

VILLAGE OF DOWNERS GROVE
Report for the Village
3/15/2022

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| SUBJECT: | SUBMITTED BY: |
| 2022/2023 Rock Salt Allocation | Andy Sikich Public Works Director |

SYNOPSIS

A motion is requested to authorize a rock salt allocation of 2,500 tons with DuPage County, and 1,700 tons with the State of Illinois, in the joint purchase of bulk rock salt for the 2022/2023 season. The Village will be obligated to authorize execution of purchase contracts for these allocations at a future date.

STRATEGIC PLAN ALIGNMENT

The goals for 2021-2023 include *Exceptional Municipal Services*.

FISCAL IMPACT

The Village's winter snow and ice control operations span two fiscal years. The budget for 2022/2023 is anticipated to include approximately \$650,000 in the General Fund, and the Motor Fuel Tax Fund. \$325,000 is included in the approved FY22 budget and \$325,000 is anticipated for the FY23 budget. \$115,831.20 has been encumbered to date in FY22. Staff estimates the total cost of the required minimum salt purchase for the 2022/2023 winter season will range from \$220,000 to \$320,000 based on current salt prices.

RECOMMENDATION

Approval on the March 15, 2022 consent agenda.

BACKGROUND

The availability and use of bulk rock salt is necessary to meet the snow removal program goal of maintaining safe travel routes during and following snowstorms, as well as restoring mobility for the traveling public within a reasonable time frame following cessation of storm conditions. There are four objectives to achieve when purchasing road salt:

- 1) Maintain the salt supply to respond to all winter weather events per the Village Snow Removal and Ice Control Plan
- 2) Diversify salt supply to ensure on-time delivery
- 3) Minimize cost

To best meet these objectives for the 2022/2023 season, staff recommends purchasing rock salt through two cooperative purchasing contracts, one with the State of Illinois and the other with DuPage County, as shown in the table below. The State requires formal approval of the salt allocation prior to their purchase of the Village's salt. The Village Council will approve the purchase of salt through the County contract after the contract has been bid.

| Requested Allocation (tons) | Minimum | 100% Allocation | Maximum |
|------------------------------------|----------------|------------------------|----------------|
| State of Illinois Contract | 1,360 | 1,700 | 2,040 |
| DuPage County Contract | | 2,500 | |
| Total Amount | 3,860 | 4,200 | 4,540 |

The minimum amount of salt recommended to be purchased (3,860 tons) along with the approximately 4,000 tons of salt on hand, would provide the village with 7,860 tons of salt for the 2022/2023 season and will allow the Village to continue to meet the service objectives described in the Village Snow Removal and Ice Control Policy in a cost effective manner. The annual salt use for an average winter is about 5,000 tons, with a minimum use of about 2,800 tons and a maximum use of about 8,449 tons. The maximum amount of salt the Village could purchase under these contracts would provide 8,540 tons, including the salt on hand.

The Village has used the State-aggregated bidding process for procuring road salt for many years. Because of issues with the reliability of service deliveries from the State bid contractor in the difficult 2013/14 winter season the Village elected to purchase a portion of its rock salt supply through a DuPage County contract. Since 2014 the Village has split salt purchases in this manner and has realized benefits in reliability and the moderation of price changes. DuPage County is in the process of preparing bid documents and is requesting allocation amounts from interested communities. The early delivery option offered by the DuPage County contract sets a fixed amount of salt to be delivered prior to November 30.

ATTACHMENTS