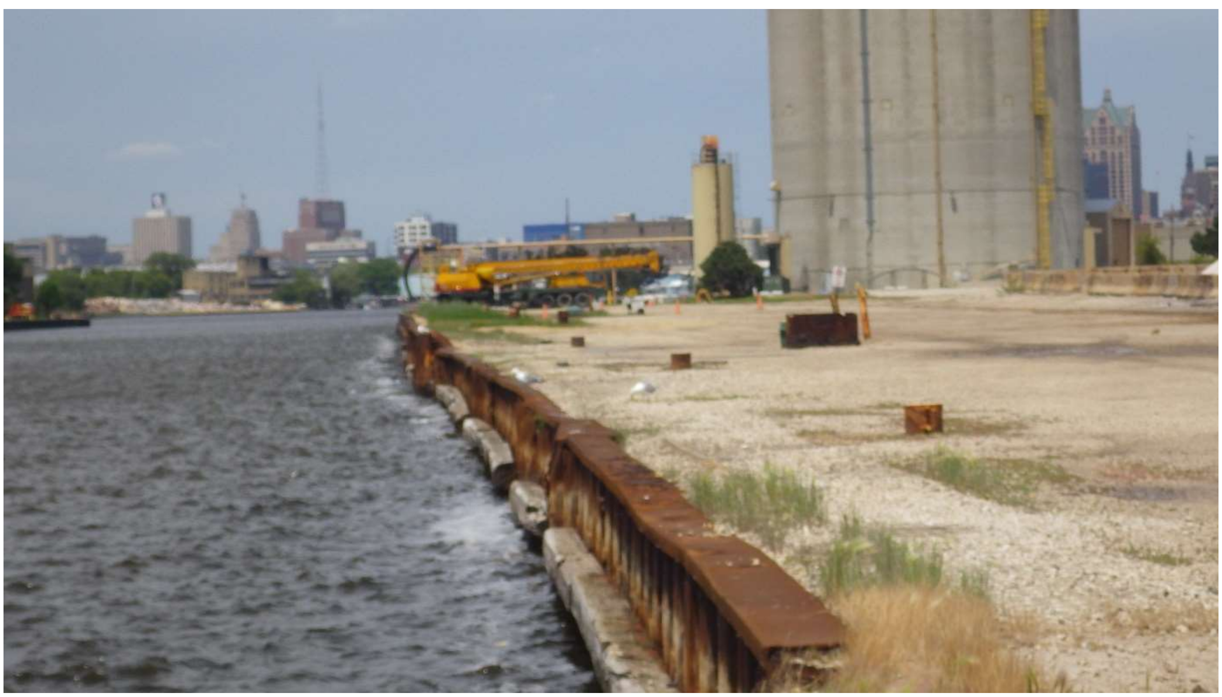
52: RIMG0052
Description: Staining between and past rail tracks located west of Kinder Domes.
Location: Kinder Domes
Camera Direction: Southwest
Date/Time: June 13, 2024 12:41 PM

53: RIMG0053
Description: Same staining from Photo 52 visible.
Location: Kinder Domes
Camera Direction: South   Date/Time: June 13, 2024 12:42 PM



54: RIMG0054
Description: Staining on ground around and between tracks. Kinder Dome and salt pile on Receiving Pad visible on right.
Location: Kinder Domes
Camera Direction: North   Date/Time: June 13, 2024 12:42 PM

55: RIMG0055
Description: Western edge of property. Note whiter areas in water in distance.
Location: West of Kinder Domes
Camera Direction: North   Date/Time: June 13, 2024 12:43 PM



56: RIMG0056
Description: Whiter area in water, same as from Photo 55.
Location: West of Receiving Pad
Camera Direction: North   Date/Time: June 13, 2024 12:43 PM

57: RIMG0057
Description: Erosional pathway inside of seawall and white foam and debris in water.
Location: West of Kinder Domes
Camera Direction: South   Date/Time: June 13, 2024 12:44 PM

58: RIMG0058
Description: Same view as Photo 57.
Location: West of Kinder Domes
Camera Direction: South   Date/Time: June 13, 2024 12:44 PM

59: RIMG0059
Description: Erosional pathway towards seawall, same as Photos 57-58.
Location: West of Kinder Domes
Camera Direction: West   Date/Time: June 13, 2024 12:44 PM

60: RIMG0060
Personally Identifiable Information has been redacted from this image.
Description: Western seawall and salt pile on Receiving Pad.
Location: Receiving Pad
Camera Direction: North   Date/Time: June 13, 2024 12:48 PM

61: RIMG0061
Description: Two Kinder Domes and western seawall.
Location: Western seawall and Receiving Pad
Camera Direction: South Date/Time: June 13, 2024 12:49 PM

62: RIMG0062
Description: Visible hole in seawall and erosional pathway in direction of hole.
Location: West of Receiving Pad
Camera Direction: Northwest Date/Time: June 13, 2024 12:49 PM

63: RIMG0063
Description: Salt pile on reciving pad and concrete jersey barriers. Note salt staining visible on ground near rail tracks.
Location: Reciving pad
Camera Direction: Northeast Date/Time: June 13, 2024 12:50 PM

64: RIMG0064
Description: Western edge of salt pile and jersey barriers.
Location: Receiving Pad
Camera Direction: North   Date/Time: June 13, 2024 12:51 PM

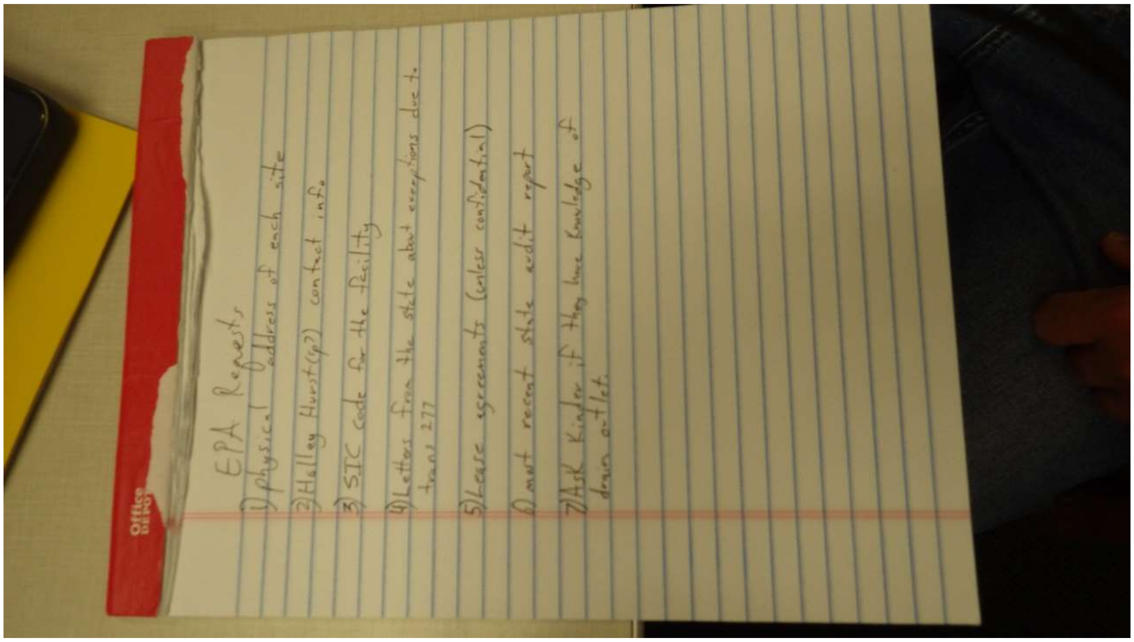

65: RIMG0065
Description: View of top of jersey barriers of Receiving Pad.
Location: Receiving Pad
Camera Direction: South   Date/Time: June 13, 2024 12:52 PM


66: RIMG0066
Description: North end of Compass Minerals salt pile on left. Jersey barriers mark edge of Receiving Pad. Salt pile and pad on right is owned by a different facility.
Location: Receiving Pad
Camera Direction: West   Date/Time: June 13, 2024 12:58 PM

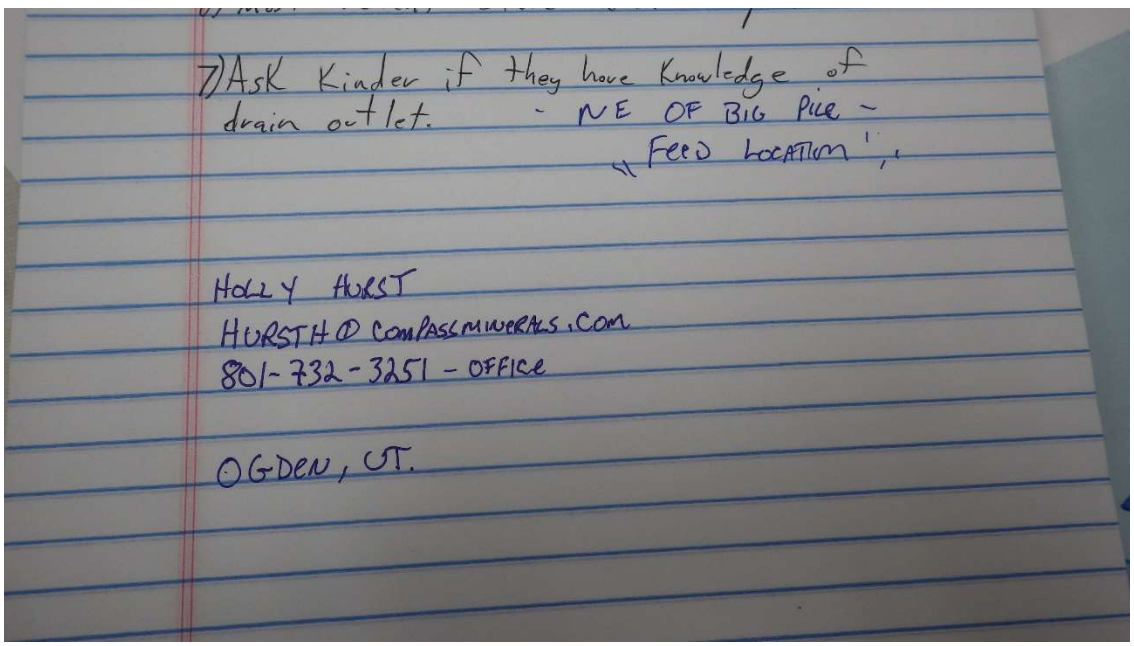
67: RIMG0067
Description: Eastern edge of salt pile on Receiving Pad on right. Note manhole in center of roadway on left.
Location: Receiving Pad
Camera Direction: South   Date/Time: June 13, 2024 12:59 PM

68: RIMG0068
Description: Manhole from Photo 67. Note salt dust accumulating at road edge and near drain. Inspectors noted blowing salt dust off salt pile on Receiving Pad.
Location: Receiving Pad
Camera Direction: East
Date/Time: June 13, 2024 1:00 PM

69: RIMG0069
Description: Hole in pavement near Receiving Pad.
Location: Receiving Pad
Camera Direction: Down
Date/Time: June 13, 2024 1:02 PM



70: RIMG0070
Description: List of requested documents.
Date/Time: June 13, 2024 1:24 PM



71: RIMG0071
Description: Contact information
Date/Time: June 13, 2024 1:36 PM

Appendix 3

TERMINAL SERVICES AGREEMENT
(BULK)

TABLE OF CONTENTS

KINDER MORGAN

TERMINAL SERVICES AGREEMENT
(Bulk)

Agreement Number	444-0005
FEIN	
Customer Number	

This Terminal Services Agreement (Bulk) (**"Agreement"**) is made by and between Milwaukee Bulk Terminals LLC (**"Kinder Morgan"**), a Delaware limited liability company, whose address is 1900 South Harbor Drive, Milwaukee, WI 53207 and Compass Minerals America Inc. (**"Customer"**), a Delaware corporation, whose address is 9900 West 109th Street, Suite 100, Overland Park, KS 66210. Kinder Morgan and Customer may be referred to herein individually as a **"Party"** or collectively as the **"Parties."**

WITNESSETH

For and in consideration of the mutual covenants and conditions contained herein, the Parties hereto agree as follows:

GENERAL TERMS AND CONDITIONS

1. SERVICES, TERM, HOURS, AND DEFINED TERMS

A. Scope of Services. Kinder Morgan agrees to perform the services as set forth in this Agreement (the **"Services"**) at the Terminal, and at the Terminal location, as described on Schedule A (the **"Terminal"**) with respect to the storage and handling of Customer's commodities as described on Schedule A (**"Commodity"** or **"Commodities"**).

The charges Customer shall pay for the Services rendered hereunder are as set forth on Schedule B.

B. Term of Agreement. The term of this Agreement shall commence on the Effective Date and continue for the time period as set forth on Schedule A (the **"Initial Term"**; together with any applicable Renewal Terms, if any, provided for herein, the **"Term"**).

The Initial Term shall renew automatically for the time period as set forth on Schedule A (the **"Renewal Term"**) unless terminated by either Party giving a written notice to the other Party prior to the expiration of the Initial Term or any Renewal Term for the number of Days as specified in Schedule A (the **"Notice Period"**).

C. Operating Hours. "Operating Hours" for the Terminal and other services at the Terminal, are as set forth on Schedule A. The Terminal shall be operated by Kinder Morgan to perform its functions as specified herein during the Operating Hours or other hours set forth in this Agreement, except as such hours may be changed from time to time in applicable bargaining agreements between Kinder Morgan and the collective bargaining representatives of Kinder Morgan's employees or similar agreements. In addition, the Terminal, Kinder Morgan's Operating Hours and the Services hereunder shall be subject to reasonable delays and closures as required by Applicable Law or by

Kinder Morgan, where, in its sole opinion, it deems it is necessary or advisable to do so for repair maintenance, in the event of adverse weather conditions, or to safeguard the property or personnel located at the Terminal. Required maintenance shall be scheduled in advance so as to minimize interference with the Operating Hours and Kinder Morgan shall provide Customer with a reasonable advance notice of any such maintenance in order to allow Customer to take into account such maintenance, including without limitation, to allow for Customer to coordinate its scheduling of inbound or outbound deliveries of Commodities. Kinder Morgan shall provide prompt notice of any delays and closures due to repairs, adverse weather conditions, or to safeguard the property or personnel located at the Terminal.

D. Defined Terms. Capitalized terms used in this Agreement shall have the meanings set forth in Section 28 and Schedule B.

E. In the event that an additional terminal is desired to be covered by this Agreement and such terminal is owned or operated by a Kinder Morgan Affiliate, then such Kinder Morgan Affiliate and the Customer may adopt and agree to be bound by this Agreement for coverage of such terminal pursuant to a separately designated and executed Schedule (e.g. Schedule A-1 and B-1) covering the applicable terminal and which such Schedule expressly adopts the terms and conditions of this Agreement. In such event, the Kinder Morgan Affiliate shall be solely and severally responsible and liable under the terms and conditions of this Agreement as it applies to such terminal, and Kinder Morgan (the original signatory hereto) shall have no liability under this Agreement for the responsibilities and obligations of the Kinder Morgan Affiliate, and provided further that neither Kinder Morgan nor the Kinder Morgan Affiliate shall be liable for the obligations of the other Kinder Morgan entity.

2. OPERATIONS

A. General. Customer agrees that the Terminal shall be used only for the storage of the Commodities. Kinder Morgan reserves the right to refuse any receipt into its Terminal if a Commodity does not meet the Commodity description and specifications, as set forth on Schedule A. Further, notwithstanding anything in this Agreement to the contrary, Customer agrees not to deliver to the Terminal any Commodity which (1) would in any way be injurious to the Terminal, (2) would render the Terminal unfit, after cleaning, for the proper storage of any other type of commodity products, or (3) may not lawfully be stored in the Terminal.

Customer acknowledges that the Terminal storage area or warehouse designated for use and accepted by Customer is in a clean condition and suitable for the storage of the Commodities. Customer agrees that the storage area shall be returned at the end of the Term in the same clean condition as originally received, normal wear and tear expected.

B. Additional Storage Capacity. Kinder Morgan shall not be required to make additional storage capacity available to Customer that is in excess of the Maximum Annual Tonnage of Commodity to be stored, as set forth on Schedule A**.** If Customer requests additional storage capacity, such additional storage shall be at Kinder Morgan's sole discretion, and pursuant to such additional terms and conditions as mutually agreed.

C. Removal of Waste. If any Waste is present at the storage area after the removal of Commodities from the Terminal, Kinder Morgan shall remove and dispose of such Waste in a manner and method at its sole discretion and as required by Applicable Law, and shall restore the Terminal back to its original condition as originally provided to Customer, normal wear and tear excepted, and Customer shall pay for all costs and expenses necessary for such removal and disposal of Waste and any associated cleaning, including the costs of any charges, taxes, disposal fees, regulatory authority charges, preparation of documents or other costs incurred in connection therewith, for such Services at the rates set forth for Additional Services, as set forth on Schedule B**.** In addition, if Waste is tendered from vessels or barges as required by any MARPOL Annex, similar regulations or the U.S. Coast Guard, Customer shall arrange, or authorize a representative of the vessel or barge to arrange on Customer's behalf, for disposal of all such Waste using third party services approved by Kinder Morgan. If Customer or its authorized representative refuses to arrange for the removal of such Waste, Kinder Morgan shall arrange for the removal and disposal of such Waste and Customer shall reimburse Kinder Morgan for the cost of receiving, handling, storing, and shipping such Waste and shall pay for the incineration or other destructive disposal of such Waste in accordance with the rates for Additional Services as set forth in Schedule B.

D. **Additional Equipment.** Any fixtures, equipment or appurtenances attached to the Terminal or otherwise placed in the Terminal by Customer or by Kinder Morgan at the request of Customer and paid for by Customer shall be considered property (**"Property"**) of Customer. Unless otherwise agreed to in writing by both Parties, title to such Property shall vest in Kinder Morgan upon expiration or termination of the Agreement unless Kinder Morgan agrees in writing that Customer may remove such Property at that time. Customer agrees to pay for the removal of the Property and for all damage to the Terminal or other facilities caused by the removal of any such Property. Unless otherwise agreed, taxes, insurance, maintenance and operating costs related to the Property shall be paid by Kinder Morgan and are excluded from the rates charged to Customer for Services.

E. **Pad Losses.** Intentionally Omitted.

F. **Damage or Destruction.** Notwithstanding any Force Majeure Event, if all or any portion of the Terminal dedicated to Customer or utilized to provide Services to Customer is damaged or destroyed by fire or other casualty and Kinder Morgan's ability to handle Customer's Commodity is reduced, the applicable charges set forth in this Agreement, together with Kinder Morgan's requirement to handle the volume of Commodity in consideration of such charges, shall be reduced by an amount equal to the percentage of total capacity furnished hereunder that any such damaged or destroyed Terminal constitutes or as the Services may be otherwise affected, or in a manner otherwise specified herein, unless such damage or destruction is caused by Customer. This abatement shall continue so long as such damaged or destroyed Terminal or portion thereof is not repaired and ready for service, or so long as a substitute Terminal location or Services is not provided as permitted in the "Right to Relocate Commodity" paragraph hereof; provided however, Kinder Morgan may take reasonable efforts, but shall not be required, to repair or replace any such damaged or destroyed Terminal.

G. **Right to Relocate Commodity.** If, during the Term hereof, Kinder Morgan desires to provide a substitute storage location or warehouse at the Terminal (other than as described on Schedule A), Kinder Morgan may do so provided the transfer of Commodities is at the expense of Kinder Morgan. In such event, Kinder Morgan shall provide reasonable advance notice to Customer of such relocation and Customer shall be entitled to inspect the new storage area or warehouse to determine that it is in a clean condition and suitable for the storage of the Commodities. If Customer reasonably determines the new storage area or warehouse is not in a clean condition or is not suitable for the storage of Commodities, Customer shall advise Kinder Morgan of such deficiencies, and the Parties will negotiate a reasonably suitable replacement. Any such substitute storage location or warehouse at the Terminal while in use hereunder shall be considered the Terminal location referred to in this Agreement and the terms of this Agreement shall apply to such Terminal location.

H. **Terminal Policies.** Customer agrees that it shall comply with all operating policies and procedures that are issued from time to time by Kinder Morgan upon written notification of or delivery of copies of such operating policies and procedures to Customer.

I. **Pile Compaction Services.** Intentionally Omitted.

J. **Security/Customs.** Customer shall ensure that all vessels docking at the Terminal are in compliance with all Applicable Laws, including without limitation, the Maritime Transportation Safety Act-ISPS regulations. Customer shall arrange customs clearance of Commodities and shall instruct the customs broker to provide written proof of clearance to Kinder Morgan.

K. **Measurement.** The quantity of Commodity handled by Kinder Morgan at the Terminal shall be deemed to be the amount delivered by Customer to the Terminal by the applicable vessel, barge, railcar and/or truck and the Commodity volume shall be determined by: (a) in the case of a vessel, by draft surveys, (b) in the case of a barge, by draft surveys, (c) in the case of a railcar, by rail scale weights, and (d) in the case of a truck, by certified truck scale weights. If required by Kinder Morgan, no more than once per Year, the Customer shall arrange and pay for a survey by an independent survey company to provide such measurements, which company shall be reasonably acceptable to Kinder Morgan.

L. **Dust Control.** Kinder Morgan may spray Commodity with water as necessary to control dust if or when reasonably deemed necessary by Kinder Morgan in order to satisfy any Applicable Law related to dust control.

M. **Combining.** Intentionally Omitted.

N. **Ratable Deliveries and Offtake.** Customer shall use commercially reasonable efforts to deliver Commodity into and out of the Terminal on a ratable basis as further described in Schedule A throughout the term of this Agreement.

3. DELIVERY OF COMMODITY

Customer shall ensure that any Commodity that is delivered to the Terminal shall meet all of the delivery conditions required by the Terminal, including without limitation, the condition that the Commodity is (i) dry and free-flowing, (ii) properly and suitably stowed in an applicable vessel, barge, railcar or truck, (iii) suitable for handling on belt conveyors and are of a reasonably anticipated size, if applicable(iv) substantially free from foreign materials, fines, moisture, metal, trash, debris and other contamination, (v) not a safety hazard or of excessive temperature, (vi) not of a condition that might otherwise damage or slowdown the Terminal's equipment or increase normal and customary handling and storage costs, and (vii) otherwise meets the other terms and conditions of this Agreement (the **"Required Delivery Conditions"**). Kinder Morgan reserves the right to inspect all Commodities in the vessel, barge, railcar, or truck, as applicable, upon arrival and prior to delivery at the Terminal and reserves the right to reject receipt of those Commodities that, in Kinder Morgan's reasonable judgment, do not meet the Required Delivery Conditions. In lieu of rejecting Commodities that do not meet the Required Delivery Conditions, Kinder Morgan may accept such Commodities and assess additional charges for handling and unloading such Commodities at the rates set forth on Schedule B or as may be otherwise mutually agreed in writing between Customer and Kinder Morgan. Notwithstanding the foregoing or anything to the contrary in this Agreement, Kinder Morgan shall have no responsibility for any inspection, or for any failure to inspect, Commodities or any applicable vessel, barge, railcar or truck, and Customer bears the sole and exclusive responsibility for any and all additional charges, costs or liabilities of any nature related to Kinder Morgan's acceptance, receipt or rejection of Commodities that do not meet the Required Delivery Conditions.

