

**VILLAGE OF DOWNERS GROVE**  
**REPORT FOR THE VILLAGE COUNCIL MEETING**  
**SEPTEMBER 18, 2012 AGENDA**

SUBJECT:	TYPE:	SUBMITTED BY:
Bid: Purchase of Road Salt from State Contract	Resolution Ordinance ✓ Motion Discussion Only	Nan Newlon, P.E. Director of Public Works

**SYNOPSIS**

A motion is requested for the purchase of bulk road salt from Cargill Incorporated Salt Division of North Olmsted, Ohio for snow and ice control via the State Contract at a cost of \$63.24 per ton and a total not to exceed cost of \$318,729.60. The price of \$63.24 per ton is the same price the Village has paid for salt since the 09/10 snow season.

**STRATEGIC PLAN ALIGNMENT**

The Goals for 2011 to 2018 include *Exceptional Municipal Services*.

**FISCAL IMPACT**

Approval of this motion obligates the Village to purchase the minimum quantity specified at a cost of \$212,486. The FY12 Adopted Budget and FY13 Requested Budget in the General Fund include funding for the purchase of road salt for the winter of 2012/13.

**RECOMMENDATION**

Approval on the September 18, 2012 consent agenda.

**BACKGROUND**

Prior to each snow season, the Village enters into a contract for the purchase of road salt at a unit price, which impacts two fiscal years and specifies a minimum and maximum quantity of salt allowable for purchase. According to the terms of the contract, the Village can purchase as little as 3,360 tons of salt at a total cost of \$212,486 or as much as 5,040 tons of salt at a cost of \$318,730. The Public Works Department has an inventory of 2,500 tons of salt from last winter.

**ATTACHMENTS**

State of Illinois Joint Salt Purchasing Form  
 Historical Road Salt Use Chart  
 2012-13 Snow and Ice Policy





Deliveries of rock salt containing any foreign material such as mud, rocks, grader teeth, wood, tarpaulins, etc., may be rejected at the delivery site. In the event that any foreign material is discovered in dumped deliveries, the salt and foreign matter may be reloaded onto the cartage hauler's truck by the local governmental unit and returned for credit, or the vendor shall immediately ship a specification compliant load of replacement salt, or issue a refund to the governmental unit consistent with the contract price.

In December 2012, the contract vendor shall have in place stockpile(s) located in or near Illinois covering the tonnage awarded for the northern regions of the State, and in January of 2013 the contract vendor shall have in place stockpile(s) in or near to Illinois covering the total tonnage awarded for all regions of the State. At our discretion, we will inspect the stockpiles to ensure that these stockpiles are in sufficient quantities, and that vendor commitments to the stockpiles are with the users of this contract.


Enhanced rock salt 2012 - 2013 season availability from Cargill Inc. Deicing:

The enhanced salt product features additional pre-treatment of approved road salt with a product providing enhanced melting performance, with reduced corrosion and clumping.

The Department of Central Management Services requested pricing for an enhanced rock salt option in the invitation for bid, and received an offering from Cargill's' Deicing Unit. Their prices are made available to any joint purchasing participant awarded in the Cargill Rock Salt Contract as an up-charge per ton option and are to be added to your order as a separate line item. Locations interested in ordering this enhanced salt option must call the vendor to facilitate ordering arrangements.

It is hoped that this information will be beneficial to you in the utilization of this contract. If you have any further questions concerning the rock salt contract, please feel free to contact me at (217) 782-8091.

Sincerely,

  
Wayne Ilsley, CBBP, Buyer  
Bureau of Strategic Sourcing

GovSalt.doc

*LOB*



# ILLINOIS

## JOINT PURCHASING REQUISITION

**PLEASE RETURN TO:**

Illinois Department of  
Central Management Services  
801 Wm. G. Stratton Building  
401 S. Spring Street  
Springfield, IL 62706  
Fax: (217) 782-5187

Joint Purchasing #: L1510-1510  
Government Unit: Village of Downers Grove  
Mailing Address: 801 Burlington Avenue  
City / State / Zip: Downers Grove, IL 60515  
County: DuPage  
Contact Person: Terri Tarka  
Telephone Number: 630-434-5530  
Fax Number: 630-434-5571  
Contact Email: ttarka@downers.us  
*please provide Email Address*

