

**VILLAGE OF DOWNERS GROVE**  
**REPORT FOR THE VILLAGE COUNCIL WORKSHOP**  
**MARCH 25, 2008 AGENDA**

SUBJECT:	TYPE:	SUBMITTED BY:
Authorization to Request Road Salt from State Contract	Resolution Ordinance ✓ Motion Discussion Only	Robin A. Weaver Interim Director of Public Works

**SYNOPSIS**

A motion is requested to authorize the Village Manager to request that the State of Illinois include the purchase of 6,000 tons of road salt by the Village during the 2008-09 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.

**FISCAL IMPACT**

The purchase of bulk road salt will span two fiscal years just as the winter season does each year. The adopted FY08 General Fund budget provides \$170,000 for 4,800 tons of road salt. The terms of the contract allow the Village to purchase as little as 70 percent of this amount (4,200 tons) or as much as 130 percent (7,800 tons). The maximum quantity allowable under the contract will result in a cost not to exceed \$331,360 over two fiscal years.

**RECOMMENDATION**

Approval on the April 1, 2008, consent agenda in order to meet the deadline for participation in the State bid.

**BACKGROUND**

The amount of road salt required each year is weather dependent. The unit price for salt for the 2007-08 season under the State contract is \$38.62 per ton. Staff expects the price to increase 10 percent to \$42.48 per ton for next season based on this season's increase of nine percent and the expectation of higher costs based on fuel costs.

The Village annually purchases road salt from the State contract to assure an adequate supply at competitive prices. The summary below shows purchases for road salt for the past 20 years. The average amount purchased for the past 20 winters is 4,744 tons. Final quantities for this winter are currently being calculated but approximately 6500 tons have been used as of March 19, 2008.

The extraordinary winter weather and the salt shortages this year illustrate the importance of providing the most flexibility possible under the State contract. Once communities began exceeding 130 percent of their allocations under the State contract this year and salt became scarce, unit prices for salt quickly escalated to \$95 - \$160 per ton. Fortunately, the Village has sufficient storage capacity to effectively protect and store any leftover salt for use during the following winter.

	<b>Total Cost</b>	<b>Total Salt Purchased (Tons)</b>	<b>Snow (Inches)</b>
1987-88	\$ 117,675.41	6,885.63	43.9
1988-89	\$ 155,267.44	7,150.35	34.2
1989-90	\$ 125,321.39	5,999.11	30.4
1990-91	\$ 120,310.84	5,669.69	26.9
1991-92	\$ 78,995.31	3,636.98	24.1
1992-93	\$ 88,664.10	4,082.14	48.3
1993-94	\$ 121,072.79	5,130.20	41.4
1994-95	\$ 70,852.91	3,034.35	17.3
1995-96	\$ 73,875.91	2,777.29	29.4
1996-97	\$ 110,982.76	4,126.90	39.6
1997-98	\$ 108,217.44	4,044.00	34.7
1998-99	\$ 101,769.81	3,832.81	53.4
1999-00	\$ 105,993.10	4,315.68	30.4
2000-01	\$ 171,525.81	6,803.88	41.5
2001-02	\$ 145,894.34	4,955.65	32.1
2002-03	\$ 135,818.23	4,635.55	36.5
2003-04	\$ 151,190.79	5,009.78	24.2
2004-05	\$ 145,243.39	4,802.89	34.5
2005-06	\$ 107,244.18	3,227.33	26.0
2006-07	\$ 167,867.55	4,767.61	35.6
2007-08			53.0
<b>Average</b>	<b>\$ 120,189.18</b>	<b>4,744.39</b>	<b>35.1</b>

Historical Road Salt and Enhanced <sup>5</sup> Road Salt Usage (1987-2007)									
Winter Season	Rock Salt Purchased (Tons)	Rock Salt Unit Price	Rock Salt Price Extension	Enhanced Rock Salt Purchased (Tons)	Enhanced Rock Salt Unit Price	Enhanced Rock Salt Price Extension	Total Cost	Total Purchased (Tons)	Snow (Inches) <sup>1</sup>
1987/88	6,885.63	\$ 17.09	\$ 117,675.41	0.00	\$ -	\$ -	\$ 117,675.41	6,885.63	43.90
1988/89 <sup>2</sup>	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 <sup>3</sup>	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 <sup>4</sup>	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	4,767.61	\$ 35.21	\$ 167,867.55	0.00	\$ -	\$ -	\$ 167,867.55	4,767.61	35.60
2007/08		\$ 38.62	\$ -	0.00	\$ -	\$ -	\$ -	0.00	53.00
<b>MIN.</b>	<b>2,777.29</b>	<b>17.09</b>	<b>70,852.07</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>70,852.07</b>	<b>2,777.29</b>	<b>17.30</b>
<b>MAX.</b>	<b>7,150.35</b>	<b>38.62</b>	<b>171,525.81</b>	<b>543.15</b>	<b>39.54</b>	<b>20,943.86</b>	<b>171,525.81</b>	<b>7,150.35</b>	<b>53.40</b>
<b>AVG.</b>	<b>4,705.55</b>	<b>26.27</b>	<b>118,683.32</b>	<b>38.84</b>	<b>38.89</b>	<b>10,038.75</b>	<b>120,189.13</b>	<b>4,744.39</b>	<b>35.11</b>
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								
5	Enhanced road salt is rock salt pre-mixed with liquid magnesium chloride and corrosion inhibitor.								