4. SCHEDULING, SPECIAL MARINE PROVISIONS, DEMURRAGE, AND THIRD PARTY ACCESS

A. **Scheduling.** Unless otherwise specified in Schedule A, Customer shall promptly notify Kinder Morgan in writing, but in no event less than twenty-four (24) hours in advance, of the anticipated arrival of any vessel, barge, railcar or truck, as applicable, for any deliveries and/or receipts of

Commodities. Except as otherwise provided herein, all vessels, barges, railcars and trucks shall be discharged and loaded in the order of their arrival in accordance with a "first come, first served" principle, except where changes to this principle are required due to: (a) Applicable Law, (b) an emergency safety situation (or to prevent an emergency safety situation), (c) a slot booking system or other local practice to the contrary that exists at the Terminal, or (d) where reasonably required for the efficient operation of the Terminal or as otherwise determined by Kinder Morgan at its sole discretion. Prior to the delivery by Customer of Commodity to the Terminal, Customer shall provide Kinder Morgan information regarding the amount Tons of Commodity to be delivered, the estimated date of delivery, and any other information reasonably requested by Kinder Morgan and as provided herein. Kinder Morgan shall advise Customer of any condition at the Terminal that would delay or hinder the unloading of the vessel, barge, railcar or truck.

(1) **Vessel/Barge Scheduling.** Notwithstanding the foregoing scheduling provisions, Customer shall be responsible for scheduling all vessels and barges delivering Commodity to or transporting Commodity from the Terminal. For vessels and barges calling the Terminal: (a) to load Commodity, Customer shall provide Kinder Morgan with a forward shipping schedule and shall advise Kinder Morgan in writing of vessel/barge nominations requesting acceptance, subject to any additional nominating procedures as may be provided in this Agreement or otherwise be required by Kinder Morgan at the applicable Terminal, and (b) to unload Commodity, Customer shall provide a copy of each vessel or barge's manifest to Kinder Morgan at least five (5) days in advance of the arrival of any vessel or barge, or if such voyage is less than five (5) days, Customer shall notify Kinder Morgan in writing upon sailing of the vessel or barge from the load port, setting forth the Commodity quantity loaded thereon. For all vessels and barges calling into the Terminal for whatever purpose, Customer shall provide estimated time of arrival notices ("ETA Notices") in accordance with Schedule A of this Agreement. Any failure of proper or timely submission of ETA Notices to the Terminal may impact such vessel or barge's loading or unloading priorities and berthing rotation. Notwithstanding any ETA Notice, vessels or barges shall be handled on a first come-first served basis, unless otherwise dictated by local Terminal practice; provided, however, that vessels may, at Kinder Morgan's sole discretion, have preference over barges prior to berthing where the facility is common to both. Berthing of a vessel or barge at the Terminal dock constitutes Customer's declaration that the vessel or barge has declared itself ready to receive or deliver the Commodity. If any vessel or barge fails to vacate any Kinder Morgan Terminal dock upon completion of loading or unloading of Commodities or when otherwise ordered to do so by Kinder Morgan, in its sole discretion, then Customer shall be responsible for all costs incurred by any other vessels or barges which otherwise would be occupying such Terminal dock but for failure of such vessel or barge handling Commodities to timely vacate such dock. Customers utilizing a Terminal dock which handles ocean vessels and that require the use of vessel agents shall nominate and appoint vessel agents who are listed on the most recent Kinder Morgan Approved Agent List, as provided by Kinder Morgan.

B. Special Marine Provisions.

(1) **Disclaimer of Warranties.** Kinder Morgan does not warrant the safety of any port, channel, fairway, anchorage, Terminal, berth, or dock, or any approach to any Kinder Morgan Terminal, berth or dock, and any and all such warranties, express or implied, are hereby expressly disclaimed.

(2) **Safe Berth Availability.** Kinder Morgan shall exercise due diligence to provide a safe berth(s) at which vessels or barges may load, unload and lie safely afloat at the Terminal. Kinder Morgan shall not be deemed to warrant the safety of any berth(s) and shall be under no liability in respect thereof except for loss or damage caused by Kinder Morgan's failure to exercise due diligence as aforesaid. Kinder Morgan shall advise Customer of any known unsafe condition at the berth(s) discovered by Kinder Morgan. Customer shall be

responsible for obtaining port/berth restrictions on vessel draft, length over all, beam and other clearance criteria applicable to the particular port/berth. Customer shall bear all liability in the event the vessel or barge does not comply with port/berth restrictions.

(3) **Submerged Objects.** In no case shall Kinder Morgan be liable for any damage or loss caused by submerged objects in any port, channel, fairway, or anchorage or for any damage or loss caused by submerged objects in any approach to a Kinder Morgan berth outside of Kinder Morgan's Terminal, berth or dock.

C. **Demurrage.** Customer shall not identify Kinder Morgan on any agreement, waybill, bill of lading, receipt, weigh ticket, or other document of title or document accompanying or affecting the carriage or shipment of Commodities as a consignor, consignee, or shipper. Customer shall enter into an agreement with each carrier transporting Commodities to or from the Terminal which provides that (i) Customer shall be solely responsible for any demurrage, or any loss, damage, or expense in the nature of or in lieu of demurrage, due to any delay in loading or unloading of Commodities or any accessorial, ancillary or other charges imposed for loading or unloading of Commodities (collectively, "Demurrage Charges"), and (ii) all Demurrage Charges shall be billed solely and directly to Customer. Notwithstanding anything in this Agreementto the contrary, Kinder Morgan shall not be responsible for any Demurrage Charges.

D. **Customer and Third Party Access.** Kinder Morgan reserves the right, at its sole discretion, to refuse to admit and/or to remove Customer, any of its employees, or any of Customer Third Parties that Kinder Morgan considers to be a risk to the safety or security of the Terminal. Further, Customer agrees that access to the Terminal by any of Customer's Third Party vessels, barges, trucks and railcars or any Third Party sent to the Terminal by Customer to provide services on behalf of Customer is conditioned on Kinder Morgan's approval, in its sole discretion, and such approved Customer Third Parties shall be required to execute Kinder Morgan's Carrier Access Agreement or Kinder Morgan's Facility Access Agreement, as applicable, between Kinder Morgan and the Customer Third Party. Customer agrees (i) to assist Kinder Morgan in obtaining execution of such access agreements from its Customer Third Parties, and (ii) to ensure that such Customer Third Parties maintain insurance at levels similar to those maintained by similar responsible companies in similar industries. **NOTWITHSTANDING ANY OTHER PROVISION TO THE CONTRARY CONTAINED HEREIN AND TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, CUSTOMER HEREBY INDEMNIFIES AND HOLDS HARMLESS KINDER MORGAN AND ITS INDEMNITEES FROM AND AGAINST ANY AND ALL CLAIMS ARISING FROM, RELATED TO, OR CAUSED BY, DIRECTLY OR INDIRECTLY, ACTS OR OMISSIONS OF CUSTOMER THIRD PARTY (INCLUDING WITHOUT LIMITATION ANY CLAIMS CAUSED BY THE CONCURRENT NEGLIGENCE, ACTS OR OMISSIONS OF KINDER MORGAN OR A KINDER MORGAN INDEMNITEE), EXCEPT TO THE EXTENT ANY SUCH CLAIMS ARE CAUSED BY THE SOLE NEGLIGENCE OF KINDER MORGAN OR A KINDER MORGAN INDEMNITEE.**

5. RECEIPTS AND DELIVERIES, CUSTODY TRANSFER AND INVENTORY RECONCILIATION

A. **General.** For the charges specified in this Agreement, Kinder Morgan agrees to handle the Commodities into and out of the Terminal and to provide facilities necessary to perform such handling and provide storage in accordance with this Agreement. All receipts and deliveries of Commodities shall be arranged by Customer, and Kinder Morgan shall be responsible only to receive or discharge the Commodities at its designated Terminal facilities from or to those vessels, barges, railcars, or trucks which Kinder Morgan determines to be compatible with Kinder Morgan's handling facilities. In particular, all receipts of any Commodities from any vessel, barge, railcar, or truck shall be arranged for and provided by Customer. In receiving Commodity from a vessel, barge, railcar, or truck, Customer shall be responsible for Commodity until it is offloaded from such vessel, barge, railcar, or truck. In delivering Commodity to a vessel, barge, railcar, or truck, Customer shall be responsible for the Commodity as soon as it is loaded onto such vessel, barge, railcar, or truck. In no event shall Kinder Morgan be responsible for any loss or damage of any kind to Commodity before the Commodity is offloaded from or after it is loaded onto the transporting vessel, barge, railcar, or truck, as the case may be.

(1) **Cleanliness and Suitability.** Customer shall be solely responsible to inspect or survey each vessel, barge, railcar and truck to be used in the shipment of the Commodities to or from the Terminal, as applicable, for cleanliness and suitability and to determine the suitability of such vessel, barge, railcar or truck, as applicable, for transporting Commodity. Kinder Morgan shall have no responsibility or duty to determine the suitability or cleanliness of any vessel, barge, railcar or truck which transports Commodities.

(2) **Loading and Discharging of Commodities.** Customer shall ensure that on arrival at the Terminal the Commodity is in a condition that it is able to be discharged immediately without delay or restriction. Kinder Morgan retains the right to stop or pause the discharging or loading of Commodities from any vessel, barge, railcar, or truck for safety or emergency reasons or otherwise to comply with Applicable Law. With respect to Commodities that are discharged or loaded onto a vessel or barge, Customer shall ensure that, as soon as the vessel or barge has moored alongside a berth designated by Kinder Morgan and Kinder Morgan has declared itself ready to receive or deliver the Commodity, the discharging or loading of the vessel or barge shall commence.

(3) **Reports.** Unless otherwise agreed, Kinder Morgan agrees to furnish only inbound and outbound reports upon receipt or delivery and Monthly reports as to the quantity received, handled and in storage on Kinder Morgan's reporting forms.

B. Inventory Reconciliation. At least once each Contract Year or, within thirty (30) days subsequent to the termination of the Agreement, if less than one year, Customer shall remove all remaining Commodity from the designated storage area at the Terminal so that an accurate assessment can be made regarding the volume of Commodity handled and any handling losses for that respective period. If Customer elects not to remove all remaining inventory, the Parties are deemed to have agreed that any loss during such period did not exceed the Loss Allowance.

6. PAYMENTS

A. Charges and Other Invoiced Charges. For any applicable recurring charges for monthly storage of Commodities, as set forth on Schedule B, Customer shall pay Kinder Morgan all such recurring monthly charges prior to the first Day of the Month in which Services are to be provided (regardless of when an invoice for such charges is delivered to Customer).

Customer shall pay Kinder Morgan for all other fees, expenses, and charges specified in this Agreement within thirty (30) Days of the date of receipt of invoice from Kinder Morgan detailing such charges. Kinder Morgan may send invoices for fees, expenses, and other charges as soon as it receives Commodities at the Terminal.

B. General. If any payment required under this Agreement is not paid when due, it shall bear interest at the rate of one and one-half percent (1.5%) per Month for each Month or portion of a Month thereafter during which such overdue amount remains unpaid. Unless otherwise agreed in writing, all payments shall be made to Kinder Morgan via wire transfer to a designated Kinder Morgan account as provided to Customer by Kinder Morgan. Customer shall identify by number the Kinder Morgan invoices being paid in the wire transfer comments. Customer shall be responsible to pay any bank charges incurred by Customer when remitting funds via wire transfer. Acceptance by Kinder Morgan of any payment from Customer for any charge or service at any time shall not be deemed a renewal of this Agreement or waiver by Kinder Morgan of any default by Customer hereunder. Customer agrees that Kinder Morgan shall not be obligated to provide any Services as provided for in this Agreement when Customer fails to pay invoices when due. In the event Customer in good faith disputes any portion of an invoice, Customer shall promptly notify Kinder Morgan in writing of the disputed portion and pay the undisputed portion according to the terms of this Section 6. The Parties agree to use commercially reasonable efforts to promptly resolve any disputed invoices. Customer shall not withhold or offset any invoice amounts in dispute related to claims for lost or damaged Commodities.

C. **Security.** As a condition precedent to this Agreement, Customer shall provide a letter of credit in the amount of $1,500,000.00 at Customer's expense, prior to the Effective Date to cover any and all Customer obligations, payments, and amount owed in connection with this Agreement ("**Letter of Credit**"). The Letter of Credit shall be in a form and from a bank acceptable to Kinder Morgan and shall continue until such time that Kinder Morgan deems it no longer necessary to secure Customer's performance under the Agreement. Notwithstanding the foregoing, if, at any time throughout the Term, the Credit Rating of Customer's ultimate parent company, Compass Minerals International, Inc. ("**CMP**"), is BBB- or higher by S&P, Baa3 or higher by Moody's (hereinafter "**Investment Grade**"), Customer shall have no obligation to provide the Letter of Credit; provided, however, that if thereafter, CMP's Credit Rating falls below Investment Grade Customer shall be required to re-post the Letter of Credit. "Credit Rating" shall mean with respect to an entity, on any date of determination, the rating then assigned to its senior unsecured long-term indebtedness (not supported by a third party credit enhancement) by Standard & Poor's Corporation, or its successor (S&P) and by Moody's Investor Service, Inc. or its successor (Moody's), or in the event a party has no such indebtedness, its then current corporate credit or issuer rating.

D. **Additional Security.**

(1) Customer shall provide Kinder Morgan with the Customer's most recent annual audited income statement, balance sheet, statement of cash flow and any related notes (**"Annual Financials"**) within five (5) business days of completion. If, at any time throughout the Term, CMP's Credit Rating falls below its current credit rating as of the Effective Date of this Agreement (BB- by S&P and B31 by Moody's) or if Customer fails to meet its payment obligations as defined by Section 6.A., then, Customer shall provide, at Kinder Morgan's written request and within ten (10) business days from such request, additional assurance and/or security for its performance hereunder (**"Additional Security"**). If the Additional Security required involves financial security to assure performance by Customer, then it shall be in such form and amount as is commercially reasonable and satisfactory to Kinder Morgan, but shall in no event equal less than one half (1/2) of the product of the Base Rate multiplied by the Minimum Annual Guaranteed Tonnage. The form of such Additional Security may include, but need not be limited to cash collateral, prepayment of charges hereunder, or the posting of a letter of credit or bond securing Customer's payment and performance hereunder.

(2) In the event that: (1) Customer provides Kinder Morgan with Customer's parent company's (**"Parent Company"**) or Customer Affiliate's Annual Financials; or (2) Kinder Morgan relies on the Parent Company's or the Customer Affiliate's credit rating as part of Customer's credit application to Kinder Morgan, Customer shall be obligated to provide such Parent Company's or Customer Affiliate's Annual Financials as required by Section 6C and Kinder Morgan's rights under Section 6C shall also apply to the Parent Company and Customer Affiliate. In the event, Parent Company or Customer's Affiliate is required to make its annual audited financial statements available to the public, then the other party shall use public sources to obtain the information.

(3) Customer agrees that failure to provide Annual Financials, Letter of Credit, or Additional Security within the time frame required under this Section 6 shall constitute a default by Customer pursuant to Section 17(a) of this Agreement, and Kinder Morgan, in addition to any other remedies available in law or equity, may suspend its performance or terminate this Agreement without liability to Customer.

7. TAXES AND ASSESSMENTS

Customer agrees to pay all taxes and assessments that may be assessed by any Governmental Authority against any Commodity of Customer or against Kinder Morgan (except for income, franchise and real estate taxes) with respect to the Services. Customer further agrees to pay any existing or newly created or undisclosed tax in the form of a so-called “value added” tax, sales tax, rent tax, excise tax, service charge or similar tax assessment. In addition, Customer shall pay its direct costs or pro rata share of any inventory or use tax or so-called spill tax, pollution control tax or emission fee which may be assessed against the Terminal with respect to the Commodity, any Waste, the charges hereunder or against the Services hereunder. Furthermore, Customer shall reimburse Kinder Morgan for any taxes or charges Kinder Morgan may be required to pay in regard to the Commodity, Waste or property of Customer but solely to the extent expressly charged for the account of Customer’s Property, Commodity or Waste.

8. INSURANCE

Kinder Morgan does not and shall not insure Customer’s Commodity or property, nor property of others. Insurance shall be carried by Customer or its contractors at their own expense. Customer's insurance carrier shall endorse the policies to waive subrogation against Kinder Morgan. Copies of such endorsements shall be furnished to Kinder Morgan upon request.

Throughout the term of this Agreement, Kinder Morgan shall maintain in effect either through self-insurance or commercially available insurance programs, such insurance as it deems advisable or required by law. Such insurance shall be maintained with not less than the minimum limits and coverages as required by law where applicable and otherwise in such amounts and with such coverages, exclusions and endorsements as Kinder Morgan, in its sole judgment, reasonably applied as a prudent operator, believes necessary to manage and mitigate the risks of the operation.

9. GOVERNMENTAL RESTRAINT

If, while this Agreement is in effect, Kinder Morgan’s use of all or part of the Terminal for the storage and handling of any Commodity shall be restrained or enjoined by judicial process, terminated by any governmental or regulatory authority, by right of eminent domain or by the owner of leased land, Kinder Morgan, upon being notified of such restraint, enjoinder or termination, shall notify Customer and Kinder Morgan may terminate this Agreement as to the Terminal and Services on the effective date of said restraint, enjoinder, or termination. Upon such termination, Customer shall be obligated to pay all charges accrued but unpaid as of such termination. For avoidance of doubt, the Minimum Annual Guaranteed Tonnage as set forth on Schedule B shall be prorated for any Contract Year during which such termination occurs.

10. COMMODITY INFORMATION, SAFETY DATA SHEETS, AND DOCUMENTATION

A. **General.** Customer agrees to execute in its name, pay for and furnish to Kinder Morgan at the Terminal all information, safety data sheets (**“SDS”**), certificates of analysis, documents, labels, placards, containers and other materials and data which may be required by any Applicable Laws relating to the describing, packaging, receiving, storing, handling, combining, shipping or disposing of any Commodities or Waste, to or from the Terminal, together with detailed written instructions as to their use and disposition. Customer agrees to notify Kinder Morgan of any changes in any of the information or materials identified above and to supply revised information and materials. Customer agrees that Kinder Morgan may report any information to any Governmental Authority as required by Applicable Laws, with regard to Commodities and Waste and activities of Customer, and Customer agrees to provide such information to Kinder Morgan as necessary, in Kinder Morgan's opinion, to comply with all Applicable Laws.

B. **Right to Know.** Kinder Morgan may have an obligation to furnish Commodity name as well as constituents of Commodities to Governmental Authorities and employees or others handling or exposed to the Commodities in connection with Right to Know laws or worker exposure laws and other Applicable Laws. Kinder Morgan may also have an obligation under Applicable Laws to furnish this information to the general public. Customer agrees to furnish the common or chemical name of all Commodities and constituents of Commodities to Kinder Morgan prior to Commodity entering the Terminal so that Kinder Morgan can comply with such Applicable Laws. Customer shall have the responsibility for filing and pursuing any exemption from disclosure pursuant to such Applicable Laws which Customer may desire.

11. REGULATORY COMPLIANCE

Governmental Authorities may cause Kinder Morgan to incur additional cost or expense to comply with Applicable Laws, including but not limited to costs or expenses relating to (a) making additions or modifications to facilities at the Terminal, (b) changing methods of operation to comply with Applicable Laws, (c) implementing testing or verification programs, (d) implementing the conditions of any permit necessary to operate the Terminal, (e) preventing, reducing, controlling or monitoring any emission, exposure or discharge into the environment, or (f) paying additional fees, taxes or assessments which may be assessed against the Terminal, any Commodity, the handling charges, other charges hereunder, or against the services provided under this Agreement (costs and expenses arising from such requirements are hereinafter referred to as **"Compliance Costs"**). Compliance Costs shall include the actual or pro rata cost of any additional expense, changes or additions (including engineering and overhead expense) and subsequent direct and indirect costs, as may be escalated, of operating and maintaining such changes or additions, including the cost of changes in staffing for operations at the Terminal. If Kinder Morgan is required to expend Compliance Costs, Kinder Morgan shall provide written notice to Customer of such Compliance Costs along with documentation or other information supporting the Compliance Costs as reasonably requested by Customer, and Kinder Morgan at its sole discretion, may elect, pursuant to written notice (i) to require that Customer reimburse Kinder Morgan for that portion of the Compliance Costs attributable to the Services provided by Kinder Morgan to Customer hereunder on a prorated basis among other customers of Kinder Morgan at the Terminal for which the Compliance Costs are applicable, and Customer shall pay such Compliance Costs to Kinder Morgan within thirty (30) days of receipt of notice from Kinder Morgan, or such shorter time as may be necessary considering the effective date for compliance, or (ii) to terminate the affected Services before the date upon which Kinder Morgan must incur Compliance Costs, and in which case, Customer shall pay all Unrecovered Capital Expenditures with respect to the affected Services, if any, to Kinder Morgan within thirty (30) days of such termination. Notwithstanding the above, Kinder Morgan, at its sole discretion, may elect to pay for such Compliance Costs.

12. PUBLIC USE

This Agreement is made as an accommodation to Customer and in no event shall Kinder Morgan's Services hereunder be deemed to be those of a public utility or common carrier. If for any reason the Terminal or any of Kinder Morgan's pipelines becomes a public utility or common carrier, then, and in that event, at the option of Kinder Morgan and upon Customer's receipt of Kinder Morgan's written notice, Kinder Morgan may (a) restructure and restate this Agreement or (b) terminate this Agreement on the effective date of such action as to the affected Terminal or Services.

13. FORCE MAJEURE

Neither Party shall be liable for contamination, loss of, damage to or destruction of any Commodities or property, or for any delay or nonperformance, to the extent that any of the foregoing is caused in whole or in part by any cause not within the control of said Party, whether now or hereafter existing (a

"Force Majeure Event"), including without limitation, any act of God (including, but not limited to, severe weather conditions, flood waters, low water conditions, or high winds) or of a public enemy or terrorist act, or by labor troubles, strikes, lockouts, riots, embargoes, congestions, interventions, unexpected breakdown or non-availability of machinery or supplies, or failure or delay of manufacturers or suppliers to deliver same, except that Customer shall be responsible to pay all charges arising from this Agreement when due regardless of any Force Majeure Event. If either Party's ability to perform its obligations under this Agreement is affected by a Force Majeure Event, such Party claiming such inability shall (i) promptly notify the other Party in writing of such Force Majeure Event and its cause and (ii) promptly supply such available information about the Force Majeure Event and its cause as may be reasonably requested by the other Party. The Party affected by a Force Majeure Event shall exercise commercially reasonable efforts, applied diligently and without interruption, to eliminate the disabling effects of such Force Majeure Event as soon as and to the extent reasonably practicable (except that such Party shall have the sole discretion to settle any of its own labor disputes, strikes, or to terminate any of its own lockouts). Loss of markets or contracts, economic or financial distress of the economy, the industry, Customer or Kinder Morgan shall not constitute a Force Majeure Event. If there is a Force Majeure Event during the Initial Term and there are any Unrecovered Capital Expenditures, the Initial Term shall, at the election of Kinder Morgan: (1) either remain unchanged, or (2) be extended for the actual duration of the disabling effects of the Force Majeure Event, and in either event, the Minimum Annual Guaranteed Tonnage as set forth on Schedule B shall be prorated for any Contract Year during which the disabling effects of the Force Majeure Event exist. Notwithstanding the foregoing sentence, if the affected Party is nevertheless able to deliver or receive the Minimum Annual Guaranteed Tonnage, as provided in Schedule B, to or at the Terminal, as applicable, for the Contract Year during which the disabling effects of the Force Majeure Event exist, the Initial Term shall not be extended.