Date: 03 /14 / 2012

Delivery Point
Public Works Facility 5101 Walnut Avenue Downers Grove, IL 60515

**NOTE: COMPLETE ONLY ONE TABLE - Either "Table A" or "Table B" below**

**TABLE A**  
Complete this table to have the State SOLICIT BIDS for your governmental entity

ITEM DESCRIPTION	QUANTITY (Total Tonnage)	UNIT OF MEASURE	AMOUNT BUDGETED (Local Governmental Use Only)
AASHTO M143 Road Salt or Equivalent			
ROAD SALT, BULK (22-25 Ton /Truckload)		TONS	

Please note your Purchase Commitment Percentage for total tonnage quantity stated above (you must choose one):  
 OPTION 1  80% minimum purchase requirement/120% maximum purchase requirement  
 OPTION 2  100% minimum purchase requirement/120% maximum purchase requirement

**TABLE B**  
Complete this table to have the State RENEW for your governmental entity (ONLY)

ITEM DESCRIPTION	QUANTITY (Total Tonnage)	UNIT OF MEASURE	AMOUNT BUDGETED (Local Governmental Use Only)
AASHTO M143 Road Salt or Equivalent			
ROAD SALT, BULK (22-25 Ton /Truckload)	<u>4,200</u>	TONS	<u>\$236,000</u>

Note: Renewal is available ONLY under contracts 4017034, 4017035, 4017036, 4017037, or 4017038 for the 2012-2013 season. Your quantity may not exceed more than a 20% increase of last season's quantity, and price cannot increase more than 5% of last season's price. Other Terms & Conditions of Contract will remain the same as last year. Check renewing contract: Contract 4017034  Contract 4017035  Contract 4017036  Contract 4017037  Contract 4017038  103

I certify that funds are available for the purchase of the items on this Requisition and that such items are for the sole use of this governmental unit, and not for personal use of any official or individual or re-sale.

In addition, I agree to abide by the Joint Purchasing Procedure established by the Department of Central Management Services.

*Terri Tarka*  
SIGNATURE OF AUTHORIZED OFFICIAL OR AGENT

Village Manager  
TITLE

Historical Road Salt and Enhanced <sup>5</sup> Road Salt Usage (1987-2012)									
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	6,749.52	\$ 38.62	\$ 260,666.46	0.00	\$ -	\$ -	\$ 260,666.46	6,749.52	60.30
2008/09	6,006.71	\$ 59.25	\$ 355,897.57	0.00	\$ -	\$ -	\$ 355,897.57	6,006.71	52.70
2009/10	4,962.88	\$ 63.24	\$ 313,852.47	0.00	\$ -	\$ -	\$ 313,852.47	4,962.88	54.20
2010/11	4,715.28	\$ 63.24	\$ 298,194.31	0.00	\$ -	\$ -	\$ 298,194.31	4,715.28	57.90
2011/12	5,025.91	\$ 63.24	\$ 317,838.55	0.00	\$ -	\$ -	\$ 317,838.55	5,025.91	19.80
<b>MIN.</b>	<b>2,777.29</b>	<b>\$ 17.09</b>	<b>\$ 70,852.07</b>	<b>0.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 70,852.07</b>	<b>2,777.29</b>	<b>17.30</b>
<b>MAX.</b>	<b>7,150.35</b>	<b>\$ 63.24</b>	<b>\$ 355,897.57</b>	<b>543.15</b>	<b>\$ 39.54</b>	<b>\$ 20,943.86</b>	<b>\$ 355,897.57</b>	<b>7,150.35</b>	<b>60.30</b>
<b>AVG.</b>	<b>4,862.85</b>	<b>\$ 32.03</b>	<b>\$ 156,804.63</b>	<b>258.94</b>	<b>\$ 38.89</b>	<b>\$ 10,038.75</b>	<b>\$ 158,009.28</b>	<b>4,893.93</b>	<b>37.17</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.								