

VILLAGE OF DOWNERS GROVE
REPORT FOR THE VILLAGE COUNCIL WORKSHOP
MARCH 27, 2007 AGENDA

SUBJECT:	TYPE:	SUBMITTED BY:
Authorization to Request Road Salt from State Contract	<div style="display: flex; align-items: center;"> <div style="margin-right: 10px;">✓</div> <div> Resolution Ordinance Motion Discussion Only </div> </div>	David H. Barber, PE Public Works Director

SYNOPSIS

A motion is requested to authorize the Village Manager to request that the State of Illinois include the purchase of 4,800 tons of road salt for Village use during the 2007-08 winter season for snow and ice control via the State Contract.

STRATEGIC PLAN ALIGNMENT

The Village's Strategic Plan identified the *Provision of Emergency Response* as one of the primary businesses of the Village of Downers Grove. Snow and ice control is an emergency response that has a direct impact on all *Primary* and *Secondary Customers* identified in the Village's Strategic Plan.

FISCAL IMPACT

The purchase of bulk road salt will span two fiscal years. The adopted FY07 General Fund budget provides \$160,000 for 4,800 tons of road salt. Should the Village experience unusually inclement weather during the 2007-08 winter season, requiring the purchase of more than 4,800 tons of salt, funding from elsewhere in the General Fund budget will be reallocated to cover the additional expenditure. The terms of the contract allow the Village to purchase as little as 70% of this amount (3,360 tons) or as much as 130% (6,240 tons). The maximum quantity allowable under the contract will result in a cost not to exceed \$227,760.

RECOMMENDATION

Approval on the April 3, 2007 consent agenda.

BACKGROUND

The amount of road salt required each year is weather dependent, and the annual budget for the upcoming season will be based on historical salt usage. The average amount purchased for the past 20 winters is 4,724 tons. This includes the amount purchased to date for the 2006-07 season of 4,362 tons. Staff expects to make an additional purchase before the end of the season in order to stock the salt dome. The unit price for salt this season is \$35.21 per ton, which staff expects to increase to \$36.50 per ton for next season. The unit price for salt has increased an average of 4.1% per year going back to 1987.

The Village annually purchases road salt from the State Contract to assure an adequate supply at competitive prices. The attached summary shows purchases for road salt for the past 20 years. The Village has purchased as little as 2,777 tons and as much as 7,150 tons. In the 19 years prior to the current season, the Village has only purchased less than 3,360 tons on two occasions (1994-95 and 1996-97) and more than 6,240 tons on three occasions (1987-88, 1988-89 and 2000-01).

ATTACHMENTS

Historical Road Salt Use Chart

Historical Road Salt and ClearLane Usage (1987-2007)									
Fiscal Year	Rock Salt Purchased (Tons)	Rock Salt Unit Price	Rock Salt Price Extension	ClearLane Purchased (Tons)	ClearLane Unit Price	ClearLane Price Extension	Total Cost	Total Purchased (Tons)	Snow (Inches) ¹
1987/88	6,885.63	\$ 17.09	\$ 117,675.41	0.00	\$ -	\$ -	\$ 117,675.41	6,885.63	43.90
1988/89 ²	7,150.35	\$ 20.72	\$ 155,267.44	0.00	\$ -	\$ -	\$ 155,267.44	7,150.35	34.20
1989/90	5,999.11	\$ 20.89	\$ 125,321.39	0.00	\$ -	\$ -	\$ 125,321.39	5,999.11	30.40
1990/91	5,669.69	\$ 21.22	\$ 120,310.84	0.00	\$ -	\$ -	\$ 120,310.84	5,669.69	26.90
1991/92	3,636.98	\$ 21.72	\$ 78,995.31	0.00	\$ -	\$ -	\$ 78,995.31	3,636.98	24.10
1992/93	4,082.14	\$ 21.72	\$ 88,664.10	0.00	\$ -	\$ -	\$ 88,664.10	4,082.14	48.30
1993/94	5,130.20	\$ 23.60	\$ 121,072.79	0.00	\$ -	\$ -	\$ 121,072.79	5,130.20	41.40
1994/95	3,034.35	\$ 23.35	\$ 70,852.07	0.00	\$ -	\$ -	\$ 70,852.07	3,034.35	17.30
1995/96	2,777.29	\$ 26.60	\$ 73,875.91	0.00	\$ -	\$ -	\$ 73,875.91	2,777.29	29.40
1996/97 ³	4,126.90	\$ 26.94	\$ 110,982.76	0.00	\$ -	\$ -	\$ 110,982.76	4,126.90	39.60
1997/98	4,044.00	\$ 26.76	\$ 108,217.44	0.00	\$ -	\$ -	\$ 108,217.44	4,044.00	34.70
1998/99 ⁴	3,832.81	\$ 26.65	\$ 101,769.81	0.00	\$ -	\$ -	\$ 101,769.81	3,832.81	53.40
1999/2000	4,315.68	\$ 24.56	\$ 105,993.10	0.00	\$ -	\$ -	\$ 105,993.10	4,315.68	30.40
2000/01	6,803.88	\$ 25.21	\$ 171,525.81	0.00	\$ -	\$ -	\$ 171,525.81	6,803.88	41.50
2001/02	4,955.65	\$ 29.44	\$ 145,894.34	0.00	\$ -	\$ -	\$ 145,894.34	4,955.65	32.10
2002/03	4,566.87	\$ 29.16	\$ 133,169.93	68.68	\$ 38.56	\$ 2,648.30	\$ 135,818.23	4,635.55	36.50
2003/04	4,466.63	\$ 29.16	\$ 130,246.93	543.15	\$ 38.56	\$ 20,943.86	\$ 151,190.79	5,009.78	24.20
2004/05	4,637.89	\$ 29.91	\$ 138,719.29	165.00	\$ 39.54	\$ 6,524.10	\$ 145,243.39	4,802.89	34.50
2005/06	3,227.33	\$ 33.23	\$ 107,244.18	0.00	\$ -	\$ -	\$ 107,244.18	3,227.33	26.00
2006/07	4,362.42	\$ 35.21	\$ 153,600.81	0.00	\$ -	\$ -	\$ 153,600.81	4,362.42	
MIN.	2,777.29	17.09	70,852.07	0.00	0.00	0.00	70,852.07	2,777.29	17.30
MAX.	7,150.35	35.21	171,525.81	543.15	39.54	20,943.86	171,525.81	7,150.35	53.40
AVG.	4,685.29	25.66	117,969.98	38.84	38.89	10,038.75	118,259.50	4,724.13	34.15
1	Source: Illinois State Water Survey - O'Hare Reporting Station								
2	Includes a \$7,112.15 penalty charge for overage in FY1988/89								
3	Liquidated damages reduced the total purchase by \$195.93 in 1996/97								
4	Liquidated damages reduced the total purchase by \$374.58 in 1998/99								