14. ENVIRONMENTAL POLLUTION

A. Customer Caused. In the event any Commodity spill or other environmentally polluting discharge or fugitive emissions is caused solely by Customer, its employees, or its Third Parties at the Terminal, Kinder Morgan shall commence containment and/or clean-up operations, as deemed necessary or appropriate in Kinder Morgan's sole judgment, or as required by any Governmental Authorities or Applicable Laws. Kinder Morgan shall promptly notify Customer of such operations. If Customer elects and Kinder Morgan approves in its sole discretion, Customer shall assume the containment and/or clean-up operation, under direction of Kinder Morgan, or if Customer does not elect or Kinder Morgan does not approve of Customer's election, Kinder Morgan shall complete such operations. In either event, Kinder Morgan shall, at its option, have the right to participate in all containment and/or clean-up operations. All costs of containment and/or clean-up for such spill or discharge and the cleanup of same, including but not limited to emergency response activities, sampling, excavation, investigation, disposal, required carbon filter change-outs, and costs, fines or penalties associated with the spill or discharge shall be the sole responsibility of Customer. Any resulting liability for such spills or discharges shall be the sole responsibility of Customer. Customer's United States Environmental Protection Agency generator's identification number shall be used for all operations associated with containment and/or cleanup for which such identification number is required by law. Official notification of appropriate agencies, as required by law, shall be Customer's responsibility. Customer shall promptly give Kinder Morgan notice of all agencies notified, upon completion of notification and Customer shall indemnify and hold harmless Kinder Morgan and its Indemnitees from and against any and all Claims arising from Customer's failure to complete such notification. Kinder Morgan, at its sole discretion, may complete such notifications on behalf of Customer if Customer fails to complete such notifications and, in such case, Kinder Morgan shall promptly inform Customer of all agencies so notified. Customer agrees that Customer shall be fully liable as provided in this Section 14 for the acts or omissions of its employees, and its Third Parties while on the Terminal property.

B. Kinder Morgan Caused. In the event of any Commodity spill or other environmentally polluting discharge that is solely caused by Kinder Morgan's operation of the Terminal facilities, or solely by the failure of Kinder Morgan's equipment, containment and/or clean-up and/or any resulting liability for such spills or discharges shall be the responsibility of Kinder Morgan; provided, however, Kinder Morgan shall provide notice to Customer within a reasonable time if any spill at the Terminal involves Commodity.

C. **Jointly Caused.** In the event that a spill or discharge results from the joint negligence of Kinder Morgan and Customer, its employees, and its Third Parties, the costs of containment and/or clean-up and/or any resulting liability shall be borne jointly by Kinder Morgan and Customer in proportion to the negligence of such Party, its employees, and its Third Parties as provided herein. In the event of a jointly caused spill, containment and clean-up shall be performed as directed by Kinder Morgan. Official notification of appropriate agencies, as required by Applicable Law, for jointly caused events shall be Kinder Morgan's responsibility and Kinder Morgan shall promptly inform Customer of all such notifications.

15. INDEMNIFICATION

A. **Indemnification by Kinder Morgan.** Kinder Morgan shall indemnify and hold Customer and its Indemnitees harmless from and against all Claims that result in or arise from any personal injury, death or property damage whether such Claims are threatened or incurred, but only to the extent that such Claims are caused by or result from (i) negligence or willful misconduct on the part of Kinder Morgan, its employees, or its Third Parties in the performance of this Agreement, or (ii) any breach of this Agreement by Kinder Morgan.

B. **Indemnification by Customer.** Customer shall indemnify and hold Kinder Morgan and its Indemnitees harmless from and against all Claims that result in or arise from any personal injury, death or property damage whether such Claims are threatened or incurred, but only to the extent that such Claims are caused by or result from (i) negligence or willful misconduct on the part of Customer, its employees, or its Third Parties in the performance of this Agreement, (ii) any breach of this Agreement by Customer or (iii) any exposure to the physical or chemical characteristics of the Commodity, to the extent not caused by the negligence or willful misconduct of Kinder Morgan, its employees, or its Third Parties

Notwithstanding anything contained herein to the contrary, to the extent that Customer's Commodities include Commodities owned by Customer's Affiliates or customers of Customer or its Affiliates, Customer shall indemnify and hold Kinder Morgan and its Indemnitees harmless from and against all Claims by Customer's Affiliates or customers of Customer or its Affiliates to the extent that such Claims or any recovery in connection with such Claims would not have been available to Customer hereunder had Customer owned the relevant Commodities.

C. **Concurrent Negligence or Willful Misconduct.** In the event that any Claim covered by this Section 15 is caused in whole or in part by the concurrent negligence or willful misconduct of Kinder Morgan, its employees, or its Third Parties on the one hand, and Customer, its employees, or its Third Parties on the other hand, or by Customer and a third party or Kinder Morgan and a third party, then the obligations to indemnify herein shall be comparative and each Party shall indemnify the other and its Indemnitees only to the extent that such Party's negligence or willful misconduct were the cause of such Claim. Kinder Morgan shall not be liable for Claims arising from loss of or damage to any Commodity or property of Customer except when and to the extent caused by the negligence or willful misconduct of Kinder Morgan or its employees, or its Third Parties; provided, however, that Kinder Morgan shall not be liable for any such loss or damage to the extent that such Claim is covered by Customer's insurance.

D. **Exclusive Remedy.** Customer agrees that the remedies provided in this Agreement shall be, subject to the limitations set forth in Section 16, its sole and exclusive remedy for Claims related to the activities undertaken in connection with this Agreement, and Customer hereby waives any rights it may have to bring any additional causes of action or seek any remedy other than those expressed herein against Kinder Morgan.

16. LIMITATION OF LIABILITY

A. **Commodity Loss.** Except as provided under Section 16.D, Kinder Morgan shall not be liable for evaporation, deterioration, shrinkage, clingage, or discoloration of Commodity, or any Commodity sampling, in connection with the operations of the Terminal as conducted by Kinder Morgan. In consideration of the charges set forth on Schedule B (it being recognized that higher charges would be made but for the limitation of liability set forth in this Section 16), it is understood and agreed that in the event of loss or damage to Commodities for which Kinder Morgan is liable in accordance with this Agreement, Kinder Morgan shall not be liable to Customer for more than the Actual Cost to Customer of any lost or damaged Commodities, less salvage value. Notwithstanding the foregoing, Kinder Morgan shall in no event be responsible for chemical or physical deterioration of Commodity resulting from the stagnant storage of Commodity or transfers to or from storage in the course of handling the Commodity. Kinder Morgan shall have no liability to Customer unless a written claim is delivered to Kinder Morgan by Customer within sixty (60) days after Kinder Morgan reports the alleged loss to Customer or Customer discovers the alleged loss, whichever is earlier. Customer shall make no deductions or offsets from any invoice presented by Kinder Morgan pending the resolution of any claim for loss or damage to Commodity.

B. **NO CONSEQUENTIAL DAMAGES.** NEITHER PARTY SHALL BE LIABLE FOR INDIRECT, SPECIAL, INCIDENTAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO SUCH CONSEQUENTIAL DAMAGES AS LOST PROFITS, LOST BUSINESS OR ANY BUSINESS INTERRUPTION NO MATTER HOW LOSS OR DAMAGE SHALL HAVE OCCURRED INCLUDING, BUT NOT LIMITED TO, LOSS OR DAMAGE CAUSED BY A PARTY'S NEGLIGENCE AND EVEN IF A PARTY HAS BEEN NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGE OR SUCH DAMAGE SHOULD HAVE BEEN WITHIN THE REASONABLE CONTEMPLATION OF A PARTY. EXCEPT AS EXPRESSLY PROVIDED HEREIN, THERE ARE NO GUARANTEES OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WHETHER ARISING BY OPERATION OF LAW OR OTHERWISE.

C. **Vehicle and other Damages.** Kinder Morgan shall be responsible for loss or damage to a vessel, barge, railcar or truck owned or leased by Customer, or their respective equipment or cargo only to the extent such loss or damage (i) results from the negligence or willful misconduct of Kinder Morgan or its employees or agents (ii) occurs during the performance of the Services and (iii) Kinder Morgan is notified in writing of the occurrence of such loss or damage prior to such carrier's departure from the Terminal. To the extent that Kinder Morgan can cure such loss or damage without cost to Customer and in a reasonable time period, it shall have the right to do so without additional liability to Customer.

D. **Loss Allowance.** Kinder Morgan shall not be liable for the loss of or damage to Commodity unless such loss or damage exceeds the Loss Allowance Percentage, as set forth on Schedule A, of Commodity handled at the Terminal during the entire Contract Year in which the loss or damage occurred (the **"Loss Threshold"**), and in such event, Kinder Morgan shall not be liable for such loss or damage up to the Loss Threshold; provided further, for the avoidance of doubt, all calculations under this paragraph shall be made at the end of an applicable Contract Year (e.g. if a Commodity loss occurs during the third month of a Contract Year, then the calculation to determine if such loss or damage exceeds the Loss Threshold shall be calculated at the end of such Contract Year in order for the Loss Threshold to be applied against the entire Contract Year's volume of Commodity).

E. **LIMITATION OF LIABILITY.** NOTWITHSTANDING ANYTHING TO THE CONTRARY, KINDER MORGAN'S LIABILITY FOR ACTIVITIES TAKEN IN CONNECTION WITH THIS AGREEMENT, WHETHER SUCH LIABILITIES ARISE UNDER CONTRACT, INDEMNITY, TORT, OR ANY OTHER LEGAL THEORY, SHALL IN NO EVENT EXCEED ONE HUNDRED PERCENT (100%) OF THE TOTAL AMOUNT OF ANY CHARGES COLLECTED BY KINDER MORGAN UNDER THE APPLICABLE SCHEDULE B OF THIS AGREEMENT DURING THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRECEDING THE TIME IN WHICH THE LIABILITIES AROSE. IF THE TIME PERIOD PRECEDING THE TIME IN WHICH THE LIABILITY AROSE IS LESS THAN TWELVE (12) MONTHS, THEN THE AVERAGE MONTHLY CHARGE COLLECTED BY KINDER MORGAN DURING THE TIME PERIOD SHALL BE DETERMINED AND MULTIPLIED BY TWELVE (12) AND OF THAT TOTAL, ONE HUNDRED PERCENT (100%) THEREOFSHALL APPLY AS KINDER MORGAN'S LIMIT OF LIABILITY. THIS LIMIT IS AN AGGREGATE LIMIT ON CLAIMS OR CLAIMS DURING EACH TWELVE (12) MONTH PERIOD OF THE TERM.

17. DEFAULT

The following shall be considered "Events of Default" under this Agreement:

(a) A Party fails to pay any monies due hereunder or Customer fails to provide the Annual Financials, Letter of Credit or Additional Security as set forth in Section 6C and such failure continues for a period of five (5) Days after the applicable due date; provided, however, that Kinder Morgan shall be permitted to suspend performance of any Services hereunder in its sole discretion during such period;

(b) Except as set forth in Section17(a), a Party fails to comply in any material respect with any terms or conditions of this Agreement and such Party has failed to cure such noncompliance within thirty (30) Days after notice thereof from the other Party, or where cure of such failure is not possible within such thirty (30) Day period, the Party fails to commence cure of such failure within thirty (30) Days after notice of the breach and to diligently and in good faith pursue such cure;

(c) A material breach of the Agreement not capable of being remedied; or

(d) A Party suffers an Insolvency Event.

If an Event of Default occurs, then the non-defaulting Party may terminate this Agreement and pursue any remedies available to it under this Agreement.

Additionally, in the Event of Default by Customer, Customer shall immediately pay Kinder Morgan a sum equal to (i) the lesser of (A) the product of the Base Rate multiplied by the Minimum Annual Guaranteed Tonnage prorated on a Monthly basis and equal to the whole unexpired Term or (B) the product of the Base Rate multiplied by the Minimum Annual Guaranteed Tonnage, plus (ii) any Unrecovered Capital Expenditures, if any, plus (iii) any other sums owed by Customer to Kinder Morgan.

Notwithstanding the above, where Customer has an Insolvency Event, and to the extent permitted by law, Kinder Morgan may terminate the Agreement and require that all charges for the remainder of the Term and any Unrecovered Capital Expenditures, if any, become immediately payable by Customer on receipt of an invoice.

18. LIENS

A. **General.** Title to the Commodities shall at all times remain with Customer or its assignees, subject to any lien asserted by Kinder Morgan. At all times to the extent permitted by Applicable Law, Kinder Morgan shall have all applicable statutory, common law and contractual liens, including the contractual lien that is granted hereby, upon all Commodities deposited with Kinder Morgan or any Affiliate of Kinder Morgan at any of Kinder Morgan's or its Affiliates' facilities for all charges set forth herein, including without limitation, charges for storage, shortfall payments, deficiency payments, handling, processing, transportation and/or labor, plus any interest thereon, whether such charges are incidental to Commodities then in or on the Terminal or otherwise and in connection with any and all other agreements between Kinder Morgan and Customer

To the extent that a warehouse receipt is required for the securing and enforcing of any of the liens granted herein, this Agreement shall serve as a warehouse receipt. Prior to disposing of the Commodity, Kinder Morgan must issue Customer a notice stating its intention and allow Customer twenty (20) Days to pay any undisputed amounts due. Additionally, Kinder Morgan will provide notice to Customer prior to Kinder Morgan's filing under Article 9 of Uniform Commercial Code..

B. Acknowledgment. To the extent that Customer has entered into a credit agreement or other similar document and Kinder Morgan is requested by either Customer or a secured party to acknowledge any of the following:

(i) Kinder Morgan holds or will hold possession of collateral or Commodity for the secured party's benefit;

(ii) A lien or security interest in Commodity exists for benefit of the secured party;

(iii) Kinder Morgan disclaims ownership rights and interest in Commodity;

(iv) Kinder Morgan will only release Commodity upon direction of the secured party; or

(v) Any other request similar to the above mentioned.

Customer agrees that Kinder Morgan, in its sole discretion, shall only be obligated to furnish Customer with Kinder Morgan's inventory acknowledgment form.

19. ASSIGNMENT

This Agreement shall be binding upon, and inure to the benefit of, the successors and assigns of each of the Parties hereto; provided, however, Customer shall not transfer, subcontract or assign this Agreement, in whole or in part, without the prior written consent of Kinder Morgan, which consent shall not be unreasonably withheld, conditioned or delayed, and any attempted transfer, subcontract or assignment without such consent shall be null and void and, at the option of Kinder Morgan, shall constitute a default by Customer hereunder. The consent of Kinder Morgan to such transfer, subcontract or assignment shall not operate to release Customer of its obligations under this Agreement. Customer shall not permit any other party to store Commodity at the Terminal on any basis without Kinder Morgan's prior written consent. If Kinder Morgan consents to such storage by another party, Customer agrees to indemnify and hold Kinder Morgan and its Indemnitees harmless at Customer's sole cost and expense from and against any Claims asserted by such other party against Kinder Morgan. Any such storage without Kinder Morgan's prior written consent shall, at Kinder Morgan's sole option, constitute a default by Customer. Further, in the event Customer, in the opinion of Kinder Morgan, sells all or substantially all of its assets to another party without obtaining consent from Kinder Morgan for the assignment to the third party, Kinder Morgan shall have the right, at its sole option and in addition to the right to exercise any or all other remedies at law and equity, to terminate this Agreement.

20. NOTICES

Each Party giving or making any notice, request, demand or other communication (each, a **"Notice"**) pursuant to this Agreement shall give the Notice in writing by personal delivery, registered or certified mail with return receipt requested, nationally recognized courier service, or electronic mail. A Party giving Notice shall address such Notice to the other Party at the address set forth on Schedule A, or to another address designated by a Party in a Notice pursuant to this Section 20. Except as may be otherwise provided in this Agreement, a Notice is effective only if the Party giving the Notice has complied with all provisions of this Section 20 and the addressee has received the Notice. No notice or communication with respect to the subject matter of this Agreement shall be effective or admissible against the other Party in any proceeding unless delivered in writing in accordance with this Section 20.

21. CHANGE OF OWNERSHIP AND NO SUB-USE

A. **Change of Ownership.** Customer shall advise Kinder Morgan in writing prior to any change in Commodity ownership while in the Terminal, and Kinder Morgan shall have the right to require the third party to execute an agreement adopting the terms and conditions of this Agreement. If any of Commodity is sold, exchanged, or otherwise changes ownership while in the Terminal, Customer shall nonetheless be responsible for all charges and taxes, and shall continue to be bound by the terms and conditions of this Agreement, the same as if Commodity had not been sold, exchanged, or transferred by Customer.

B. **No Sub-Use.** Customer acknowledges and agrees that it is not permitted to allow the Terminal or any part of the Terminal used in the performance of the Services to be used by an Affiliate or other third party, unless otherwise agreed in writing by Kinder Morgan, which consent shall not be unreasonably withheld, conditioned or delayed.

If during the Term, Customer does not require the use of the Terminal for a period of time, Customer may request that Kinder Morgan take back the use of the Terminal in order to release it to a third party for the period of time it is not required by Customer; provided however in no event shall Kinder Morgan be liable to Customer for any loss or damage suffered by Customer where the third party does not return the Terminal within the agreed time. The terms under which Customer may return a Terminal to Kinder Morgan shall be agreed between the Parties at such time.

22. GENERAL

A. The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

B. This Agreement is comprised of the General Terms and Conditions, Special Provisions (Schedules A-B), and any amendments thereto mutually agreed by the Parties, and constitutes the entire agreement between Kinder Morgan and Customer and supersedes any and all terms and conditions which may be contained in any purchase orders or other documents or writings issued by Customer prior or subsequent to this Agreement.

C. If any of the provisions, or portions thereof, of this Agreement are found to be void, invalid, or unenforceable, they are deemed to be omitted, but only to the extent of such unenforceability, and such holding shall not affect the remaining part or portions of the provision or any other provision.

D. This Agreement may not be modified, amended, altered, or changed, including by course of conduct or dealing or course of performance, except by written agreement signed by all Parties hereto. The terms of this Agreement may not be waived or orally amended.

E. This Agreement and any amendment hereof, may be signed in multiple counterparts, each of which shall be considered an original and all of which together shall constitute a whole agreement. Signature of this Agreement may be effected by facsimile (with confirmation by transmitting machine) and/or transmitted by portable document format (**"PDF"**) file which shall be treated as an original signature, and any such signature, facsimile, PDF file or copy of this signed Agreement shall be construed and treated as the original and shall be binding as if it were the original.

F. The remedies herein provided for shall not be exclusive, unless expressly provided otherwise, but shall be cumulative and shall be in addition to all other remedies available at law or in equity. The Parties intend that each representation, warranty, and covenant contained herein shall have independent significance. If any Party has breached any representation, warranty, or covenant contained herein in any respect, the fact that there exists another representation, warranty, or covenant relating to the same subject matter (regardless of the relative levels of specificity) which the Party has not breached shall not detract from or mitigate the fact that the Party is in breach of the first representation, warranty, or covenant.

G. The waiver by either Party of any right of either Party hereunder, at any time, shall not serve to waive any other such right nor shall such waiver operate as a waiver of the right so waived at any future date in connection with another default or a subsequent recurrence of the same default.

H. Customer and Kinder Morgan agree that the terms of this Agreement shall be binding upon both Parties on the first to occur of: (i) when both Parties have executed this Agreement, or (ii) when Kinder Morgan receives Commodity for storage and handling at the Terminal, in which case, this offer to contract, in the form of the initial draft provided to Customer, is extended only upon the terms and conditions as expressed herein, all of which are deemed material, and any changes, alterations, deletions or additions to these terms offered by Customer regardless of when or how communicated are hereby objected to and rejected and shall not become a part of this Agreement.

I. Any reference to any federal, state, local, or foreign statute or law shall be deemed also to refer to all rules and regulations promulgated thereunder, as amended or modified as well as any successor thereto, unless the context requires otherwise. Customer shall comply with all Applicable Laws in the performance of its obligations under this Agreement.

J. The word "including" shall mean including without limitation. The singular number shall include the plural and the plural the singular, and any gender shall be applicable to all genders. The use of the words "herein", "hereof," "hereunder" and other similar compounds of the word "here" shall refer to this entire Agreement and not to any particular section, paragraph or provision.

K. There are no third party beneficiaries to this Agreement and the provisions of this Agreement shall not impart any legal or equitable right, remedy or claim enforceable by any Person, other than the Parties hereto and their permitted successors and permitted assigns.

L. The Special Provisions (<u>Schedules A-B</u>) identified in this Agreement are incorporated herein by reference and made a part hereof. In the event of any conflict between the General Terms and Conditions and the Special Provisions, the terms of the Special Provisions shall control.

M. The headings of the paragraphs/sections/provisions of this Agreement have been inserted for convenience of reference only and are not to be considered part of this Agreement and shall in no way affect the interpretation of any of the provisions of this Agreement.

N. The provisions of this Agreement which by their nature are intended to survive the termination, cancellation, completion or expiration of this Agreement, including, without limitation, any indemnity, limitation of liability, confidentiality, holdover, payment obligations, and choice of law provisions, shall continue as valid and enforceable obligations of the Parties notwithstanding any such termination, cancellation, completion or expiration.

23. CHOICE OF LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio, without regard to the conflict of laws or choice of law rules that would require the application of a different state's laws. The Parties submit to jurisdiction in the State of Ohio for adjudication of any disputes and/or claims between the Parties arising under or pursuant to this Agreement. Furthermore, the Parties hereby agree that the courts of the State of Ohio shall have exclusive jurisdiction over any disputes between the Parties relative to this Agreement and that any actions, proceedings or counterclaims brought by either Party against the other on any matters whatsoever arising out of or in any way connected with this Agreement must be brought in a Federal or state court in Ohio.. A Party prevailing on any issue in court shall be entitled to recover its reasonable attorney's fees and costs incurred in prosecuting or defending the issue. EACH PARTY HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY PROCEEDINGS ARISING OUT OF OR RELATING TO THIS AGREEMENT.

24. CONFIDENTIALITY

Each Party agrees to hold in confidence, and not to disclose to third parties or use for any purpose other than performance of its obligations hereunder, all Confidential Information whether oral or written, and regardless of the manner in which it is furnished that is received or ascertained directly or indirectly, from the other Party or its representatives. Each Party shall ensure that its employees, subcontractors and suppliers who may be exposed to Confidential Information comply with the confidentiality requirements of this Agreement. Each Party to whom the Confidential Information is disclosed shall hold the Confidential Information in confidence, exercising a degree of care not less than the care used by the receiving Party to protect its own proprietary, trade secret or confidential business information that it does not wish to disclose. Nothing herein contained should preclude a party from providing Confidential Information to any Governmental Authority to the extent such party is required to do so by Applicable Laws.

