



Agenda Cover Memorandum

Meeting Date: November 9, 2016

Meeting Type: Committee of the Whole City Council Budget Workshop

Item Title: Approve a contract for rock salt with Compass Minerals America Inc., in the amount of \$167,256.00

Item Type: Transfer Budget Amendment Purchase Order Other

Action Requested: Approval For Discussion Feedback Requested For Your Information

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Background:

At the February 9, 2015 Committee meeting, staff was directed to go out for bid for the purchase of rock salt for the 2015/2016 season, as opposed to using Illinois Central Management Services (CMS) joint purchasing agreement. In May 2015 the City entered into a joint bid with four other municipalities for the purchase of rock salt at a cost of \$68.19 per ton. As reported at the November 9, 2015 Committee meeting, neighboring communities were paying less than that thru the CMS joint purchase. At the March 16, 2016 Committee meeting consensus was reached to once again participate in the joint purchasing agreement with CMS for bulk rock salt for the 2016/2017 season.

The State of Illinois Central Management Services (CMS) bids out the contract for bulk rock salt for approximately 300 municipalities to an established set of approved bidders. This year's contractor is Compass Minerals America Inc. of Overland Park, Kansas. The City has contracted for 3,000 tons of rock salt thru CMS. Thru this program the City is able to purchase a minimum of 80%, or up to 120%, of the contracted number at a cost of \$46.46 per ton. There are currently 1300 tons of salt on hand with the average salt usage being approximately 3500 tons per year. Staff is requesting approval of a purchase order for 120% of the contracted number (3600 tons).

This item was presented as an Action Item at the Committee of the Whole on October 24, 2016, at which time the Committee approved the motion on a voice vote of 7/0.

Vendor and Transaction History:

Vendor Status: Current New
Is Purchase Order Request supported by existing contract: Yes No If Yes, date:
Is this an Annual Recurring Purchase Order: Yes No
Bid Process Used: N/A Price Quotes Bid RFP Details:
Have Goods been received or Statement of Work completed: N/A Yes No
If Overage, approved by Department: Yes No Details:

Recommendation:

Approve a contract for rock salt with Compass Minerals America Inc., in the amount of \$167,256.00.

Budget Implications:

Does Action Require an Expenditure of Funds: Yes No
If Yes, Total Cost: \$167,256.00
If Yes, is this a Budgeted Item: Yes No Requires Budget Transfer
If Budgeted, Budget Code (Fund, Dept, Object) 100 3023 958000

Attachment(s), if any:

- None