



Agenda Item Summary

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Submitted By

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Reviewed By

LKS

Agenda Item Title

A Resolution Authorizing the Purchase of 3,600 Tons of Rock Salt from Cargill, Incorporated of Minneapolis, Minnesota at \$47.33 Per Ton For the 2020/2021 Snow Season in an Amount Not To Exceed \$171,000.00, and Waiving the Village's Bidding Process for Said Purchase

Overview

Rock salt is used as the principal deicer for snow and ice control in an effort to mitigate hazardous road conditions. The Village participates in the State of Illinois Joint Purchasing Program for materials and equipment commonly used by municipalities such as rock salt.

Recommendation

Approve the Resolution.

Fiscal Impact

The Fiscal Year 2020 budget provides funds for the purchase of roadway salt materials in the Public Works, Street Services Budget, account no. 1001-43740-765-560633, Roadway Maintenance. To date all funds, \$80,090.27, remaining in that account for salt will be used towards the purchase of 848 tons of salt to fulfill the 2019-2020 agreement with Compass Materials America. Last winter season was particularly warm with fewer than normal snow events resulting in an abundance of salt.

In Fiscal Year 2021, salt needed for the portion of winter season after January 1, 2021 will be funded from the Motor Fuel Tax Fund, account no. 2038-43740-765-560633, Roadway Maintenance. The Fiscal Year 2021 budget for salt is proposed to be \$171,000.00.

Background

Rock salt is the most readily available and cost effective de-icing material. Salt is used to keep snow and ice from bonding to the pavement thereby allowing snow plows to remove accumulated snow and ice quickly and efficiently and to keep the roads open and safe.

The Village has previously participated in the State of Illinois Joint Purchasing Program for materials and equipment commonly used by municipalities.

The State notified the Village that the contract for salt would be awarded to Cargill, Incorporated of

Minneapolis, Minnesota at the price of \$47.33 per ton for the 2020/2021 winter season. This price is approximately \$31.53 a ton decrease over the 2019/2020 price of \$78.86 per ton cost.

The salt purchase contract allows the Village to order a minimum of 80% and up to 120% of the requested amount of salt. This season's requested amount of salt is 3,000 tons. Therefore, the minimum required purchase is 2,400 tons and the maximum is 3,600 tons in case of a particularly harsh winter. The salt will be delivered by truck to the Public Works Center at 201 South Boulevard.

In an average winter, the Village uses approximately 3,000 - 4,000 tons of rock salt for snow and ice control. The Village currently has approximately 1,000 tons of salt in storage at the Public Works Center and another 600 tons in reserve in the salt dome at the storage area at the Cook County Forest Preserve maintenance yard.

Alternatives

The Board can delay action to gain additional information.

Previous Board Action

The Village Board has approved this Resolution in prior years.

Citizen Advisory Commission Action

N/A.

Anticipated Future Actions/Commitments

It is anticipated that the Public Works Department will be bringing this contract to the Village Board annually.

Intergovernmental Cooperation Opportunities

Salt is one of the many items that the Village has purchased through the State's Joint Purchasing Program. This program provides the assurance that orders placed by the Village will be given priority over ad hoc orders. Participation in the Joint Purchasing Program results in volume discounts which the Village could not achieve on its own as a single purchaser.

The Village also provides rock salt to the Park District of Oak Park. The Park District reimburses the Village for the actual cost of the salt. Their use is between 50-100 tons.