Neither Party shall have confidentiality obligations with respect to Confidential Information that:

(a) is or becomes generally available to the public through no wrongful act of the receiving Party;

(b) is received from a third party, provided that such source is not, to the knowledge of the receiving Party, bound by a confidentiality agreement with the disclosing Party or its representatives;

(c) is required to be disclosed pursuant (in legal counsel's opinion) to any Applicable Law or a Governmental Authority, stock exchange or court of competent jurisdiction or upon receipt of an information request by a governmental body of competent jurisdiction and reasonable notice (unless such notice is prohibited by Applicable Law) is given by the receiving Party to the disclosing Party of any such requirement or request to permit the disclosing Party, at its sole expense, to seek an appropriate protective order or exemption from such requirement or request. In the event that such protective order or other remedy is not obtained, or the disclosing Party declines to seek any order, the receiving Party or its representatives will furnish only that portion of the Confidential Information which is legally required and, at the disclosing Party's sole expense, will exercise commercially reasonable efforts to obtain reasonable assurance that confidential treatment will be accorded the Confidential Information;

(d) can be demonstrated as being previously known to the receiving Party prior to its disclosure by the disclosing Party or previously developed by the receiving Party independent of any Confidential Information furnished under this Agreement; or

(e) is developed by or on behalf of the receiving Party or any of its representatives independent of any Confidential Information furnished under this Agreement.

25. ANTI-CORRUPTION COMPLIANCE AND NO GOVERNMENTAL DEBARMENT

A. Anti-Corruption Compliance. Accepting or providing nominal business gifts and entertainment to build goodwill or express esteem or gratitude in connection with this Agreement and in compliance with all Applicable Laws is acceptable to the Parties. No director, employee or agent of either Party shall give or receive from any director, employee or agent of the other Party or any Affiliate, any commission, fee, rebate, gift, or entertainment that is cash, expensive, elaborate, or that may otherwise give rise to a conflict of interest in connection with this Agreement. In addition, no director, employee or agent of either Party, or its subcontractors or vendors, shall enter into any business arrangement with any director, employee or agent of the other Party or any Affiliate who is not acting as a representative of such Party or its Affiliate without prior written notification thereof. Further, neither Party nor its Affiliates shall make any commission, fee, rebate, gift, or entertainment that is cash, expensive, elaborate, or that may otherwise give rise to a conflict of interest to any governmental official or employee in connection with this Agreement. This provision is not intended to supersede Kinder Morgan’s Gifts, Entertainment and Gratuities Policy, Code of Business Conduct and Ethics, Anti-Corruption Compliance Policy, or other related policies (**“Code of Conduct policies”**) that may apply to Kinder Morgan’s directors, employees or agents. If there is a conflict between this provision and Kinder Morgan’s Code of Conduct policies, Kinder Morgan’s Code of Conduct policies shall govern Kinder Morgan’s directors, employees and agents.

B. No Governmental Debarment. Kinder Morgan and Customer each certify to the other on the date hereof that it is not included on any United States Federal Government denied parties or debarment lists, including without limitation, the Excluded Parties List System, the System for Award Management, or the U.S. Department of the Treasury, Office of Foreign Assets Control, Specially Designated Nationals and Blocked Persons List maintained by any U.S. Governmental Authority, nor prevented from fulfilling its obligations to the other by virtue of any governmental order, proceeding or otherwise directly related to the foregoing subject matter. Each Party certifies to the other Party that, as of the Effective Date, it is neither owned in the aggregate, directly or indirectly, fifty percent (50%) or more by one or more Persons that are listed on any of the various denied parties or debarment lists maintained by a U.S. Governmental Authority nor controlled by any such Person. Further, each Party certifies that none of its owners, officers or Affiliates are included on any of the abovementioned denied parties or debarment lists. Each Party agrees to notify the other Party in writing immediately if it or any of its owners, officers or Affiliates are added to any such denied parties or debarment lists during the Term of this Agreement. The Parties further agree that any breach of this Section 25B by a Party shall constitute a material breach of this Agreement not capable of being remedied and that the other Party shall nonetheless have the right to immediately terminate the Agreement upon written notice.

26. NO BROKER’S FEES/CONFLICTS

If a Party has retained any brokers, agents or finders, that Party agrees to indemnify and hold the other Party harmless from and against any Claims with respect to any commissions, finder’s fees or other such remuneration due to any broker, agent or finder claiming by, through or under such Party.

27. INDUSTRY PRACTICE

Any matters not specifically covered in this Agreement shall be dealt with in accordance with the custom and practice in the industry.

28. DEFINITIONS

"Actual Cost" means the actual price paid by Customer, excluding transportation to the Terminal and other indirect costs, or, if Customer is the manufacturer, the direct manufacturing cost.

"Additional Security" shall have the meaning set forth in Section 6C(1) of this Agreement.

"Affiliate" means with respect to a Party, any corporation, partnership or other entity or association that directly or indirectly through one or more intermediaries, controls, is controlled by, or under common control with that Party. The term **"control"** (including the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise. **"Person"** shall be broadly interpreted to include, without limitation, any corporation, company, partnership, group, limited liability company, limited liability partnership or other entity or individual regardless of how organized or formed under the laws of any of the states of the United States or otherwise.

"Agreement" shall have the meaning set forth in the first paragraph of this Agreement.

"Annual Financials" shall have the meaning set forth in Section 6C(1) of this Agreement.

"Applicable Laws" means all laws, statutes, treaties, ordinances, judgments, decrees, injunctions, writs, orders, rules, regulations, permits, and interpretations of any Governmental Authority having jurisdiction over the Parties, the Terminal, this Agreement, and any matters arising from this Agreement, as such Applicable Laws may be amended from time to time.

"Claims" means any and all claims, demands, liabilities, suits, costs, losses, fines, penalties, and expenses (including reasonable attorney's fees), including without limitation, claims for damage to the environment requiring investigation, monitoring or remediation.

"Code of Conduct policies" shall have the meaning set forth in Section 25A of this Agreement.

"Commodity" or "Commodities" shall have the meaning set forth in Section 1A of this Agreement.

"Compliance Costs" shall have the meaning set forth in Section 11 of this Agreement.

"Confidential Information" shall mean any information that is (a) marked or designated by a Party as confidential, (b) is by its nature confidential, (c) includes information relating to (i) the financial position, internal management or structure of the Party, (ii) the personnel, strategies, customer lists, and business plans of the Party, and (iii) the location and type of work performed hereunder, and (d) the terms and conditions of this Agreement.

"Contract Year" means, as applicable, a Year during the Term, with the first Contract Year beginning on the Effective Date, or any respective Year thereafter.

"Customer" shall have the meaning set forth in the first paragraph to this Agreement.

"Credit Rating" shall have the meaning set forth in Section 6D of this Agreement.

"Day" or **"day"** shall mean one 24-hour period beginning at 12:00 a.m. Midnight and ending at 11:59 p.m. unless otherwise defined herein.

"Demurrage Charges" shall have the meaning set forth in Section 4.C of this Agreement.

"Effective Date" shall have the meaning set forth on Schedule A of this Agreement.

"ETA Notices" shall have the meaning set forth in Section 4A of this Agreement.

"Force Majeure" shall have the meaning set forth in Section 13 of this Agreement.

"Governmental Authority" shall mean any court, tribunal, arbitrator, authority, agency, commission, counsel, official or other instrumentality of the United States, any foreign country, or any domestic or foreign state, county, city, school district or other political subdivision, or any similar governing entity.

"Indemnitees" means an applicable Party's Affiliates, members, directors, officers, managers and employees.

"Initial Term" shall have the meaning set forth in Section 1B of this Agreement.

"Insolvency Event" means an event where a Party is unable to pay its debts or takes any of the following steps:

(a) Ceases to carry on its business;

(b) Becomes insolvent, is unable to pay its debts, or fails or admits in writing its inability generally to pay its debts as they become due;

(c) Has a receiver, administrative receiver, administrator or similar officer appointed over all or any part of its assets or undertakings who is not discharged within fifteen (15) days of such appointment;

(d) Makes an assignment for the benefit of, or a composition with, its creditors generally or another arrangement of similar import;

(e) Goes into liquidation or is the subject of a winding up order otherwise than for the purposes of a bona fide amalgamation or reconstruction; or

(f) If any similar event occurs.

"Kinder Morgan" shall have the meaning set forth in the first paragraph in this Agreement.

"Letter of Credit" shall have the meaning set forth in Section 6.C. of this Agreement.

"Loss Threshold" shall have the meaning set forth in Section 16D of this Agreement.

"Minimum Annual Guaranteed Tonnage" shall have the meaning set forth in Schedule B of this Agreement.

"Month" or **"month"** means a period extending from a date in one (1) calendar Month up to, but not including, the corresponding date in the following Month.

"Notice" shall have the meaning set forth in Section 20 of this Agreement.

"Notice Period" shall have the meaning set forth in Schedule A of this Agreement.

"Operating Hours" shall have the meaning set forth in Section 1C of this Agreement.

"Overtime" means work performed outside the Operating Hours as more fully described in Schedule A**.**

"Pad Losses" shall have the meaning set forth in Section 2E of this Agreement.

"Parent Company" shall have the meaning set forth in Section 6C(2) of this Agreement.
"Party" shall have the meaning set forth in the first paragraph in this Agreement.

"PDF" shall have the meaning set forth in Section 22E of this Agreement.

"Property" shall have the meaning set forth in Section 2D of this Agreement.

"Renewal Term" shall have the meaning set forth in Section 1B of this Agreement.

"Required Delivery Conditions" shall have the meaning set forth in Section 3 of this Agreement.

"SDS" shall have the meaning set forth in Section 10A of this Agreement.

"Services" shall have the meaning set forth in Section 1A of this Agreement.

"Term" shall have the meaning set forth in Section 1B of this Agreement.

"Terminal" shall have the meaning set forth in Schedule A of this Agreement.

"Third Party" or "Third Parties" shall mean an applicable Party's contractors and agents, and, in the case of Customer, shall include without limitation, any carrier, third party truck drivers, or other Person transporting Commodities or other goods to or from the Terminal for Customer or its customers.

"Unrecovered Capital Expenditures" means an amount equal to (i) any costs incurred by Kinder Morgan in preparing the Terminal for providing Services to Customer hereunder (as set forth in the particular Schedule for such Terminal) multiplied by (ii) the ratio of the length of the uncompleted portion of the Initial Term at the time of default, at the time of a Force Majeure Event, or at the time of any other event or termination or which affects the Services, over the length of the Initial Term, plus fifteen percent (15%) of such amount. The Unrecovered Capital Expenditures shall in no event be less than zero.

"Waste" means residual Commodity remaining at the Terminal, including without limitation, fines, or unrecoverable residue after removal of Commodities from the Terminal, including after cleaning and restoration of the Terminal.

"Year" or **"year"** means a period of twelve (12) consecutive Months.

END OF GENERAL TERMS AND CONDITIONS

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

COMPASS MINERALS AMERICA INC.

By: Jennifer R. Hood

Name: Jennifer R. Hood

Title: VP, Supply Chain

Date: 8/20/2020

MILWAUKEE BULK TERMINALS LLC

By: DocuSigned by: Josh Etzel 1500B8D3B65A408...

Name: Joshua Etzel

Title: Vice President

Date: 9/14/2020

SCHEDULE A
SPECIAL PROVISIONS

SERVICES, TERMINAL AND OTHER BUSINESS TERMS

1. TERMINAL AND SERVICES

A. Terminal. Milwaukee Bulk terminal; 1900 S Harbor Drive, Milwaukee, WI 53207 ("Milwaukee Bulk" or "Kinder Morgan").

1. Modes – Milwaukee Bulk can accept standard size vessels, railcars and trucks
   a. Vessel limitations at Milwaukee Bulk are as follows:
      a. *Vessel Draft Limitation: As per the Port of Milwaukee (presently 26'6" Maximum Draft)*
      b. *Vessel Length Limitation: As per the Port of Milwaukee (presently 750' Maximum Length)*
      c. *Vessel Self-Unloaders with Minimum 240' boom.*

B. Scope of Services. The Services shall include Kinder Morgan providing the storage for Customer's Commodities as further described herein, for which will not include the commingling of Customer's Commodity with other third party commodities. Subject to Customer not exceeding the storage allotment identified in Schedule A, Section 3, Kinder Morgan shall:

1. Receive Commodity from Customer's nominated self-unloading belted vessel onto designated receiving pad and stockpile.
2. Load out Commodity to Customer's arranged dump trucks using Kinder Morgan's front end loader, or railcars.

2. TERM OF SCHEDULE

A. The Term of this Schedule A shall become effective on April 1st, 2020 (the "Effective Date" of the Schedule)[1] and continue for a period of Ten (10) Years[2]
B. Renewal Term. Two (2) separate five (5) year renewal periods.
C. Notice Period: One-Hundred Eighty (180) days prior to the last day of the Initial Term or subsequent Renewal Term.

[1]All charges set forth in Schedule B of this Agreement shall be applied retroactively to April 1, 2020, as applicable.

[2]Kinder Morgan intends to renew its lease with the Port of Milwaukee (which presently terminates on December 31st, 2028). If Kinder Morgan fails to renew the Port of Milwaukee lease, Kinder Morgan shall have the right to terminate or revise this Agreement.

3. DESIGNATED STORAGE AREA. The designated Storage Area shall be an area where Milwaukee Bulk, in its sole discretion, shall store Customer's Commodity as defined in the Agreement and this Schedule A. The Storage Area shall consist of three outdoor storage pads. Milwaukee Bulk shall provide storage for up to four hundred fifty thousand (450,000) Tons of Commodity at Milwaukee Bulk during the Term of this Schedule A. Storage capacity by pad address will be as written below. Compass shall remain leaseholder of below parcels b and c and shall pay the Port of Milwaukee for related storage fees separately. If Customer does not renew said leases, the storage capacity under this Agreement (and the Minimum Two Contract Year Guaranteed Tonnage under Schedule A, Section 4) shall be reduced by the below respective amounts.

a. 1980 S. Harbor Dr. 300,000 Tons
b. 2061 S. Harbor Dr. 100,000 Tons

c. 1830 S. Carferry Dr. 50,000 Tons

Customer shall be entitled to the full use of the Storage Area above. Kinder Morgan shall not commingle Customer Commodity with Commodity or products of any third party.

4. MINIMUM TWO CONTRACT YEAR GUARANTEED TONNAGE.[3] Customer shall deliver and stockpile a minimum of 1,000,000 Tons per each two consecutive Contract Years. If, at the end of any two Contract Years, Customer has failed to deliver and transfer the Minimum Two Contract Year Guaranteed Tonnage to the Terminal for handling by Kinder Morgan, then within thirty (30) days after receiving an invoice from Kinder Morgan, Customer shall pay Kinder Morgan an amount equal to (i) the Minimum Two Contract Year Guaranteed Tonnage for such two consecutive Contract Years *minus* the actual volume of Commodity delivered and transferred to the Terminal during such two Contract Year term, *multiplied* by (ii) the Minimum Two Contract Year Guaranteed Tonnage Shortfall Rate in Schedule B.1.b.vi as escalated (the "**Shortfall Payment**").

a) For clarification purposes, tons delivered by Customer's vessel and directly stockpiled, plus tons transferred to or from T4 and the storage domes shall count towards the Minimum Two Contract Year Guaranteed Tonnage.

[3]The defined "Minimum Annual Guaranteed Tonnage" in this Agreement shall mean the "Minimum Two Contract Year Guaranteed Tonnage," applicable for these Schedules.

5. MAXIMUM ANNUAL TONNAGE. Customer shall not deliver to Milwaukee Bulk more than 1,200,000 Tons delivered by vessel during each Contract Year of this Schedule A (the "Maximum Annual Tonnage") unless requested by Customer and approved by Kinder Morgan.

6. "TON" shall mean a net ton (or 2,000 pounds).

7. COMMODITY DESCRIPTION (reference to Section 1.A. of the Agreement): Road Salt and Medium Salt meeting the **"**Required Delivery Conditions" as outlined in Section 3 of the Agreement.

8. OPERATING HOURS (reference to Section 1.C. of the Agreement). Terminal Operating Hours: 7:00AM – 3:00PM, Monday through Friday, excluding Kinder Morgan holidays. Truck loading hours shall be commensurate with Terminal Operating Hours. If requested by Customer and agreed to by Kinder Morgan, Kinder Morgan shall agree to have Terminal Operating Hours on Saturdays, Sundays and all holidays.

Regular Dock Operating Hours (for receiving Commodity from Customer's nominated vessel): Twenty-four (24) hours per day seven (7) days per week, including all weekends and holidays.

Milwaukee Bulk's recognized holidays are as follows:

- New Year's Day
- Martin Luther King Day
- Good Friday
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- The Day after Thanksgiving
- Christmas Eve
- Christmas Day

9. RATABILITY (<u>Section 2N</u>). Customer shall use commercially reasonable efforts to deliver Commodity ratably during each Contract Year of the Term. Kinder Morgan will make commercially reasonable efforts to accommodate Commodity based on demand and availability, subject to applicable charges listed in Schedule B.

10. OTHER REQUIREMENTS FROM CUSTOMER:

a. Customer is responsible for tarping, and shall supply tarping material and outside labor at full cost to Customer. Customer is also responsible for the disposal of tarp and related materials. Milwaukee Bulk may require the rental of equipment to shape the pile in preparation for tarping. Such equipment rentals, when necessary, will be invoiced per Schedule B.

b. [redacted]

11. OTHER REQUIREMENTS FROM MILWAUKEE BULK: Milwaukee Bulk shall properly shape stockpile in preparation for covering. Milwaukee Bulk will provide notice to Customer to make arrangements for the delivery of tarping material and schedule labor.

12. SCHEDULING (<u>Section 4.A. and 4.A.1</u>). For scheduling purposes, Customer shall also provide Milwaukee Bulk a monthly forecast thirty (30) days in advance of anticipated tons to be delivered to and handled by Milwaukee Bulk.

13. MEASUREMENT (<u>Section 2K</u>). The quantity of Commodity delivered to Milwaukee Bulk by vessel shall be the quantity determined by draft survey at origin by Customer, subject to Kinder Morgan's rights to verify the quantity of Commodity in a vessel in accordance with Section 2.K. of the Agreement.

14. LIMITATION OF LIABILITY (<u>Section 16</u>).

A. Loss Allowance (<u>Section 16D</u>). **"Loss Threshold"** shall begin at 2% (two percent) per Contract Year. Customer shall zero out all physical inventory from the Storage Pad at the end of the first Contract Year of the Term (March 31, 2021) so that an accurate assessment can be made regarding the volume of Commodity handled and any handling losses for the Term of this Schedule A. If Customer elects not to zero out all physical inventory from the Storage Pad at the end of the first Contract Year, the Loss Threshold shall be 3% (three percent) during the second Contract Year. If Customer elects not to zero out all physical inventory from the Storage Pad at the end of the second Contract Year (March 31, 2022), Customer agrees that Milwaukee Bulk is not liable for any loss during the first two Contract Years, or Contract Year thereafter. The Loss Threshold shall reset back to 2% in the Contract Year following physical inventory zero out.

15. NOTICES (<u>Section 20</u>).

If to Milwaukee Bulk:

Attention: Midwest Commercial Director
C/O: Contract Administrator
Kinder Morgan Terminals
Midwest Regional Office:
8500 W 68th Street

Argo, IL 60501

Email: KMNorth_Terminals@kindermorgan.com

If to Customer:

Attention: Director of Logistics, US Highway
Compass Minerals International, Inc.
9900 West 109th Street, Suite 100
Overland Park, KS 66210

SCHEDULE B
SPECIAL PROVISIONS

CHARGES FOR SERVICES RENDERED

CHARGES:

1. **Handling Charge**. Customer shall pay Kinder Morgan a handling charge of [redacted] of Commodity transferred for stockpiling in outdoor storage and [redacted] of Commodity loaded from outdoor storage onto dump truck at the Terminal for the first 500,000 Tons per Contract Year (the "**Base Rate**"). Customer shall pay Kinder Morgan a handling charge of [redacted] of Commodity transferred for stockpiling in outdoor storage and [redacted] of Commodity loaded from outdoor storage onto dump truck at the Terminal for any Tons delivered above 500,000 Tons per Contract Year up to the Maximum Annual Tonnage as defined in Schedule A, Section 5.

   (a) **Charges for Commodities that do not meet the Required Delivery Conditions**. Customer shall pay an additional charge for handling any Commodities that Kinder Morgan decides to accept receipt of that do not meet the Required Delivery Conditions at the rates as set forth in Schedule B, Section 6.

   (b) **Additional Charges**. The Base Rate does not cover:
   i. Winter transfer to stockpile will be charged at [redacted]
   ii. Trucking cost for winter transfer will be passed through, per Schedule B, Section 6.
   iii. Any transfer to or from T4 or storage domes will be charged at [redacted]
   iv. Railcar loading from dome will be charged at [redacted]
   v. Truck loading from dome will be charged at [redacted]
   vi. Minimum Two Contract Year Guaranteed Tonnage Shortfall will be charged at [redacted]
   vii. Vessel Security which is a separate charge referenced in Schedule B, Section 8.
   viii. Stockpile teardown and rebuild for tarping referenced in Schedule B, Section 9.
   ix. Other Port of Milwaukee tariff fees that are billed by the Port to Kinder Morgan. Reference is made to the present Port of Milwaukee Municipal Port Tariff No. 21, effective 04/01/2020, and thereafter as issued by the Port.
   x. Port mandated storm water fees and charges will be invoiced per Schedule B, Section 6.

2. **Storage**.

   a. Customer shall pay Kinder Morgan a monthly storage fee of [redacted] for approximately 300,000 Tons[4] of outdoor pad capacity for one grade of road salt at parcels: 1980 S. Harbor Drive, 2061 S. Harbor Dr, and 1830 S. Carferry Dr. Storage fees are paid directly by Customer to Port of Milwaukee.[4]

   [4]Storage capacity will be reduced accordingly via an Amendment if a sublease agreement for the 2175 S. Carferry Dr. and 2225 S. Carferry Dr. parcels is not executed between Kinder Morgan and Customer, or is terminated by the Customer at any time.

   b. Customer shall pay Kinder Morgan a monthly storage fee of [redacted] for approximately 20,000 Tons (2 – 10,000 Ton capacity domes) of indoor storage for medium salt.

c. Customer shall pay Kinder Morgan a monthly storage fee of [redacted] for approximately 30,000 Tons (2 – 15,000 Ton capacity domes) of indoor storage for chemical salt. Customer may have the option to return one (1) of the 15,000 Ton capacity domes on any Contract Year anniversary date by providing one-hundred and eighty (180) days prior notice. If Customer returns one dome the monthly storage fee in this Section 2.c shall be reduced by $5,626 per month.

