



Memo

TO: Public Works Committee
FROM: Kevin Schone, Public Works Manager
Ed Andrews, Public Works Director
SUBJECT: FY18/19 Roadway Salt
DATE: November 5, 2018

The City of Washington has again participated with Tazewell County as well as several other Villages and Township Road Districts, including Washington Township, in purchasing road salt for the 18/19 season. Bids were opened on October 22, 2018 by Tazewell County Highway, and Compass Minerals of Overland, Kansas was the lone bidder at \$84.13/Ton. This is a 25.6% increase over last year's price, 22.7% greater than staff's estimate, 10.3% greater than the Tazewell County Engineer's estimate, and 24.5% more than the County's bid from CMS. A review of past bidding has shown these increases are not uncommon.

This year's budget allows \$97,500 for the purchase of road salt for winter operations. The City has committed to 1500 tons, +/-30%, under the County's bid. With this year's increase the City will be able to purchase the minimum of 1050 tons and as much as 1158 tons if needed and stay within budget as well as meet our commitment to the County. These amounts would be in addition to the current stockpile of 200 tons stored at the shared facility with Washington Township. The maximum total salt available to the City for 18/19 would be 1358 tons. We are comfortable this total will meet the City's needs.

Staff has researched other purchasing options with Cargill of Ohio and also Morton Salt. Cargill was unable to provide pricing due to supply and Morton Salt offered a price higher than the bid offered by Compass. For this reason and because of the timing of the County's bid opening staff would recommend moving forward with the bid price to assure road salt is available when needed.

Final approval for purchase of road salt through Tazewell County's bid with Compass Minerals of Overland, Kansas at the bid price of \$84.13/Ton is requested by full Council before ordering under the new contract.

This matter has been placed on the Council's consent agenda for review and action for November 5, 2018.