3. **Trucks after Terminal Operating Hours**. For all trucks Kinder Morgan handles outside of Terminal Operating Hours, Customer shall be charged [redacted] plus the [redacted] handling fee, with a minimum of [redacted] per overtime operation. Trucks handled outside of Terminal Operating Hours will require a 24 hour notice from the Customer, if approved by Kinder Morgan.

4. **Railroad Charges.** Customer shall enter into an agreement with each inbound or outbound carrier transporting Commodities to and from the Terminal, which provides that the Customer shall receive all invoices from the rail carrier. Customer shall not identify Kinder Morgan on any waybill, bill of lading, receipt, weigh ticket, or other document of title or document accompanying or affecting the carriage or shipment of Commodities as a consignor, consignee, or shipper.

5. **Late Charge**. Should any Commodity remain at the Terminal beyond the termination of this Agreement, Customer shall remain obligated to all of the terms and conditions set forth in this Agreement through the date of such termination and, in addition, shall be obligated to pay an additional charge of [redacted] per month until all Commodity is removed, which shall be no later than ninety (90) days subsequent to termination of the Initial Term or Renewal Term as applicable, unless prior authorization is provided by Kinder Morgan. Customer will pay and discharge any charge or liability claimed or asserted against Kinder Morgan as a result of the Customer's Commodities remaining at the Terminal beyond the term of this Agreement. In addition to the foregoing in the event that any Commodity remains at the Terminal beyond the termination of this Agreement, Kinder Morgan reserves the right to relocate or remove any of Customer's Commodity, and Customer shall be responsible for all reasonable costs.

6. **Additional Services**. For any service or function not specifically provided for in this Agreement, requested by Customer and agreed to and provided by Kinder Morgan, there shall be a charge to Customer equal to the sum of (a) the cost of Kinder Morgan's labor used on such services, at a rate of either (i) [redacted] of labor involved, if such work is performed during Terminal Operating Hours, and (ii) [redacted] of labor involved, if such work is performed during overtime hours; plus (b) the cost of materials and equipment used for such additional work [redacted] of such sum; plus (c) the amount of charges made by contracted services, if any, [redacted] of said sum.

7. **Escalation**. All charges as set forth in Schedule B, <u>Sections 1 through 6</u>, and <u>Sections 8 through 10</u> inclusive shall escalate on April 1st, 2021 and on April 1st of each subsequent anniversary by a minimum of 2% or by the percentage increase in the All-Urban Consumers Price Index (CPI) as calculated by the U.S. Department of Commerce if greater than 2%, but not to exceed 4%. The CPI for January 2021 and January of each subsequent year of this Agreement shall be divided by the same index number for January of the prior year. The resultant ratio shall be multiplied by the charges then in effect to calculate new charges effective April of each subsequent year.

8. **Standby Time**. Customer shall pay Kinder Morgan [redacted] per employee after one (1) consecutive hour for all standby time resulting from Customer's failure to perform its obligations hereunder, including standby time resulting from vessel, barge, truck, or railcar delays. Standby Time shall be invoiced by the quarter hour. Customer shall be responsible for other Terminal charges incurred for such delays.

9. **Security Charge**. Customer shall pay Kinder Morgan [redacted] per vessel of Commodity handled at the Terminal as a port security fee. Kinder Morgan may adjust the above rate periodically as Kinder Morgan determines to be reasonably necessary to comply with port security requirements.

10. **Stockpile Teardown and Rebuild for in Preparation for Tarping.** If agreed to by Kinder Morgan, as provided in the Agreement, the rate shall be [redacted] for labor and use of a front end loader (provided by Kinder Morgan), plus per hour charge for use of contracted dump trucks (provided by Kinder Morgan), currently charged at [redacted] subject to annual escalation by contracted dump truck company.

11. **Removal of Fines.** Customer shall pay Kinder Morgan for removal and disposal of any Commodity fines remaining at the Terminal location after removal of Customer's Commodities at the rates set forth in Additional Services, Schedule B, Section 6.

12. **Fuel Adjustment**.
    Beginning on April 1st, 2020 the handling rate shall increase when the average monthly average Index Price for diesel fuel as published by the Energy Information Administration ("EIA") exceeds [redacted]er gallon ("**Trigger Point**"). The Index Price to be used shall be the Monthly Retail Diesel Prices as published by the EIA for "Diesel (On-Highway) – All Types Ultra Low Sulfur (15 ppm and under)". Kinder Morgan shall use the previous month's average price to determine the current month's surcharge.

    http://www.eia.doe.gov/dnav/pet/pet_pri_gnd_dcus_nus_m.htm.

    Any adjustment(s) to the Base Rates pursuant to this paragraph is referred to as the "**Fuel Adjustment**". Further, if the average monthly spot price for the Index for the prior quarter should fall below the Trigger Point, no adjustment shall be made to the Base Rates. The escalation factor for fuel shall never be less than zero (i.e. there shall be no negative adjustment to the Base Rates should the fuel index price reach below [redacted] per gallon. All fuel surcharge invoices will be accrued to be invoiced on a quarterly basis, March 31st, June 30th, September 30th, and December 31st.

FSC TABLE

Index Price Range	Surcharge
[redacted]	

	[redacted]		[redacted]		[redacted]

LEASE AGREEMENT

Between

NORTH AMERICAN SALT COMPANY

and the

BOARD OF HARBOR COMMISSIONERS

City of Milwaukee

Lease of 7 parcels of land as described in Exhibit A and shown on Exhibit B.

Term: 20 Years 1 April 2005
through
31 March 2025

DATE OF AGREEMENT:

LEASE AGREEMENT

Lease Agreement (hereinafter referred to as the "Lease") made as of the _______ day of _____________, 2005 , by and between North American Salt, Company, a Delaware corporation, (hereinafter referred to as the "Tenant"), and the CITY OF MILWAUKEE, a Wisconsin corporation, by and through its Board of Harbor Commissioners (hereinafter collectively referred to as the "City"),

RECITALS

WHEREAS, the parties have been a party to a certain Lease Agreement by and between the City and Domtar Industries, Inc. (predecessor in interest to Tenant) dated as of March 4, 1985 (the "Prior Lease"); and

WHEREAS, the Prior Lease expires as of March 31, 2005, and the parties wish to enter into a new lease agreement on the terms and condition herein.

NOW THEREFORE, this Lease is entered into by the parties under the following terms and conditions:

1. **Lease.** City hereby leases, demises, and lets unto Tenant the real property comprised of seven parcels (individually, "Parcel" or "Parcels") totaling approximately 10.214 acres (hereinafter referred to as the "Property") located on the South Harbor Tract of the City of Milwaukee. The Property is more particularly described in Exhibit A, which includes an enumeration of each parcel, its address and its acreage, and depicted in Exhibit B, and both exhibits are affixed hereto and incorporated into this document by reference.

2. **Term**. The term of this Lease shall be for twenty years (20) commencing on April 1, 2005, and terminating on March 31, 2025 ("Termination Date")*;* provided, however, that either Party shall have the right to terminate this Lease at the end of the fifth, tenth and fifteenth years of the subsequent term on March 31, 2010, March 31, 2015 and March 31, 2020 ("Early Termination Dates"), respectively, upon not less than one and one half (1 1/2) year's written notice to the other, in writing, as provided in Paragraph 28 of this Lease. Each party's right to terminate this Lease at the end of the fifth, tenth and fifteenth years and Tenant's right to terminate this Lease under Paragraph 5(d) hereof, and each of them, are exercisable on a parcel-by parcel basis as well as on an entirety basis, and the rentals shall be adjusted on a proportional acreage basis so as to delete the rental for any parcel as to which this Lease is so terminated. Tenant shall surrender the Property immediately upon termination of this Lease. If this Lease is only terminated as to a parcel or some of the parcels but less than all of the Property, Tenant shall surrender such parcel or parcels immediately upon termination with respect to such parcel or parcels.

3. **Rent.**

A) Commencing April 1, 2005, Tenant shall pay City, as base rental, for the use and occupancy of the Property as an annual fair rental value the sum of One Hundred Forty Three Thousand Five Hundred Eighty Three and no/100ths Dollars ($143,583.00) annually at a rate of Eleven Thousand Nine Hundred Sixty Five and 31/100th Dollars ($11,965.31) per month, in advance of the first day of every month beginning on April 1, 2005. The rent is calculated on a basis of $14,057.47 per acre annually. A breakdown of the initial base rental per parcel, annually and per month is set forth on Exhibit A. On

April 1, 2010, and on every fifth anniversary thereafter, the fair rental value shall be adjusted to the amount determined by applying the percentage increase, or decrease as the case may be, in the "All Commodities" line (Code 2500) of the "Producer Price Index," published by the United States Bureau of Labor Statistics (or its successor organization) for the five-year period prior to the beginning of the new rental period to the fair rental value figure in effect prior to the beginning of this new rental period.

B) Base rental shall not be decreased to an amount below the base rental in effect during the prior five year period unless this Lease is terminated as to a parcel or parcels for the remainder of the term.

C) Wharfage and Landborne Receipts Charge. Tenant shall also pay City a wharfage charge per metric ton on all cargoes shipped over the Property by ship or landborne conveyance determined by reference to the current Port of Milwaukee Municipal Port Tariff Item 215, Wharfage and Landborne Receipts.

4. **Records**. Tenant agrees for the determination of wharfage fees in accordance with the fee schedule hereinabove set forth that it will keep accurate books and records relative thereto, the form of such books and records to be subject to the approval by the Board of Harbor Commissioners and the City Comptroller and to be made available to properly accredited representatives of the Board of Harbor Commissioners and of the City of Milwaukee at any reasonable time at Tenant's office within five (5) business days of request from City, for audit or for such other inspection as may be deemed desirable. No advance notice needs to be given by City for requests of a more urgent nature and Tenant will make its best effort to provide the needed information. Tenant shall maintain adequate records for determination of amounts due City under the Lease with respect to

assessment of wharfage charges. Tenant's books and records are its private property, and City shall keep confidential all information which it derives therefrom to the fullest extent allowed by law.

5. **Use of the Property**. A) The "Permitted Use" for Parcels 1, 2, 3, 4 and 6 is the receiving, handling, storage, packaging, and delivery of salt and other bulk products. To facilitate this operation, Tenant may install bulk unloading systems and conveyor systems intended to handle cargo from rail cars and/or trucks to or from vessels and/or trucks. Such installations as well as all other improvements to the Property which are constructed by Tenant shall be subject to the prior written approval of the Municipal Port Director. The "Permitted Use" for Parcel 5 located at 1101 East Bay Street and Parcel 7 at 2001 S. Lincoln Memorial Drive is the operation of public scales, an operation that provides a certified public weight for any type of vehicle. City acknowledges that Tenant owns the scalehouse located on Parcel 5 ("Parcel 5 Scalehouse") and all property and fixtures that comprise or are within such Parcel 5 Scalehouse. To permit this operation, Tenant shall have the right to remove or renovate the Parcel 5 Scalehouse and to construct new scalehouse facilities on this parcel, subject to the provisions of Paragraph 16 of this Lease. Any change plans are subject to the approval of the Municipal Port Director. Such scalehouses and equipment shall be installed in accordance with plans approved by the City. The City shall have the right to enter upon the Parcel 5 Scalehouse or any new Tenant-owned scalehouse facilities upon the Property in emergency situations without prior notice to the Tenant.

The "Permitted Use" for the City owned building on Parcel 7 ("Parcel 7 Scalehouse") shall additionally be all office usages necessary to support operations on the rest of the Property.

B) With respect to Parcel 1, Tenant agrees that storage of piled materials shall be restricted to locations at a distance from the edge of the dock designated through the City Harbor Engineer in order to assure dockwall stability at Parcel 1 and as depicted on the drawing for Parcel 1 in Exhibit C. Tenant further agrees to provide suitable protection to any existing water lines, power lines or other underground installations which are now in place so as to protect them from damage by the surcharge of piled materials; said protection installation as to kind and quality is subject to the approval of the Board of Harbor Commissioners. City hereby acknowledges that improvements of asphalt pads on parcels 1, 2, 3, 4, and 6 under the Prior Lease are acceptable as of the date of this Lease and not subject to approval by the Board of Harbor Commissioners.

C) Tenant shall have the use of the track facilities, if any which are located on the Property which shall be fully maintained by City at Tenant's expense, if Tenant uses the same, then the actual maintenance shall be conducted consistent with the requirements of the Board of Harbor Commissioners and such maintenance services shall be performed by the Board of Harbor Commissioners or by persons hired by the Board to perform such services. Tenant shall pay annually, upon receipt of itemized invoices, all costs and expenses incurred by City in the Maintenance of such track facilities computed on the basis of labor, material and equipment charges at rates shown in the Municipal Port Tariff and in effect at the time such maintenance is performed by City, plus ten percent (10%) for overhead costs.

D) Load Limits. The load limitations for the Property shall be governed by the terms of Exhibit C which are attached hereto and by this reference incorporated herein, and shall be subject to modification by City. In the event that the load limitations for the Property are made more onerous during the term hereof than are specified on Exhibit C then from and after such date all rentals and other charges under this Lease shall be equitably adjusted based upon the percentage decrease in load bearing capacity for those portions of the Property affected by the change in load limitations. In the event Tenant determines that, as a result of any such changes in load limitations upon the Property, the load bearing capacity of any Parcel is so low as to render it no longer economically feasible for it to conduct its business on that Parcel, Tenant shall, on a parcel by parcel basis have the right to terminate this Lease as to the affected Parcel(s) upon not less than ninety (90) days' prior written notice to City. In that event, Tenant shall be entitled to a rental adjustment on an acreage basis in accordance with Paragraph 3 of this Lease. Should the changes in the load limitations an all leased Parcels render it no longer economically feasible for Tenant to conduct its business on the Property, Tenant may terminate this Lease in its entirety without further liability hereunder upon not less than ninety (90) days' prior written notice to City.

Additional uses of the Property are not permitted without the prior written approval of the Municipal Port Director. Tenant acknowledges the suitability of the Property for its intended uses and bears sole responsibility for making a determination with respect thereto.

6. **Occupancy Subject to Existing Easements and Restrictions**. Tenant's occupancy of the Property is subject to the easements and restrictions of record as shown

on the depiction of Parcels in Exhibit D attached hereto. City represents and warrants that should additional easements and restrictions be placed upon the Property, City will provide Tenant with advance notice thereof.

7. **Docking and Rail Facilities**.

A) Vessel Berthing. Tenant shall have preferential, but not exclusive use of berthing space in the inner harbor for Parcel 1. Tenant recognizes that this space is a shared docking area with other Port tenants. Tenant will give City a forty-eight (48) hour prior notice of vessel arrivals Monday through Friday during normal business hours. Tenant shall provide reasonable access to vessels, which may moor along such harbor dock whenever such access is required in the judgment of the Board of Harbor Commissioners, upon reasonable request by City. It is understood and agreed that City regularly uses the Municipal Mooring Basin adjoining and adjacent to the Property as a vessel berth and for incidental dock and navigation uses. Tenant agrees to conduct its operations on Parcel 1 in such manner as to not interfere with such mooring operations, dock operations or storage operations of City. In case of conflict over docking space, the City's Harbor Master authority for assigning berths will apply. Alternate berthing space is available to Tenant at Port's Terminal 1 at the discretion of the Port Director.

B) This Lease provides Tenant with the dockage rights on a preferential non-exclusive basis for Parcel 1. City covenants and agrees that no improvements or use shall be made on City-owned land situated between Parcel 1 and the Municipal Mooring Basin (shown on Exhibit B as "City Parcel") which prevents or hinders unloading of salt onto the Property from deep water by ship's boom from the Tenant's self-unloading ships. Tenant shall have the right to place its conveyor belts over the City Parcel when ships carrying Tenant's product are unloading. Tenant shall also have the right to place a person or persons on the City Parcel during such unloading process to supervise or perform other services incidental to such unloading of ships. Exempted from this restriction is use for rail spur tracks or other railway related uses, and City further covenants and agrees that the use of this City Parcel shall be restricted so far as weight and method of operations so as to provide reasonable protection for the Property and Tenant's Permitted Use thereof. City shall not impose more restrictive weight limitations upon the Property due to the use or intended use of the City Parcel, directly or indirectly. Tenant shall have access to rail facilities upon the same terms and conditions as third parties, including payment of all applicable fees and a pro-rata share of City's maintenance costs or upon such other terms and conditions as shall be agreed upon by the parties hereto. City may use its Parcel for rail, barge or ship cargo movements in accordance with the terms of this clause], subject to the limitation that City agrees that it will conduct its operations on its Parcel in such manner as to not interfere with the business operations of Tenant on the Property.

8. **Utilities**.

A) Tenant shall be solely responsible for obtaining and paying directly to the supplier all utility services required by Tenant during the term of this Lease, except as set forth below.

B) City will supply Tenant with water through existing services as required and Tenant shall pay City for all water used by it the usual and customary municipal rates therefor, plus twenty-five percent (25%) for general office and clerical overhead. In the event the Port water system is taken over by another entity, Tenant agrees to become a customer of that entity and Tenant will pay them directly in accordance with their utility rates. Tenant shall become a direct customer of the utilities supplying electricity and natural gas and shall make its own arrangements with such utilities for services required. Tenant shall be obligated to pay any sewer service charge applicable to Tenant's consumption of water plus twenty-five percent (25%) for general office and clerical overhead.

C) City shall construct and install such water and sewer lines as Tenant may request in writing, and Tenant will reimburse City for all costs, expenses and overhead incurred by it in this installation thereof. In addition, City shall make any necessary repairs or replacements of any existing water or sewer lines on the demised premises as it deems necessary, and Tenant shall pay the cost of such repairs or replacements upon receipt of properly itemized bills which will include all the costs incurred by City plus ten per cent (10%) for overhead costs. For the purposes of making such repairs or replacements, Tenant shall and does hereby grant to City the privilege of going onto any and all portions of the Property. Except in an emergency, City shall coordinate such repair or replacement work with Tenant.

9. **Termination and Vacation.**

A) Termination and Vacation Date. Tenant shall vacate the Property on or before the expiration of this Lease. Tenant shall vacate the Parcel 7 Scalehouse and any other City-owned buildings on the Property in broom-clean condition and in good order, and repaired condition and with all, personal property removed, reasonable wear and tear excepted. The term "reasonable wear and tear" contemplates wear and tear over the term of this and the Prior Lease, taking into account the industrial nature of Tenant's Permitted

Use during that time. Tenant shall also remove all other installations and improvements on Parcels 1, 2, 3, 4 and 6, storage pads excepted, and vacate in a bare ground condition. In the event that Tenant fails to vacate the Property in a timely fashion, City shall have the option to do any or all of the following: (1) cause the Property to be vacated; (2) charge Tenant twice (2x) the rent set forth in Paragraph 3 of this Lease for all periods subsequent to the date of expiration of this Lease or of any agreed extension thereof; and (3) to assess and recover against the Tenant the actual costs of such vacation and any damages sustained by the City as a consequence of the Tenant's failure to timely vacate the Property.

B) Property to be vacated clear of all materials. Tenant shall vacate the Property free and clear of all materials and equipment in accordance with this sub-paragraph 9.B. In the event that Tenant fails to vacate the Property in the prescribed state of clearance, as determined by City, then after ten (10) days' written notice to Tenant, City shall have the option to have such clearance and clean-up conducted as in its reasonable judgment is necessary in order to bring the Property to the prescribed state of clearance, and to assess the costs of such action against Tenant.

i) All improvements and all plumbing, heating, lighting, electrical and air-conditioning fixtures and equipment, and other articles of personal property used in the operation of the Parcel 7 Scalehouse (as distinguished from operations incident to the business of Tenant), whether or not attached or affixed to the Scalehouse (hereinafter referred to as "Building Fixtures"), shall be and remain a part of the Scalehouse and shall constitute the property of the City.

ii) All of Tenant's trade fixtures and all personal property, fixtures, apparatus, machinery and equipment now or hereafter located upon the Property, including the scales and other such property within the Scalehouses, other than Building Fixtures, shall be and remain the personal property of Tenant, and the same are herein referred to as "Tenant's Equipment."

iii) Tenant's Equipment may be removed from time to time by Tenant; provided, however, that if such removal shall injure or damage the Scalehouses or rest of the Property, Tenant shall repair material damage ("material damage" is not meant to include nails, nail holes, chipped paint or drywall, discolored carpet or flooring and the like resulting from removal of Tenant's Equipment).

iv) City expressly acknowledges the improvement on Parcels 1, 2, 3, 4 and 6 of asphalt pads for storing salt. Upon termination of this Lease, Tenant agrees to clear such pads of salt. Said pads shall be returned to the City in good condition, reasonable wear and tear (as defined in Paragraph 9.A hereof) excepted.

v) With respect to the Parcel 5 Scalehouse structure, the parties will agree prior to Lease termination whether Tenant shall demolish the structure or vacate. If the parties choose to leave the structure, Building Fixtures shall remain and become the property of the City and Tenant's Equipment shall be removed by the Tenant unless otherwise agreed by the parties.

10. **Default**. The occurrence of one or more of the following events shall be considered an "Event of Default" under the terms of this Lease:

A) Tenant shall be adjudged a bankrupt, or a decree or order, approving as properly filed, a petition or answer asking reorganization of Tenant under Federal Bankruptcy Laws as now or hereafter amended, or under the laws of this State, shall be entered, and any such decree, judgment or order shall not have been vacated, stayed or set aside within sixty (60) days from the date of the entry or granting thereof; or

B) Tenant shall file or admit the jurisdiction of the court and the material allegations contained in any petition in bankruptcy or any petition pursuant or purporting to be pursuant to the Federal Bankruptcy Laws as now or hereafter amended, or Tenant shall institute any proceedings or shall give its consent to the institution of any proceedings for any relief of Tenant under any bankruptcy or insolvency laws or any laws relating to the relief of debtors, readjustment of indebtedness, or reorganization; or

C) Tenant shall make an assignment for the benefit of creditors or shall apply for or consent to the appointment of a receiver for Tenant; or

D) Tenant shall abandon the Property for a period of thirty (30) days; or

E) Tenant shall be delinquent in any rental or other payments due under this Lease and such delinquency shall continue for thirty (30) days after notice thereof in writing to Tenant; or

F) Tenant shall default in any of the other covenants or agreements herein contained to be kept, observed and performed by Tenant, and such default shall continue for twenty (20)) days after notice thereof in writing to Tenant; or

G) Tenant shall make any assignment, sublease, transfer, conveyance or other disposition of its interest in the Property not otherwise permitted by this Lease without the express written consent of City.

Upon occurrence of any one or more of such Events of Default, it shall be lawful for City, at its election in the manner and terms herein provided, to declare this Lease ended and to recover possession of the Property, either with or without process of law, to enter and to expel, and remove Tenant and all agents, employees and representatives and improvements of Tenant engaged in operating the Property or occupying the Property, using such force as may be necessary in so doing. If default shall be made in any covenants, agreements, conditions or undertakings herein contained, to be observed and performed by Tenant, which cannot with due diligence be cured within a period of thirty (30) days, and if notice thereof in writing shall have been given to Tenant, and if Tenant prior to the expiration of said thirty (30) days from and after the giving of such notice, commences to eliminate the cause of such default and proceeds diligently and with reasonable dispatch to take all steps and do all work required to cure such default and thereafter does so cure such default, then City shall not have the right to declare the term of this Lease as ended; however, that the curing of any default in such manner shall not be construed to limit or restrict the right of City to declare this Lease ended and terminated, and to enforce all of City's rights and remedies hereunder for any other default not so cured.

11. **Maintenance and Housekeeping**.

A) City's Repairs and Maintenance. City, at City's sole cost and expense, shall maintain and repair, if necessary, the structural portions of the roof and the exterior walls for the Parcel 7 Scalehouse. Notwithstanding the aforesaid, in the event any such maintenance or repairs are caused by the negligence of Tenant or Tenant's employees, agents or invitees, Tenant shall reimburse to City, as additional rent, the cost of all such maintenance and repairs within thirty (30) days after receipt of City's invoice for same. For purposes of this Paragraph, the term "exterior walls" shall not include windows, plate glass, office doors, dock doors, dock bumpers, office entries, or any exterior improvement made by Tenant. City reserves the right to designate all sources of services in connection with City's obligations under this Lease. Tenant hereby grants to City the right to enter upon the Parcel 7 Scalehouse, at reasonable times, and upon reasonable notice, except in emergencies exclusively determined by City, for the purpose of making inspections and/or repairs. Tenant shall have the duty to periodically inspect the Parcel 7 Scalehouse and notify City should Tenant observe a need for repairs or maintenance of any obligation to be performed by City under this Lease. Upon receipt of Tenant's notice, City shall have reasonable period of time to make such repairs or maintenance and, except in an emergency situation, will coordinate such repair or replacement work with Tenant; however, it is expressly understood that City's liability with respect to the failure or delay to make any such repairs or maintenance shall be limited to the cost of such repairs or maintenance.

B) Tenant's Repairs & Maintenance. Tenant, at Tenant's sole cost and expense, shall have the affirmative duty to periodically inspect, maintain, service, repair and replace, if necessary, all portions of the Parcel 7 Scalehouse which are not expressly the responsibility of City under Paragraph 11.A of this Lease including, but not limited to, any windows, plate glass, office doors, dock doors, office entries, interior walls and finish work, floors and floor coverings, water heaters, electrical systems and fixtures, alarm systems, sprinkler systems, dock bumpers, branch plumbing and fixtures, pest extermination, fences and rail track up to and including the railroad switch leading onto

Tenant's spur. In addition thereto, Tenant shall keep the Parcel 7 Scalehouse and any dock area servicing the Parcel 7 Scalehouse in a clean and sanitary condition, and shall keep the common parking areas, driveways and loading docks free of Tenant's debris, and shall control weeds and maintain landscaping. Tenant shall not store materials, waste or pallets outside of the Parcel 7 Scalehouse, and shall timely arrange for the removal and/or disposal of all pallets, crates and refuse owned by Tenant which cannot be disposed of in the dumpster(s) servicing the Property.

Tenant, at its own cost and expense, shall enter into a regularly scheduled preventive maintenance/service contract with a maintenance contractor for servicing all hot water, heating and air conditioning systems, alarm systems, sprinkler systems and equipment within the Parcel 7 Scalehouse. The service contract must include all services suggested by the equipment manufacturer in its operations/ maintenance manual. If a written service contract exists, Tenant shall provide a copy of such to the City. Notwithstanding the aforesaid, City shall have the option to enter into a regularly scheduled preventative maintenance/service contract on items for and on behalf of Tenant with respect to the Parcel 7 Scalehouse. Such contract may include, without limitation, all services suggested or recommended by the equipment manufacturer in the operation and maintenance of such system. In the event City elects such option, Tenant shall reimburse to City, as Additional Rent, all of City's costs incurred in connection with said contract, as well as City's actual costs of repair and maintenance of the HVAC system.

Tenant shall perform all repairs and maintenance in a good and workmanlike manner, using materials and labor of the same character, kind and quality as originally employed within the Property; and all such repairs and maintenance shall be in compliance with all governmental and quasi-governmental laws, ordinances and regulations, as well as all requirements of City's insurance carrier if applicable or necessary. With respect to City's insurance carrier requirements, it shall be City's sole responsibility to inform Tenant if such requirements are applicable or necessary and the detail of such requirements prior to commencement of such repairs or maintenance. In the event Tenant fails to properly perform any such repairs or maintenance within a reasonable period of time, City shall have the option to perform any such repairs on behalf of Tenant, in which event Tenant shall reimburse to City, as Additional Rent, the costs thereof within thirty (30) days after receipt of City's invoice for same.

12. **Assignment and Subleasing**.

A) Tenant shall not assign or sublet the Property or any portion thereof, nor allow the same to be used or occupied by any other person or for any other use than herein specified, without the prior written consent of City. For purposes of this Paragraph, the transfer of any majority interest in any corporation or partnership shall be deemed to be an assignment of this Lease. In the event City consents to any sublease or assignment, the same shall not constitute a release of Tenant from the full performance of Tenant's obligations under this Lease. Further, in the event of any such sublease or assignment, Tenant shall reimburse City for all reasonable attorneys' fees in connection with reviewing and/or drafting any appropriate documents to effect such transfer of Tenant's interests. Further, Tenant shall pay to City as Additional Rent under this Lease, 50% of any profit, rental or other compensation received in excess of the rental specified in Paragraph 3 of this Lease by Tenant as a consequence of any assignment or sublease hereunder.

B) Notwithstanding anything contained in this Paragraph 12 to the contrary, Tenant, City has approved the current sublease of Parcel 2, 2175 Carferry Drive, and Parcel 3, 2225 Carferry Drive, to Kinder Morgan Bulk Terminals, Inc. and Tenant is permitted to continue to sublease such Parcels to Kinder Morgan Bulk Terminals, Inc., or its affiliates.

C) Notwithstanding anything contained in this Paragraph 12 to the contrary, Tenant shall also have the right, without the necessity of having to obtain City's prior consent, to assign this Lease or sublet any portion of the Property or the Property as a whole to: (a) any related corporation or other entity which controls Tenant, is controlled by Tenant or is under common control with Tenant (for purposes of this Section 12, "control" shall mean the ownership of more than 50% of the outstanding securities or equity interests of an entity); or (b) a successor corporation or other entity into which or with which Tenant is merged or consolidated or which acquired all of Tenant's stock or substantially all of Tenant's assets and property; provided that the proposed successor entity complies with all provisions of this Lease.

13. **Indemnification**. Tenant hereby agrees to indemnify and save harmless City from and against all liabilities, claims, demands, judgments, losses and all suits at law or in equity, costs and expenses, including reasonable attorney's fees, for injury to and/or death of any person or persons and/or loss and/or damage to the property of any person, firm or corporation whomsoever, including both parties hereto and their employees, arising from the construction, maintenance or operation of Tenant's improvements and equipment, or in the carrying on of its business as hereinbefore set forth, except when

such liability, claim, demand, judgment or loss arises solely from a negligent act of the City, its agents, contractors or employees.

14. **Insurance**. Tenant shall maintain in full force and effect throughout the currency of this Lease, the following insurance covering any and all liability or obligations which may result from operations by Tenant, Tenant's employees, agents, contractors or subcontractors as aforesaid in this Lease Agreement:

Property insurance coverage protecting against physical damage (including but not limited to fire, lightning, extended coverage perils, vandalism, sprinkler leakage, water damage, collapse and other special extended perils) to the extent of the replacement cost of Tenant's personal property and improvements as well as goods or property in Tenant's care, custody and/or control.

Comprehensive General Liability Insurance (including but not limited to Products and Completed Operations and Contractual Liability, as applicable to Tenant's obligations under this Lease Agreement) with limits not less than:

Each Occurrence Limit:	$2,000,000
Products/Completed Operations Aggregate:	$2,000,000
General Policy Aggregate:	$2,000,000

Automotive Liability Insurance with Limits not less than:
Bodily Injury and Property Damage
Combined Single Limit: $1,000,000 per occurrence

Worker's Compensation Insurance in accordance with Chapter 102, Wisconsin Statutes and any applicable Federal law.
Umbrella Coverage: $10,000,000 in aggregate

All such policies shall be of a form and content satisfactory to City. In addition, the Board of Harbor Commissioners of the City of Milwaukee and the City of Milwaukee will be designated on the General Liability, Property Insurance, Automobile and

Umbrella policies as Additional Named Insureds. All policies shall be with companies licensed to do business in the State of Wisconsin and rated A or better in the most current issue of Best's Key Rating Guide. Tenant shall furnish City with certificates of insurance for all policies showing that insurance has been written as required. Such evidence shall be provided by Tenant at least thirty (30) days prior to occupancy; and further, such policies shall provide that no less than thirty (30) days written notice be given to City before any such policies are cancelled or substantially changed to reduce the insurance provided thereby. Said certificates of insurance shall remain in effect for the duration of this Lease Agreement. Tenant shall not act in any manner that may make void or voidable any insurance required herein. Upon written demand, Tenant shall provide City full, complete and accurate copies of the insurance policies required by this Lease Agreement. Once in every three (3)-year period during the term of this Lease Agreement, City shall review the extent and limits of the insurance coverage required herein. After said review, should City determine an increase in the extent and/or limits of insurance coverage is required, Tenant shall be so notified in writing and Tenant shall cause such increases to be placed in effect within thirty (30) days of receiving such notice. In no event shall the extent and limits of insurance coverage be reduced from the amounts shown herein.

The attorney in fact or agent of any insurance company furnishing any policy of insurance shall sign and furnish an affidavit setting forth that no City official or employee has any interest, direct or indirect, or has received any premium, commission, fee or other thing of value on account of furnishing said policy of insurance.

15. **Taxes**. Tenant shall pay and discharge when due all taxes, if any, assessments, levies and other charges, general and special, that are or may be during the term hereof levied, assessed, imposed or charged on the Property or the improvements thereon or hereafter placed thereon.

16. **Alterations & Improvements**. Tenant shall not make any alterations, additions, buildings or improvements to the Property without the prior written consent of City of this Lease. Notwithstanding the aforesaid, Tenant, at Tenant's sole cost and expense, may make any alterations where same are non-structural. All such alterations shall be constructed and/or installed by contractors approved by City, in a good and workmanlike manner, and in compliance with all applicable governmental and quasi-governmental laws, ordinances and regulations, as well as all requirements of City's insurance carrier, if applicable or necessary. With respect to City's insurance carrier requirements, it shall be City's sole responsibility to inform Tenant if such requirements are applicable or necessary and the detail of such requirements prior to commencement of such alteration or improvement. Tenant shall furnish, upon City's request, plans, specifications, drawings and/or renderings of any proposed alterations, additions, buildings or improvements. Non-structural alterations to the Parcel 5 Scalehouse are not subject to the terms of this Paragraph 16.

All Alterations, except Tenant's Equipment as defined in subparagraph 9.B.ii shall become the property of City and shall remain upon and be surrendered with the Property as a part thereof at the termination of this Lease, or, at City's option, provided City shall have advised Tenant in writing at the time of its consent to said Alteration that the same must be removed and restored to its original condition. In no event shall City have any right to any of Tenant's Equipment. Except as otherwise set forth in Paragraph 9.B.v. or otherwise in this Lease, Tenant may remove Tenant's Equipment in accordance with Paragraph 9 hereof.

City hereby acknowledges and approves of the existence of the Alterations listed on Exhibit E hereof.

17. **Destruction**. If the Parcel 7 Scalehouse or the any portion of rest of the Property (excluding the Parcel 5 Scalehouse) are damaged in whole or in part by casualty so as to render the Parcel 7 Scalehouse or any other portion of the Property (excluding the Parcel 5 Scalehouse) untenantable, and if the damages cannot be repaired within one hundred eighty (180) days from the date of said casualty, this Lease shall terminate as of the date of such casualty. If the damages can be repaired within said one hundred eighty (180) days, and City does not elect within sixty (60) days after the date of such casualty to repair same, then either party may terminate this Lease by written notice served upon the other. In the event of any such termination, the parties shall have no further obligations to the other, except for those obligations accrued through the effective date of such termination; and, upon such termination, Tenant shall immediately surrender possession of the Property to City. Should City elect to make such repairs, this Lease shall remain in full force and effect, and City shall proceed with all due diligence to repair and restore the Property to a condition substantially similar to that condition which existed prior to such casualty. In the event the repair and restoration of the Property extends beyond one hundred twenty (120) days after the date of such casualty due to causes beyond the control of City, this Lease shall remain in full force and effect unless such lack of completion interrupts the business operations of Tenant and lasts beyond one

hundred eighty (180) days, in which case, Tenant shall have the right to terminate this Lease at any time beyond 180 days from the date of such casualty. Tenant shall not be required to pay any Rent for any period in which the Property is untenantable. In the event only a portion of the Property is untenantable, Tenant's Rent shall be equitably abated in proportion to that portion of the Property, which is so unfit. However, there shall be no Rent abatement if said damage is due to fault or negligence of Tenant or Tenant's agents, employees or invitees.

City agrees to schedule any repair work in conjunction with Tenant in order to facilitate the continued operation of Tenant's business, furthermore, City agrees that during restoration, it will make its best effort to supply alternate on-site or near-to-site facilities to Tenant so that Tenant's operations during restoration may continue as expeditiously as possible (e.g. supplying alternate docking and berthing space located at 1034 S. Lincoln (also known as Terminal 1) if dock on Property constitutes part of the damaged portion of the Property).

If the Parcel 5 Scalehouse is damaged in whole or in part by casualty so as to render it untenantable, Tenant shall have the option to repair, replace or demolish said structure as it deems fit in Tenant's sole discretion within One Hundred and eighty (180) days from the date of casualty.

18. **Condemnation**: In the event of a Total Condemnation, or a Partial Condemnation, as to which both Parties agree that the Lease shall terminate, this Lease shall terminate as of the date of such Total Condemnation or Partial Condemnation, and City and Tenant may pursue, separately, an award or other compensation, whether pursuant to judgment or by agreement or otherwise, with respect to such Total

Condemnation or Partial Condemnation. City may pursue an award or compensation for the residual value of the land within the Property, and for the value of the Parcel 7 Scalehouse or other City-owned buildings located upon the Property after deducting the value of Tenant's leasehold interest and the value of the Parcel 5 Scalehouse owned by Tenant, and any other award or compensation due to landlords under applicable law. Tenant may pursue an award or other compensation for the value of Tenant's improvements on the Property, including the Parcel 5 Scalehouse, the value of Tenant's leasehold interest, moving and relocation costs and expenses, and any other compensation due to tenants under applicable law. City agrees to provide written notice of any condemnation proceeding to Tenant as soon as practicable upon receipt of notice of such proceedings. In the event of Partial Condemnation, the parties may elect to repair, restore or rebuild the portion of the Property not condemned and improvements to a condition equivalent to that existing prior to such Partial Condemnation, in which case, this Lease shall continue, and the condemnation award shall be paid to the party(s) undertaking the restoration or rebuilding on an equitable basis, in proportion to the share of the costs of restoration or rebuilding borne by each party.

Notwithstanding anything to the contrary contained in this Paragraph 18, in the event that a Partial Condemnation impairs Tenant's ability to use the Property for the Permitted Uses in substantially the same capacity preceding said Partial Condemnation (*e.g.* if Tenant loses the right to use the dock, or if Tenant's operational or storage capacity is decreased to the point at which Tenant deems it infeasible to operate its business) Tenant shall have the right to terminate this Lease by written notice to City. In the event of any such termination, the parties shall have no further obligations to the other except for those obligations accrued through the effective date of termination; and upon such termination, Tenant shall immediately surrender possession of the Property to City in accordance with the terms of this Lease.

City agrees to schedule any restoration or rebuilding work it agrees to undertake in conjunction with Tenant in order to facilitate the continued operation of Tenant's business, furthermore, City agrees that during restoration, it will make its best effort to supply alternate on-site or near-to-site facilities to Tenant so that Tenant's operations during restoration may continue as expeditiously as possible (e.g. supplying alternate docking and berthing space located at Terminal 1 if dock on Property constitutes a portion of the Property that needs to be restored.

19. **Compliance with Laws and Orders**. Tenant agrees to observe fully and to comply with any laws, statutes, regulations, ordinances, rules, requirements or directives now in force or which shall emanate from any state, federal or local departments or agencies having jurisdiction. Tenant also agrees to be fully bound and to observe the provisions of the Municipal Port Tariff in effect as of the date of commencement of this Lease and of any successor or equivalent document issued by the Board of Harbor Commissioners of the City of Milwaukee during the term of this lease.

20. **Involuntary Transfer of Tenant's Interest.** In the event that a mortgagor or other lienholder succeeds to the Tenant's interest in this Lease (whether by foreclosure, or any other form of involuntary acquisition) the Tenant shall, as soon as practicable, notify the City of such transfer in writing by registered mail, return receipt requested. In such event, the City shall have 90 days from the date of receipt of such notice to elect to terminate this Lease, which shall thereupon terminate immediately. Should any such

involuntary transfer of interest affect only some, but not all of the Parcels covered by this Lease, the City's option to terminate this Lease under this Paragraph shall apply only to those Parcels so affected. City may, at City's sole discretion, waive this option to terminate with respect to any mortgagor or lienholder upon application of Tenant in advance of events necessitating foreclosure by such mortgagor or lienholder.

21. **Security Compliance**. Tenant agrees to conform to all national security requirements imposed by the U.S. Department of Homeland Security, the Marine Transportation Security Act and its implementing regulations, as well as any additional applicable federal, state and local security rules and regulations.

Tenant also agrees to comply with any measures and obligations imposed by a Port of Milwaukee tenant consortium formed to administer security requirements. Tenant will become a member of any such consortium and pay any fees or levies imposed by that consortium or by the Port of Milwaukee to cover security costs.

"Security," as that term is used herein shall mean "Measures designed to safeguard personnel; to prevent unauthorized access to equipment, property, buildings, harbor facilities, installations, materials, and documents; and to safeguard against espionage, sabotage, damage, and theft, or to prevent persons or organizations from engaging in any activity or using Port properties, equipment and material in a manner that would aid an effort to harm vital interests of the City of Milwaukee, the State of Wisconsin or the United States of America."

22. **Environmental Compliance and Obligations**.

A) Compliance with Environmental Regulations. Tenant shall fully comply with all statutes, regulations, or other applicable requirements imposed by any federal, state, or municipal agency with respect to the environmental condition of the Property and/or with respect to any activities or operations that Tenant may conduct upon the Property (hereinafter referred to as "Environmental Requirements"). Tenant shall not cause, permit or suffer the existence or commission by Tenant, its agents, employees, contractors or invitees, or by any other person of any violation of any Environmental Requirements upon, about or beneath the Property or any portion thereof.

B) Hazardous Material; Environmental Liens. Except to the extent commonly used in the day-to-day operation of the Property, and in strict compliance with all Environmental Requirements (including those relating to storage, use and disposal), Tenant shall not cause, permit or suffer any "hazardous material" or "hazardous substance" (as defined by applicable Federal or State statutes or regulations) to be brought upon, treated, kept, stored, disposed of, discharged, released, produced, manufactured, generated, refined, or use d upon, about, or beneath the Property or any portion thereof by Tenant, its agents, employees, contractors, tenants or invitees, or any other person without the prior written consent of the City. Any request by Tenant for such consent by the City shall be in writing and shall demonstrate to the reasonable satisfaction of the City that such "hazardous material" or "hazardous substances" is necessary to the conduct of the business of Tenant and will be stored, used, and disposed of in a manner that complies with all applicable Environmental Requirements. Tenant shall not create or suffer to exist with respect to the Property any lien, security interest, or other charge or encumbrance of any kind relating to the environmental condition of the Property, including (without limitation) any lien imposed pursuant to Sec. 107(f) of the

Superfund Amendments and Reauthorization Act 1986 (42 U.S.C. § 9607(L)) or any similar State statute.

C) Obligation to Investigate and/or Remediate. Tenant shall, upon demand of the City, and at its sole cost and expense, promptly take all actions to investigate and/or remediate the environmental condition of the Property which may be required by any federal, state or local governmental agency or political subdivision which remediation is necessitated from, or attributable to, the presence upon, about, or beneath the Property of any "hazardous material" or "hazardous substances" or any violation of Environmental Requirements caused by the Presence of and/or activities or operations conducted by the Tenant upon the Property. Any such investigation and/or remediation shall be performed by and under the direction of a qualified environmental consulting or engineering firm approved by City in advance of the commencement of the work. Tenant agrees to allow entry upon the Property by the City, or agents, contractors or employees of the City for purposes of conducting environmental audits and/or other tests for the purpose of determining the impact of Tenant's presence and/or activities or operations upon or with respect to the Property upon the environmental condition thereof. In the event that Tenant performs any such environmental audit and/or test on its own behalf, it shall promptly provide to the City full and complete copies of any results and/or reports that are generated in connection with the above activities.

D) Survival of Obligations. Tenant's obligations with respect to the environmental condition of the Property (as more fully set forth in subparagraphs (A) through (C) above) shall survive the expiration or termination of this Lease.

23. **Warranties of Title and Quiet Enjoyment**. City hereby covenants and warrants that it is seized with the fee simply absolute title to the Property, free and clear of all liens, encumbrances, easements, restrictions and title defects or matters other than those matters, including without limitation, the location and placement of water, sewer, septic and other utility lines which are shown on Exhibit D. City further covenants, warrants and agrees to defend the same and Tenant in its quiet enjoyment and peaceable possession of the Property and its rights under this Lease, free from hindrance by City or any person claiming by, through or under City.

24. **Non-Disturbance**. As of the date of this Lease, the City is not a party to any mortgages or ground leases (other than this Lease) encumbering the Scalehouses or Property. In the event that the City ever becomes a party to such a mortgage, it shall make its best efforts to obtain an agreement from any future mortgagee for the benefit of Tenant whereby any such future mortgagee agrees not to disturb the Tenant's quiet enjoyment of the Property and to maintain this Lease in full force and effect.

25. **Time of the Essence**. It is expressly understood and agreed to by the parties hereto that time is of the essence for each term and provision of this Lease.

26. **Waiver**. One or more waivers by any party of any covenant or condition of this Lease shall not be construed as a waiver of a subsequent breach of the same or of any other covenant or condition. The consent or approval given by any party with respect to any act by the other party requiring such consent or approval shall not be deemed to waive or render unnecessary further consent or approval of any subsequent similar act by such party.

27. **<u>Sole Agreement and Amendment</u>**. This Lease shall be binding upon the parties hereto and their respective successors and assigns, and may not be modified orally or in any other manner other than by agreement, in writing, signed by each of the parties to this Lease. Each person signing this Lease warrants that this is the full, entire and complete agreement between the parties; that the terms of this Lease supersede and nullify any and all prior discussion, negotiations or agreements between the parties and/or any of the parties' respective officers, employees or agents relating in any manner to the subject matter of this Lease; and that no promise or inducement not expressed in this Lease has been made or exists to cause or influence each such person to execute this Lease. Each person signing this Lease warrants their ability to bind the party on whose behalf each signs.

28. **<u>Notice</u>**. Any notice provided for herein or given pursuant to this Lease, shall be deemed in compliance herewith if in writing and sent by United States certified or registered mail, postage prepaid, return receipt requested, or by receipted personal delivery to the parties as follows:

To the City:

BOARD OF HARBOR COMMISSIONERS
2323 S. Lincoln Memorial Drive
Milwaukee, WI 53207
Attention: Municipal Port Director

To The Tenant:

*NORTH AMERICAN SALT COMPANY
*8300 College Blvd.
*Overland Park, KS 66210
*Attention: Director of Logistics – Highway

29. **Governing Law**. This Lease shall be governed by the laws of the State of Wisconsin. If any term or provision of this Lease or any exhibits hereto, or the application thereof to any person or circumstance, shall to any extent be declared invalid or unenforceable, then the remainder of this Lease and exhibits, or the application of such term or provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by applicable law.

30. **Nondiscrimination**. Tenant hereby agrees that in its use of the Property and in its activities undertaken pursuant hereto it shall not discriminate, permit discrimination or restriction on the basis of race, sexual orientation, creed, ethnic origin or identity, color, gender, religion, marital status, age, handicap or national origin.

31. **Counterparts**. This Lease may be executed in any number of counterparts, each of which shall constitute an original and all of which shall constitute one and the same agreement. The terms "Board of Harbor Commissioner" and "City" whenever used herein shall mean and include the Board of Harbor Commissioners of the City of Milwaukee and/or its successors and assigns in authority, as the context may require.

32. **Approval**. IT IS FURTHER AGREED AND UNDERSTOOD that this Lease must be submitted to the Common Council of the City of Milwaukee and that the same must be approved by the Common Council and its execution authorized.

33. **Survival**. Paragraphs 13 (Indemnification), 22 (Environmental Compliance), and 26 (Waiver) of this Lease, in addition to any other provisions of this Lease which, by their content are intended to survive, shall survive the termination or expiration of this Lease.

34. **Prior Lease Superseded**. The Prior Lease is hereby terminated, superseded and replaced by this Lease.

IN WITNESS WHEREOF, the parties hereto have by their duly authorized officers executed this Lease Agreement under seal as of the day and year first above written.

In the Presence of:	CITY OF MILWAUKEE
_________________________	_________________________
	Thomas Barrett, Mayor
_________________________	_________________________
	Ronald D. Leonhardt, City Clerk
	COUNTERSIGNED:
_________________________	_________________________
	W. Martin Morics, Comptroller
In the Presence of:	BOARD OF HARBOR COMMISSIONERS
_________________________	_________________________
	Daniel J. Steininger, President
_________________________	_________________________
	Donna Luty, Secretary
In the Presence of:	NORTH AMERICAN SALT COMPANY, A Delaware corporation
_________________________	_________________________
(witness signature)	Michael E. Ducey, President
_________________________	_________________________
(witness signature)	

STATE OF WISCONSIN
MILWAUKEE COUNTY

Personally came before me this _____day of _______________, 20____, Thomas Barrett, Mayor of the above-named municipal corporation, who by its authority and on its behalf executed the foregoing instrument and acknowledged the same.

____
NOTARY PUBLIC, State of Wisconsin
My Commission Expires _____________

STATE OF WISCONSIN
MILWAUKEE COUNTY

Personally came before me this _____day of _______________, 20____, Ronald D. Leonhardt, the City Clerk of the above-named municipal corporation, who by its authority and on its behalf executed the foregoing instrument and acknowledged the same.

____
NOTARY PUBLIC, State of Wisconsin
My Commission Expires _____________

STATE OF WISCONSIN
MILWAUKEE COUNTY

Personally came before me this ______day of _______________, 20___, W. Martin Morics the City Comptroller of the above-named municipal corporation, who by its authority and on its behalf executed the foregoing and acknowledged the same.

____
NOTARY PUBLIC, State of Wisconsin
My Commission Expires _____________

STATE OF WISCONSIN
MILWAUKEE COUNTY

Personally came before me this _____day of _______________, 20____, Daniel J. Steininger, President, and Donna Luty, Secretary of the Board of Harbor

Commissioners, who by its authority and on its behalf executed the foregoing instrument and acknowledged the same.

____
NOTARY PUBLIC, State of Wisconsin
My Commission Expires ______________

STATE OF ________________
___________________COUNTY

Personally came before me this ______day of _______________, 20___, Michael E. Ducey the President of NORTH AMERICAN SALT COMPANY who by its authority and on its behalf executed the foregoing instrument and acknowledged the same.

____
NOTARY PUBLIC, State of ______________
My Commission Expires ______________

APPROVED as to Form and Execution this
_____ day of _________________, 20____

____
Assistant City Attorney

3/2/05
90720

EXHIBIT A

PROPERTY LEGAL DESCRIPTIONS BY PARCEL

Parcel	Address	Size	Initial Term Rent Value
1	1551 S. Carferry Drive	1.518 acres	$21,339.24
2	2175 S. Carferry Drive	1.130 acres	$15,884.94
3	2225 S. Carferry Drive	1.068 acres	$15,013.38
4	1830 S.Carferry Drive	2.058 acres	$28,930.27
5	1101 E. Bay Street (Scale house)	0.500 acres	$ 7,028.74
6	2061 S. Harbor Drive	3.230 acres	$45,405.63
7	2001 S. Lincoln Memorial Drive (scale house)	0.71 acres	$ 9,980.80
	Total Acres:	10.214 acres	

EXHIBIT B

MAP/DEPICTION OF PROPERTY PARCELS

<u>EXHIBIT C</u>

LOAD LIMITS AND CITY PARCEL

EXHIBIT D

EASEMENTS AFFECTING THE PROPERTY

EXHIBIT E

CITY APPROVED ALTERATIONS AND IMPROVEMENTS TO THE PROPERTY

Construction of Parcel 5 Scalehouse at 1101 E. Bay St in 1984.

Scales at Parcel 5 and Parcel 7 Scalehouses

Renovation of Parcel 7 Scalehouse building at 2001 South Lincoln Memorial Drive in 1998

$2,600 upgrade bathroom to ADA Code in Parcel 7 Scalehouse

$11,281.00 to replace all windows in Parcel 7 Scalehouse

$2,600 to install steel door (twice) in Parcel 7 Scalehouse

$14,660 to replace two heating and air conditioning units in Parcel 7 Scalehouse

$11,000 for electrical work which included new lighting on the outside of the building as well as lighting outlets in Parcel 7 Scalehouse

Heating and Air conditioning work for the interior and electrical for outside speakers, outside camera, digital in Parcel 7 Scalehouse

Scoreboard and computer in Parcel 7 Scalehouse.

Removal of broken tiles and asbestos floor. Replaced with vinyl and carpeting at Parcel 7 Scalehouse

Installation of pneumatic tube system at 2001 South Lincoln Memorial Drive

Installation of ADT security systems in both Scalehouses

Installation of fiber optic cable to link both Scalehouses

Installation of Asphalt Pads at Parcels 1, 2, 3, 4 and 6

WISCONSIN
DEPT. OF NATURAL RESOURCES

State of Wisconsin \ DEPARTMENT OF NATURAL RESOURCES

Scott McCallum, Governor
Darrell Bazzell, Secretary
Gloria L. McCutcheon, Regional Director

Milwaukee Service Center
2300 N Dr. ML King Drive, PO Box 12436
Milwaukee, Wisconsin 53212-0436
Telephone 414-263-8500
FAX 414-263-8716
TTY 414-263-8713

November 29, 2002

file ref: 241945440

Kathy Ruiz
North American Salt Company
2001 S Lincoln Memorial Drive
Milwaukee WI 53202

RE: Stormwater Permit

Dear Ms Ruez:

I have reviewed the need for permit coverage of your facility under the storm water permit program. I understand the salt stored at your facility is strictly used as "Highway Salt". In this case permit coverage by the Department duplicates requirements found in the Department of Transportation administrative code TRANS 277. As a result the Tier 1 permit coverage of your site is being terminated.

Any changes in your operations or any changes in applicable Wisconsin Statutes or Administrative Codes may require that a permit be obtained in the future. Please advise the Department promptly of any changes at the facility which may make a permit necessary by writing to the Department of Natural Resources, Box 12436, Milwaukee, Wisconsin 53212 or contact me at 414-263-8623.

You may request judicial or administrative review of the Department's decision to terminate this permit coverage. Either request must be submitted no later than 30 days after this letter was mailed. To request judicial review of this decision pursuant to sections 227.52 and 227.53, Stats., a petition naming the Department of Natural Resources as respondent must be filed with the appropriate circuit court and served on the Department. To request a contested case hearing on this decision pursuant to section 227.42, Stats., a petition for hearing must be served on the Secretary of the Department of Natural Resources. This notice is provided pursuant to s. 227.48(2), Stats.

If you have any questions please feel free to contact me at the above address, by phone at (414) 263-8623 or by E-mail at Theodore.Bosch@dnr.state.us.

Sincerely

Theodore Bosch

Theodore Bosch
Waste Water Engineer

Attn: Jim Wolf

WISCONSIN DEPT. OF NATURAL RESOURCES

State of Wisconsin \ DEPARTMENT OF NATURAL RESOURCES

Jim Doyle, Governor
Scott Hassett, Secretary
Gloria L. McCutcheon, Regional Director

Southeast Region Headquarters
2300 N. Dr. Martin Luther King, Jr. Drive
PO Box 12436
Milwaukee, Wisconsin 53212-0436
Telephone 414-263-8500
FAX 414-263-8606
TTY 711

January 17, 2003

file ref: 241945440

Kathy Ruiz
North American Salt Co.
2001 S Lincoln Memorial Drive
Milwaukee, WI 53207

RE: Storm Water Permit

Dear Ms. Ruiz:

The Department has determined that you are no longer required to maintain permit coverage under the Storm Water discharge permitting program. This was based on our understanding that the salt you have stored outside is composed entirely of road salt. This category of salt storage is regulated by TRANS 277.

Any changes in your operations or any changes in applicable Wisconsin Statutes or Administrative Codes may require that a permit be obtained in the future. Please advise the Department promptly of any changes at the facility that may make a permit necessary by writing to the Department of Natural Resources, Box 12436, Milwaukee, Wisconsin 53212 or contact me at 414-263-8623.

You may request judicial or administrative review of the Department's decision to terminate this permit coverage. Either request must be submitted no later than 30 days after this letter was mailed. To request judicial review of this decision pursuant to sections 227.52 and 227.53, Stats., a petition naming the Department of Natural Resources as respondent must be filed with the appropriate circuit court and served on the Department. To request a contested case hearing on this decision pursuant to section 227.42, Stats., a petition for hearing must be served on the Secretary of the Department of Natural Resources. This notice is provided pursuant to s. 227.48(2), Stats.

Sincerely,

Theodore Bosch

Theodore Bosch
Waste Water Engineer

Chapter Trans 277

HIGHWAY SALT STORAGE REQUIREMENTS

Trans 277.01 Statutory authority. The purpose of this chapter is to implement and interpret s. 85.17, Stats., as authorized by ss. 85.17 (3) and (5) (d), 160.19 (1) and (2), 160.21 (1), (2) (intro.) and (b), (3) and (4), 160.23, 160.25, 160.26, 160.27 (2) (d), 160.33 and 227.11, Stats.

History: Cr. Register, April, 1986, No. 364, eff. 5–1–86; correction made under s. 13.93 (2m) (b) 7., Stats., Register, December, 1987, No. 384.

Trans 277.02 Definitions. In this chapter:

(1) "Chloride" means sodium chloride (NaCl) or calcium chloride (CaCl2).

(2) "Department" means the Wisconsin department of transportation.

(3) "Distribute" means to import, consign, sell, offer for sale, solicit orders for sale, deliver or otherwise supply highway salt, or bulk quantities of a chloride otherwise suitable for application to highways whether for use or resale.

(4) "Enforcement standard" has the meaning specified under s. 160.01 (2), Stats.

Note: See also ch. NR 140, Wis. Adm. Code for specific standards adopted.

(5) "Highways" means all ways and thoroughfares and bridges on the same and any streets, alleys, driveways, parking areas, state trunk highways, county trunk highways, town roads, national parkways, expressways, interstate highways, freeways and roadways commonly used for vehicular traffic, whether public or private.

(6) "Highway salt" means bulk quantities of sodium chloride or calcium chloride intended for application to highways and includes mixtures of sand and sodium chloride or calcium chloride in any proportion. If any portion of a bulk quantity of sodium chloride, calcium chloride or chloride–and–sand mixture is intended for application to highways, then the entire bulk quantity is highway salt for the purposes of this chapter. Liquid calcium chloride is not included in this definition. "Bulk quantity" of a chloride means 1000 avoirdupois pounds or more of a chloride distributed in unpackaged form but does not include any chloride in a solid form, including granules, which is packaged in bags or other units which do not exceed 100 avoirdupois pounds (45 kg.) each. Any chloride which is distributed in the form of a solid block weighing at least 50 avoirdupois pounds is packaged, for purposes of this chapter, while in block form. "Bulk quantities of a chloride" includes all such chlorides, not expressly excepted, which are stored for the purpose of subsequent application upon highways, whether by the person storing the highway salt or by others, and includes bulk quantities of such chlorides which are suitable for application to highways, and stored by a person who distributes or manufactures highway salt, whether for the person's own use or to distribute to others.

(7) "Liquid calcium chloride" means a fluid which is an aqueous solution of calcium chloride, in any concentration, intended a) for application to highway salt to increase its effectiveness at lower temperatures, or b) for direct application to highways.

(8) "Manufacture" means to process, granulate, compound, produce, mix or alter the composition of highway salt, including adding liquid calcium chloride to highway salt.

(9) "Monitoring agency" means the department of natural resources.

(10) "Person" means any natural person, partnership, corporation, business entity or governmental body.

(11) "Point of standards application" has the meaning specified under s. 160.01 (5), Stats.

(12) "Preventive action limit" has the meaning specified under s. 160.01 (6), Stats.

Note: See also ch. NR 140, Wis. Adm. Code for specific standards adopted.

(13) "Secretary" means the secretary of the Wisconsin department of transportation.

(14) "Store" means to store, stockpile or otherwise own, possess or control highway salt including storage incidental to manufacture, distribution or use, but does not include the transportation of highway salt or applying a substance regulated by the department to highways.

(15) "Storage facility" means the site where a person stores a substance regulated by the department, enclosed by boundaries at the outermost edges of either the structures required by s. Trans 277.04 (3) (a) and (b), or other existing physical container of the substance, or, in the absence of a structure or other container,"storage facility" means the area enclosed by a boundary at the actual circumference of a highway salt stockpile.

(16) "Substance regulated by the department" means sodium chloride or calcium chloride from highway salt and calcium chloride from liquid calcium chloride.

(17) "Surface water" means those portions of Lake Michigan and Lake Superior within the boundaries of Wisconsin, and all lakes, bays, rivers, streams, springs, ponds, impounding reservoirs, marshes, water–courses and drainage systems, whether natural or artificial, public or private, excluding subsurface sewer systems.

(18) "Use" means to apply highway salt to highways.

(19) "Waters of the state" has the meaning specified under s. 281.01 (18), Stats., and specifically includes groundwater as defined by s. 160.01 (4), Stats.

History: Cr. Register, April, 1986, No. 364, eff. 5–1–86; correction in (19) made under s. 13.92 (4) (b) 7., Stats., Register March 2012 No. 675; **CR 22–048: am. (6) Register July 2023 No. 811, eff. 8–1–23.**

Trans 277.03 Applicability. This chapter shall apply to any person who stores highway salt or liquid calcium chloride within the boundaries or jurisdiction of this state in the course of manufacturing, distributing or using highway salt or liquid calcium chloride. This chapter does not restrict the actual use of highway salt or liquid calcium chloride on highways.

History: Cr. Register, April, 1986, No. 364, eff. 5–1–86;.

Trans 277.04 Storage practices and facilities. **(1)** HIGHWAY SALT STORAGE RESTRICTIONS. A person who stores highway salt within the boundaries or jurisdiction of this state or who manufactures, distributes or uses highway salt, shall exercise all reasonable precautions to prevent the entry of highway salt, or any substance regulated by the department, from the storage facility into the waters of the state.

(2) RESPONSIBILITY FOR COMPLIANCE. A person who stores highway salt shall construct, inspect and maintain each of the person's storage facilities as necessary to assure compliance with this chapter. When more than one person stores highway salt, including when one person owns the highway salt stored at a storage facility owned or operated by another person, the department may require the compliance of, and issue compliance directives and special orders to, such person or persons as the department determines to be reasonable or necessary to obtain compliance with this chapter.

(3) STORAGE FACILITY REQUIREMENTS. (a) All highway salt shall be stored on a base which is both constructed and maintained to be impermeable, so as to prevent a substance regulated by the department, including solutions or combinations containing such substance, from passing through the base and reaching the waters of the state.

1. The storage facility shall be designed, constructed and maintained to divert any runoff from the terrain surrounding the storage facility to prevent any contact between the runoff and highway salt at the storage facility.

2. The base of the storage facility required by this subsection shall be designed, constructed and maintained to drain into, or function as, a holding basin of sufficient capacity to contain all precipitation which may reasonably be expected to come into contact with uncovered highway salt, and to prevent any runoff into the waters of the state of brine resulting from the combination of such precipitation and highway salt. Except as expressly allowed by a permit issued under ch. 283, Stats., brine collected in the holding basin may not be discharged onto the terrain surrounding the storage facility.

Note: Brine from the holding basin may be discharged into a municipal sewage system with surface water discharge, or directly discharged into surface water, after a permit is obtained from the department of natural resources under ch. 283, Stats.

(b) All highway salt, except as specifically exempted, shall be covered by a building or structure with walls and a roof sufficient to prevent contact between precipitation and the highway salt and to prevent wind from eroding the highway salt or carrying any amount of a substance regulated by the department into potential contact with the waters of the state. Highway salt which is stored in a covered pile shall be deemed to meet the requirements of this paragraph if the covering:

1. Is an impermeable or water−resistant covering such as a tarp or plastic sheeting;

2. Is secured against wind with weights or tie−downs, such as ropes, cables or wire−mesh, or both:

3. Is sealed at any seams by means which render the seams watertight;

4. Completely covers the entire pile of stored highway salt;

5. Is opened only at a working face, which is:

a. Uncovered only while highway salt is actually being removed; and

b. Open only to the minimum dimensions reasonably necessary;

6. Is regularly inspected, repaired and otherwise maintained by the person storing the highway salt so as to continue to possess all of the qualities required by this paragraph.

(c) Highway salt which is a mixture of a chloride and sand in which the untreated sand alone is 95% or more, by weight, of the total weight of the highway salt and which is covered from April 1 to October 1 by a cover meeting the requirements of par. (b), is exempt from the other requirements of this subsection.

(4) PROHIBITED LOCATIONS. Highway salt may not be stored in a location where the lateral distance between any portion of the storage facility and any lake or stream is 50 feet or less.

Note: Chs. NR 115 and 116 Wis. Adm. Code, or local zoning ordinances may also restrict the location of highway salt storage facilities.

(5) DISCONTINUANCE OF STORAGE. (a) Except when sold or leased for the express purpose of storing highway salt, no storage facility may be sold, leased or abandoned unless the person storing salt at the storage facility has first removed all highway salt and highway salt residue and any substance regulated by the department, or otherwise placed the storage facility in a condition such that, without any further maintenance, no highway salt residue or substance regulated by the department will enter the waters of the state from the facility.

(b) When a person discontinues storage of highway salt at a storage facility but does not sell, lease or abandon the storage facility, the person shall comply with par. (a) or shall continue to maintain the storage facility in full compliance with this chapter.

(6) LIQUID CALCIUM CHLORIDE RESTRICTIONS. A person who stores liquid calcium chloride within the boundaries or jurisdiction of this state shall exercise all reasonable precautions to prevent the entry of liquid calcium chloride from storage into the waters of the state.

History: Cr. Register, April, 1986, No. 364, eff. 5−1−86, except (3) (b) and (4) eff. 10−1−86 and (3) (a) eff. 10−1−87; correction in (3) (a) 2. made under s. 13.92 (4) (b) 7., Stats., Register March 2012 No. 675; **CR 22−048: am. (2) Register July 2023 No. 811, eff. 8−1−23.**

Trans 277.05 Required reports and records. (1) REPORTING. A person storing highway salt shall make reports in writing to the department as required by this section.

(a) The person shall report the receipt of any information or allegation concerning the storage facility as a source of contamination of the waters of the state by any substance regulated by the department. A copy of any written complaint or other information received by the person in this regard shall be attached to the report, and sent to the department within 10 days of its receipt. The department shall forward a copy of any such report to the monitoring agency.

(b) When a person who stores highway salt sells, leases, or abandons a storage site, or otherwise discontinues storage at a storage site, temporarily or permanently, or intends to do so, the person shall report to the department no later than 10 days after such discontinuance. If the discontinuance is reported in advance, the anticipated date of discontinuance shall be stated.

(c) Except if previously reported under par. (d), within 30 days of commencing to store highway salt or liquid calcium chloride for the first time, the person storing the highway salt shall file a report with the department containing the following information:

1. The name and address of the person or persons storing highway salt or liquid calcium chloride;

2. The street address and telephone number of the office where the records of the highway salt storage facility or stored liquid calcium chloride are kept;

3. The mailing address of the administering office, if different from the street address;

4. The actual location of the highway salt storage facility;

5. The storage capacity of the highway salt storage facility;

6. The actual location of the stored liquid calcium chloride; and

7. The liquid calcium chloride storage capacity.

(d) Within 30 days of May 1, 1986, each person to whom this chapter applies shall report to the department the information required in par. (c) for each storage facility where highway salt is stored and each container where liquid calcium chloride is stored by the person.

(2) RECORDS. A person storing highway salt or liquid calcium chloride shall maintain written records specified in this section at a local office within this state and shall send copies to the department upon request and make the original records available for inspection and copying by employees of the department during normal business hours. These records shall be held for 6 years, and shall contain:

(a) The location of each of the person's storage facilities;

(b) The maximum and minimum quantities of highway salt and liquid calcium chloride stored at each storage facility during each month;

(c) The date and nature of physical changes in a storage facility including:

1. Creation of new storage capacity;

2. Construction of, or major repairs to, structures or facilities required by s. Trans 277.04 (3); and

3. Discontinuance of storage of highway salt at a facility.

(d) A record of all complaints received concerning the storage facility as the source of contamination of the waters of the state by a substance regulated by the department.

(e) Such other information as the department may from time to time require on forms provided by the department for the purpose of recording this information.

Note: DOT forms for recording and reporting this information are available from the DOT, State Maintenance Engineer for Highways, Bureau of Operations, Division of Highways and Transportation Services, 4802 Sheboygan Avenue, Room 601, P.O. Box 7916, Madison, Wisconsin 53707.

History: Cr. Register, April, 1986, No. 364, eff. 5–1–86, except (2) eff. 10–1–86.

Trans 277.06 Department inspections. (1) The department shall inspect each storage facility and the records of each person storing highway salt or liquid calcium chloride, at least once every 12 months, or more often as necessary to assure compliance with this chapter, and as follows:

(a) The department shall inspect a storage facility within 30 days when:

1. The monitoring agency reports that:

a. A preventive action limit or enforcement standard has been attained or exceeded at an applicable point of standards application, or

b. Surface water has been adversely impacted; and

2. The monitoring agency reports that the storage facility may have been the source of the contamination.

(b) The department shall inspect a storage facility to verify compliance with this chapter upon receipt of a report required under s. Trans 277.05 (1) (a) or (b) from the person storing highway salt.

(c) The department shall inspect a storage facility as necessary to verify compliance with deadlines set either by special orders issued under s. 85.17 (5) (d), Stats., or s. Trans 277.08 (2) (d) or (3) (b) or by compliance directives issued under sub. (2).

(2) Department employees inspecting a storage facility may issue written directives and deadlines to the person storing highway salt requiring the person to take such specific actions as the department employee finds necessary to assure compliance with this chapter.

History: Cr. Register, April, 1986, No. 364, eff. 5–1–86.

Trans 277.07 Points of standards application. (1) Each of the following locations shall, with the consent of the owner of the property where the point is located, or pursuant to a special inspection warrant under s. 66.0119, Stats., be a point of standards application for each storage facility for the purpose of determining compliance with ch. 160, Stats.:

(a) Any point of groundwater use within 1500 feet of any portion of the storage facility, and at any depth from which groundwater is drawn for potable or nonpotable use.

(b) Any point within 1500 feet of any portion of the storage facility, or any point inside of the property boundaries enclosing the storage facility, at which the monitoring agency determines it to be necessary to apply standards in order to adequately perform monitoring.

(c) Any point beyond 1500 feet from the storage facility may also be accepted by the department as a point of standards application if the monitoring agency first demonstrates to the satisfaction of the department that probable cause exists to believe that a facility, activity or practice regulated by the department under this chapter has caused the preventive action limit or enforcement standard for a substance regulated by the department to be attained or exceeded at that point.

(2) A property owner who stores highway salt on the owner's property or permits others to do so has also consented to employees of the monitoring agency, as agents of the department, coming upon the owner's property during normal business hours, obtaining and removing such water samples as are reasonably necessary for both monitoring required under ch. 160, Stats., and enforcement of this chapter by the department.

History: Cr. Register, April, 1986, No. 364, eff. 5–1–86; correction in (1) (intro.) made under s. 13.92 (4) (b) 7., Stats., Register March 2012 No. 675; **CR 22–048: am. (2) Register July 2023 No. 811, eff. 8–1–23.**

Trans 277.08 Department responses. (1) NONCOMPLIANCE REPORT. When a department inspector reports that a person storing highway salt has failed to comply with this chapter or with a written compliance directive issued under this subsection or s. Trans 277.06 (2), or with a special order issued by the department, the department may respond by issuing a compliance directive or a special order for remedial action. Remedial actions ordered may include, but are not limited to, those actions set out in sub. (2) (d) except sub. (2) (d) 1.

(2) PREVENTIVE ACTION LIMIT OR CONTAMINATION REPORT. The department shall respond as provided in this subsection when the department receives a report from the monitoring agency that the preventive action limit of a substance regulated by the department has been attained or exceeded at an applicable point of standards application or that surface water has been adversely impacted near a storage facility and the storage facility may have been the source of the contamination.

(a) The department shall send notice of the report by first class mail to the local office of the person storing highway salt at the storage facility.

(b) The department shall inspect the storage facility within 30 days of receipt of the report and determine if the storage facility is in compliance with all provisions of this chapter, as provided in s. Trans 277.06 (1) (a).

(c) Within 60 days of receipt of the monitoring agency report the department shall determine whether or not the storage facility is the source or most probable source of contamination by a substance regulated by the department.

(d) If the department determines that the storage facility is the source or most probable source of the contamination, then the department shall order appropriate remedial action to meet the goals of s. 160.23 (1), Stats. Orders may be either written compliance directives, including deadlines, or special orders. Remedial actions may include, but are not limited to:

1. No action;

2. Further investigation;

3. Increased monitoring of the storage facility in cooperation with the monitoring agency;

4. Revision of specific operational procedures at the storage facility;

5. Repair, construction or reconstruction of facilities as necessary to comply with s. Trans 277.04;

6. Prohibition of activities or practices which use or produce the substance;

7. Relocation of the storage facility or the highway salt at the storage facility; or

8. Remedial action to renovate or restore groundwater quality.

9. Closure of the storage facility.

(3) ENFORCEMENT STANDARD REPORT. (a) Within 60 days of a report from the monitoring agency that an enforcement standard of a substance regulated by the agency has been attained or exceeded, the department shall determine if a storage facility is the source or most probable source of contamination by the substance.

(b) If the department determines that a storage facility is the source or most probable source of contamination by a substance regulated by the department, the department shall issue a special order directing the person responsible for the storage facility to close the facility and discontinue storage as provided in s. Trans 277.04 (5) (a), unless the person responsible for the storage facility demonstrates that an alternative enforcement response under par. (c) will achieve compliance with the enforcement standard at the point of standards application.

(c) If the person responsible for the storage facility demonstrates to the department to a reasonable certainty, by the greater weight of the credible evidence, that one or more of the responses in sub. (2) (d) 2. to 8. will achieve compliance with the enforcement standard at the point of standards application, the department shall issue a special order directing the person to undertake the specific remedial action under sub. (2) (d) 2. to 8. which the department determines will achieve compliance with the enforcement standard at the point of standards application.

(4) LIMITATIONS ON SPECIAL ORDERS. (a) Orders for remedial actions under sub. (2) (d) shall be limited as expressly provided by ss. 160.21 (3) and 160.23 (4), Stats. The department shall consider the applicable factors set out in ss. 160.21 (3) and (4), 160.23 (1) and (6), Stats., when issuing orders under sub. (2) (d).

(b) Orders for remedial action under sub. (3) (b) shall be limited as expressly provided by s. 160.25 (1) and (4), Stats. The department shall consider the applicable factors set out in s. 160.25 (4) and (5), Stats., when issuing orders under sub. (3) (b).

(c) Orders under sub. (2) (d) and (3) (b) shall be issued as soon as is reasonably possible after the determination by the department that a storage facility is the source or most probable source of contamination of the waters of the state by a substance regulated by the department. The deadlines of sub. (2) (c) and sub. (3) (a) do not apply to the issuance of orders.

History: Cr. Register, April, 1986, No. 364, eff. 5–1–86.

Trans 277.09 Rule review. The department shall review this chapter to determine whether revisions are necessary to meet the goals of s. 85.17, Stats., and ch. 160, Stats., when the following conditions occur:

(1) The monitoring agency reports that the preventive action limit or enforcement standard for a substance regulated by the department has been reached or exceeded at a point of standards application of a storage facility;

(2) The department determines that the storage facility is the source or most probable source of the contamination reported; and

(3) The storage facility has been inspected by department employees as required by s. Trans 277.06 and has been in compliance with this chapter at each inspection by the department.

History: Cr. Register, April, 1986, No. 364, eff. 5–1–86.

Trans 277.10 Public participation. In the issuance and administrative enforcement of special orders of the department pursuant to s. 85.17 (5) (d), Stats., or s. Trans 277.08 (2) (d) or (3) (b), the secretary shall consider any concerns, complaints, response to the proposed terms of a special order or other information furnished to the secretary by any member of the public. In such cases as the secretary may designate, notice of proposed special orders may be published or publicly posted and public response solicited and considered prior to issuance of a special order.

History: Cr. Register, April, 1986, No. 364, eff. 5–1–86.

Trans 277.11 Department determinations. All departmental determinations under this chapter shall be made by the secretary or the particular person or persons the secretary may from time to time designate for that purpose.

(2) The secretary, or the person or persons designated by the secretary, may hold hearings and call witnesses. Any hearing shall be a class 1 proceeding as defined by s. 227.01 (3) (a), Stats.

History: Cr. Register, April, 1986, No. 364, eff. 5–1–86; correction in (2) made under s. 13.92 (4) (b) 7., Stats., Register March 2012 No. 675.

Trans 277.12 Effective date. (1) Except as otherwise expressly provided, this chapter shall become effective immediately.

(2) The provisions of s. Trans 277.04 (3) (a) shall become effective on October 1, 1987.

(3) The provisions of ss. Trans 277.04 (3) (b) and (4), and 277.05 (2), shall become effective on October 1, 1986.

History: Cr. Register, April, 1986, No. 364, eff. 5–1–86.

* Mailed 3-25-24

Wisconsin Department of Transportation

Division of Transportation System Development

SE Region – Waukesha
141 NW Barstow Street
PO Box 798
Waukesha, WI 53188

Date: March 11, 2024

To: Salt Storage Facility Compliance Contact

From: WisDOT

Subject: TRANS 277 Salt Storage Compliance Deficiencies

During the recent salt storage inspections, a subsite facility that you own was found to be out of compliance with Wisconsin Administrative Code, TRANS 277. The purpose of the code is to prevent contamination of the surface and ground water with chlorides from road salt storage facilities and practices. According to TRANS 277 the person who stores Road Salt is required to maintain each storage facility as necessary to assure compliance with this code. Compliance with the code is also in your best interest in order to protect your business or agency from potential lawsuits that may result from the contamination of surface and ground water. The purpose of the WisDOT inspections is to assess compliance with Trans 277, cite deficiencies and recommend actions for compliance.

The items found to be out of compliance, as well as recommended actions necessary to get them back into compliance, are found on the enclosed compliance response form(s). Only items marked — *Follow Up Required:* ***X*** — are out of compliance even though more items may be listed. Follow up items will correspond with the Sub-Site Inspection Report.

Please return the enclosed compliance response form to our office within 20 calendar days. Once you've brought the subsite back into compliance, we will then schedule a follow up inspection. Failure to return the form and address the compliance items in a timely manner may lead to notification of the DNR, fines ranging from $10 to $1,000 per day, and/or being removed from the statewide salt bid (if applicable).

Please note: The TRANS 277 rule only applies to sand/salt stockpiles that contain 5% or more, by weight, salt. If your sand/salt stockpile contains less than 5% salt, please disregard this notice. Instead, please write anywhere on the Compliance Response Form "less than 5% salt" and mail it to the WisDOT regional office in the enclosed envelope.

We've included a copy your inspection form, compliance response form, the Wisconsin Administrative Code, TRANS 277 rule, and an explanation of the various inspection items for your use.

Feel free to contact the Region Salt Coordinator listed below with questions.

Jason Jilling
WISDOT SE Region – Waukesha
(262) 548-5932
jason.jilling@dot.wi.gov

Wisconsin DOT - Bureau of Highway Maintenance
Material Storage Site Management
Sub-Site Inspection Report
Sub-Site Label: 2-40-506-5

Region: Southeast
County: MILWAUKEE
Site: 506

Sub-Site: 5

Site Address: 2061 South Harbor Drive
Site City: Milwaukee, 53207

Material: Bulk Road Salt
Facility Type: Stock Pile

Site Records Kept:
2001 South Lincoln Memorial Drive
Milwaukee, WI 53207

Ownership and Compliance

Owner: North American Salt Inc
Contact: Thomas Czajkowski, Operations Manager
Contact Phone: 414-482-3434
Contact Email: czajkowski@compassminerals.com

Inspection

Date: February 12, 2024
Inspector: Keith Nielson

Internal DOT Group	Code	Inspection Item:	Response	Follow Up
10	1	Solid material is stored on a concrete or asphalt pad	Yes	
10	1.1	Defects (cracks, holes, etc.) in apron	Slight	
10	1.2	Defects (cracks, holes, etc.) in pad	Not Visible	
10	1.3	The pad under the stockpile directs water away from material	Yes	
10	2	If present, the design and condition of the berm contains runoff on the site's surface	Yes	
10	3	A catch basin or holding pond serves at least this subsite	N/A	
11	1	Repairs needed to roof		
11	2	Repairs needed to walls		
11	3	Repairs needed to door(s)		
12	1	Repairs needed to tank		
12	2	Repairs needed to tank supports		
12	3	Repairs needed to tank fixtures		
12	4	Repairs needed to spill containment device		
13	1	The material is completely covered or open only at the working face	Yes	
13	2	The covering material and seams (if any) are watertight	Yes	
13	3	The cover is sufficiently secured with weights or tied down	Yes	
13	4	Subsite vacant or material moved	N/A	
14	1	Material amount spilled on apron (not from active or recent use)	Slight	
14	2	Material amount spilled on grounds (not from active or recent use)	Slight	
14	3	Salt from runoff is contained within the salt storage area away from open water sources	Yes	
14	4	Stored material is effectively protected from the elements	Yes	
14	5	Monthly material inventory records are available for this subsite	Yes	

Note:
Follow up:

You are encouraged to take appropriate action that may be necessary to bring this subsite into compliance with Trans. 277. If you have questions regarding thisreport or find any of the identification data to be incorrect, please contact the inspection project manager at the phone number or email address shown below.

Phone: 715.869.0354
Email: hope.mahon@aecom.com

2/29/2024

Wisconsin DOT - Bureau of Highway Maintenance
Material Storage Site Management
Sub-Site Inspection Report
Sub-Site Label: 2-40-506-1

Region: Southeast
County: MILWAUKEE
Site: 506

Sub-Site: 1

Site Address: 2061 South Harbor Drive
Site City: Milwaukee, 53207

Material: Bulk Road Salt
Facility Type: Stock Pile

Site Records Kept:
2001 South Lincoln Memorial Drive
Milwaukee, WI 53207

Ownership and Compliance

Owner:	North American Salt Inc
Contact:	Thomas Czajkowski, Operations Manager
Contact Phone:	414-482-3434
Contact Email:	czajkowski@compassminerals.com

Inspection

Date:	February 12, 2024
Inspector:	Keith Nielson

Internal DOT Group	Code	Inspection Item:	Response	Follow Up
10	1	Solid material is stored on a concrete or asphalt pad	Yes	
10	1.1	Defects (cracks, holes, etc.) in apron	Slight	
10	1.2	Defects (cracks, holes, etc.) in pad	Slight	
10	1.3	The pad under the stockpile directs water away from material	Yes	
10	2	If present, the design and condition of the berm contains runoff on the site's surface	Yes	
10	3	A catch basin or holding pond serves at least this subsite	N/A	
11	1	Repairs needed to roof		
11	2	Repairs needed to walls		
11	3	Repairs needed to door(s)		
12	1	Repairs needed to tank		
12	2	Repairs needed to tank supports		
12	3	Repairs needed to tank fixtures		
12	4	Repairs needed to spill containment device		
13	1	The material is completely covered or open only at the working face	No	X
13	2	The covering material and seams (if any) are watertight	No	X
13	3	The cover is sufficiently secured with weights or tied down	No	X
13	4	Subsite vacant or material moved	N/A	
14	1	Material amount spilled on apron (not from active or recent use)	Slight	
14	2	Material amount spilled on grounds (not from active or recent use)	Slight	
14	3	Salt from runoff is contained within the salt storage area away from open water sources	Yes	
14	4	Stored material is effectively protected from the elements	No	X
14	5	Monthly material inventory records are available for this subsite	Yes	

Note:

Follow up:

You are encouraged to take appropriate action that may be necessary to bring this subsite into compliance with Trans. 277. If you have questions regarding thisreport or find any of the identification data to be incorrect, please contact the inspection project manager at the phone number or email address shown below.

Phone: 715.869.0354
Email: hope.mahon@aecom.com

2/29/2024

Wisconsin DOT - Bureau of Highway Maintenance
Material Storage Site Management
Sub-Site Inspection Report
Sub-Site Label: 2-40-506-3

Region: Southeast
County: MILWAUKEE
Site: 506

Sub-Site: 3

Site Address: 2061 South Harbor Drive
Site City: Milwaukee, 53207

Material: Bulk Road Salt
Facility Type: Stock Pile

Site Records Kept:
2001 South Lincoln Memorial Drive
Milwaukee, WI 53207

Ownership and Compliance

Owner:	North American Salt Inc
Contact:	Thomas Czajkowski, Operations Manager
Contact Phone:	414-482-3434
Contact Email:	czajkowski@compassminerals.com

Inspection

Date:	February 12, 2024
Inspector:	Keith Nielson

Internal DOT Group	Code	Inspection Item:	Response	Follow Up
10	1	Solid material is stored on a concrete or asphalt pad	Yes	
10	1.1	Defects (cracks, holes, etc.) in apron	Slight	
10	1.2	Defects (cracks, holes, etc.) in pad	Not Visible	
10	1.3	The pad under the stockpile directs water away from material	Yes	
10	2	If present, the design and condition of the berm contains runoff on the site's surface	Yes	
10	3	A catch basin or holding pond serves at least this subsite	N/A	
11	1	Repairs needed to roof		
11	2	Repairs needed to walls		
11	3	Repairs needed to door(s)		
12	1	Repairs needed to tank		
12	2	Repairs needed to tank supports		
12	3	Repairs needed to tank fixtures		
12	4	Repairs needed to spill containment device		
13	1	The material is completely covered or open only at the working face	No	X
13	2	The covering material and seams (if any) are watertight	No	X
13	3	The cover is sufficiently secured with weights or tied down	No	X
13	4	Subsite vacant or material moved	No	
14	1	Material amount spilled on apron (not from active or recent use)	Slight	
14	2	Material amount spilled on grounds (not from active or recent use)	Slight	
14	3	Salt from runoff is contained within the salt storage area away from open water sources	Yes	
14	4	Stored material is effectively protected from the elements	No	X
14	5	Monthly material inventory records are available for this subsite	Yes	

Note:

Follow up:

You are encouraged to take appropriate action that may be necessary to bring this subsite into compliance with Trans. 277. If you have questions regarding thisreport or find any of the identification data to be incorrect, please contact the inspection project manager at the phone number or email address shown below.

Phone: 715.869.0354
Email: hope.mahon@aecom.com

2/29/2024

TRANS 277 COMPLIANCE/COMPLAINT RESPONSE

Wisconsin Department of Transportation DT2215 2005

1. Site Identification Number	2. Inspection Date	3. Notification Date	4. Inspector Name
2-40-506-3	February 12, 2024	3/1/2024	Keith Nielson
5. Site Address		**6. Inspection Type**	**7. Inspector Employed By**
2061 South Harbor Drive Milwaukee, 53207		**Compliance ◄** Complaint	WisDOT **Contractor ◄**

Inspection Item Code:14.1
Follow Up Required:

Date Item will be brought back into compliance: ___________

Person responsible for overseeing activity: ______________

Action to be taken to bring item back into compliance:

____

____

____

Inspection Item Code Descriptions:
Operating practices (housekeeping).

Refers to salt that does not appear to be from active or recent use.

Housekeeping is an extremely important aspect of chloride storage and should not be overlooked or neglected. The majority of chloride contamination sites around the state were a direct result of poor housekeeping. It is in the site owner's best interest to maintain the storage sites and to keep the grounds around the sites in clean and chloride free order. It is recommended that within two days after a site is used or filled that all chlorides be removed from the grounds surrounding the site.

It is also recommended that when a facility is not in use that the doors should be secured or the face of the pile should be covered. In either case the access to the stored materials should be effectively protected from the elements.

Inspection Item Code:14.2
Follow Up Required:

Date Item will be brought back into compliance: ___________

Person responsible for overseeing activity: ______________

Action to be taken to bring item back into compliance:

____

____

____

Inspection Item Code Descriptions:
Operating practices (housekeeping).

Refers to salt that does not appear to be from active or recent use.

Housekeeping is an extremely important aspect of chloride storage and should not be overlooked or neglected. The majority of chloride contamination sites around the state were a direct result of poor housekeeping. It is in the site owner's best interest to maintain the storage sites and to keep the grounds around the sites in clean and chloride free order. It is recommended that within two days after a site is used or filled that all chlorides be removed from the grounds surrounding the site.

It is also recommended that when a facility is not in use that the doors should be secured or the face of the pile should be covered. In either case the access to the stored materials should be effectively protected from the elements.

TRANS 277 COMPLIANCE/COMPLAINT RESPONSE

Transportation DT2215 2005

Wisconsin Department of

1. Site Identification Number	2. Inspection Date	3. Notification Date	4. Inspector Name
2-40-506-3	February 12, 2024	3/1/2024	Keith Nielson

5. Site Address	6. Inspection Type	7. Inspector Employed By
2061 South Harbor Drive Milwaukee, 53207	**Compliance ◄** Complaint	WisDOT **Contractor ◄**

Inspection Item Code:13.1
Follow Up Required: **X**

Date Item will be brought back into compliance: ___________

Person responsible for overseeing activity: ______________

Action to be taken to bring item back into compliance:

The Salt product in this finding was unloaded directly from a vessel 02/07/24, and is located on the vessel receiving site. This product was actively being transferred to an inland pad for storage. That is the reason for product not being under tarp at time of inspection.

Inspection Item Code Descriptions:

Trans 277.04 (3) (b) - The material is completely covered or open only at the working face. When the answer is NO.

Highway salt, including salt/sand mixtures of more than 5% salt by weight, that is stored in a stockpile or crib needs to be completely covered year around, and the cover needs to be water tight and securely tied down. Securing the tarp with excess salt or salt/sand from the stockpile is unacceptable. Any salt/sand stockpile where the mixture is not more than 5% salt by weight need only be covered from April 1 to October 1. As a general rule, a sand to salt ratio of 12:1 by volume equals approximately 5% salt by weight.

Please correct immediately. Prolonged exposure to the elements only increases the chances that chlorides will be entering the waters of the state.

Inspection Item Code:13.2
Follow Up Required: **X**

Date Item will be brought back into compliance: ___________

Person responsible for overseeing activity: ______________

Action to be taken to bring item back into compliance:

The salt product in this finding was unloaded directly from a vessel 02-07-24 and is located on the vessel receiving site. This product was being actively transferred to an inland pad for Storage. That is why said product was not under tarp at time of inspection.

Inspection Item Code Descriptions:

Trans 277.04 (3) (b) - The covering material and seams, if any, are watertight. When the answer is NO.

Highway salt, including salt/sand mixtures of more than 5% salt by weight, that is stored in a stockpile or crib needs to be completely covered year around, and the cover needs to be water tight and securely tied down. Securing the tarp with excess salt or salt/sand from the stockpile is unacceptable. Any salt/sand stockpile where the mixture is not more than 5% salt by weight need only be covered from April 1 to October 1. As a general rule, a sand to salt ratio of 12:1 by volume equals approximately 5% salt by weight.

Please correct immediately. Prolonged exposure to the elements only increases the chances that chlorides will be entering the waters of the state.

Inspection Item Code:13.3
Follow Up Required: **X**

Date Item will be brought back into compliance: ___________

Person responsible for overseeing activity: ______________

Action to be taken to bring item back into compliance:

The salt product in this finding was unloaded directly from a vessel 02-07-24 and is located on the vessel receiving site. This product was being actively transferred to an inland pad for Storage. That is why said product was not under tarp during inspection.

Inspection Item Code Descriptions:

Trans 277.04 (3) (b) - The cover is sufficiently secured with weights or tied down. When the answer is NO.

Highway salt, including salt/sand mixtures of more than 5% salt by weight, that is stored in a stockpile or crib needs to be completely covered year around, and the cover needs to be water tight and securely tied down. Securing the tarp with excess salt or salt/sand from the stockpile is unacceptable. Any salt/sand stockpile where the mixture is not more than 5% salt by weight need only be covered from April 1 to October 1. As a general rule, a sand to salt ratio of 12:1 by volume equals approximately 5% salt by weight.