



CITY OF WASHINGTON, ILLINOIS

City Council Agenda Communication

Meeting Date: October 21, 2019

Prepared By: Kevin Schone, Public Works Manager

Agenda Item: Bid Award: Roadway Salt

Explanation: This FY the City of Washington participated in the State of Illinois' Joint Purchasing Program for the purchase of roadway salt for treating city streets. Bid information was provided to the City on October 9, 2019 with bids coming in at \$85.76/ton, this represents a 2% increase over last year's bid through Tazewell County's bid opportunity. Staff committed to 1250 tons +/-20% for FY 19/20 needs. There is approximately 300 tons currently in stock at the City's new salt storage facility. **Additional documentation attached.**

Fiscal Impact: FY 2019-2020 Budget provides \$120,000 for road salt.

Recommendation/Committee Discussion Summary: Staff recommends approval.

Action Requested: Approval of the salt bid with the State of Illinois' Central Management Services (CMS) state-wide bid with Compass Minerals America of Overland Park Kansas.



ILLINOIS

JOINT PURCHASING REQUISITION CY'19-'20 New Purchase Commitment

PLEASE RETURN TO:
Illinois Department of
Central Management Services
IEPA North Building
1000 E. Converse Street
Springfield, IL 62702

Email Address for submission:
CMS.BOSS.EC@Illinois.gov

No Thank You,
But keep on mailing list.

Opt-Out-> Our unit does not want to participate in the CY' 2019-2020 Contract Procurement.
Notice-> Please complete and return the Contact information below to remain on the mailing list.

Joint Purchasing #:
499
Government Unit:

ORD#1111 JP#L5840-5840

Date: 3/21/2019

Mailing Address:

301 WALNUT

City / State / Zip:

WASHINGTON, IL. 61571

County:

TAZEWELL

Contact Person:

KEVIN SCHONE

Telephone Number:

(309) 745-3503 X303

Fax Number:

(309) 745-5721

Contact Email:

Kschone@ci.washington.il.us

Delivery Point

(Provide Delivery Details To Contract)
(Vendor At Time Of Order Placement)

<- Please provide Email Address
<- Please ensure Address is Legible

***** Participant, Complete Only One - Either "Table-A" or "Table-B" Below *****

Table A: Complete this table to have the State "SOLICIT BIDS" for your governmental entity		
ITEM DESCRIPTION	BID QUANTITY	UNIT MEASURE
AASHTO M143 Road Salt or Equivalent	(Total Tonnage)	(22 - 25 Ton / Truck)
Rock Salt, Bulk	<u>1250</u>	<u>Compress</u> Tons <u>85.76</u>
Please note your Purchase Commitment Percentage for Total Tonnage Quantity as stated above (choose one):		
OPTION 1	<input checked="" type="checkbox"/> 80.9% minimum purchase requirement/120% maximum purchase requirement	
OPTION 2	<input type="checkbox"/> 100% minimum purchase requirement/120% maximum purchase requirement	

***** Participant, Complete Only One - Either "Table-A" Above or "Table-B" Below *****

Table B: Complete this table to have the State "RENEW" Requirements for your governmental entity		
ITEM DESCRIPTION	QUANTITY	UNIT MEASURE
AASHTO M143 Road Salt or Equivalent	(Total Tonnage)	(22 - 25 Ton / Truck)
Rock Salt, Bulk		Tons
<p>Note: Renewal is available ONLY under CMS BidBuy Contract # 18-416CMS-BOSS4-P-4129 for prior CY' 2018-2019. Your quantity may not exceed more than a 20% increase of last season's quantity, and price cannot increase more than 10.% of last season's price. Other Terms & Conditions of Contract will remain the same as last year. Please Check Contract # Below:</p>		

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.

Kevin D. Schone

SIGNATURE OF AUTHORIZED OFFICIAL OR AGENT

Printed on Recycled Paper

Public Works Manager

TITLE



ILLINOIS

JB Pritzker, Governor

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

Janel L. Forde, Acting Director

October 1, 2019

Dear Joint Purchasing Participant:

Subject: 2019 - 2020 Rock Salt, Bulk Contract Information

In completing the 2019 – 2020 Rock Salt season contract re-procurement the State of Illinois did encounter supply-related issues experienced in previous seasons, which resulted in significantly higher pricing. We have made every effort to secure Road Salt at the best available price for participants in our contract solicitation and gladly report the State was able to obtain an offer for your location requirements through the State's procurement efforts.

We again recommend that participating agencies examine their application rates and roadway priorities in order to minimize next season's maintenance program cost while also ensuring the safety of the public.

Enclosed is a copy of the requisition you submitted to us for the purchase of rock salt. The information from the requisition, including purchase commitment, can be used to submit your requirements to this year's contract vendor:

BidBuy PO# 20-416CMS-BOSS4-P-12695

Term: 09/27/2019 – 09/26/2020

Compass Minerals America Inc.

FEIN Number: 48-1047632

9900 West 109-th. Street

Overland Park, KS 66210

Phone (800) 323-1641 or (913) 344-9330 Contact Name: Sean Lierz

Your unit is **Contract Line No: _ 353 _ / Price per ton F.O.B. destination, is \$ 85.76**

Emergency pickup of salt from vendor's warehouse is not made available in this contract.

The additional price per ton to have rock salt delivered in trucks equipped with coal/grain chute openings in the tailgate to permit controlled off-loading of rock salt onto conveyors was not provided for by this vendor in this season's procurement process.

You are responsible for issuing your own purchase order document to the vendor. Orders may be placed with the vendor via telephone, with a written or fax confirmation to follow immediately. ***You are strongly encouraged to order and store as much salt as possible in order to help prevent potential salt shortages this winter.*** Also, you must place orders in full truckload (typically 22-25 tons) delivery quantities or multiples of such.

Your governmental unit is responsible for ensuring that the 80 or 100 percent minimum guaranteed purchase commitment (as noted on your Requisition) is met before the end of the winter season, June 30, 2020. The vendor is required to furnish not less than 120-percent (if needed) of the contract quantity by March 1, 2020. Your governmental unit is responsible for processing vendor invoices in a timely manner.

Delivery shall be made as soon as possible after vendor receipt of order by phone or mail. The maximum time from receipt of order to the actual delivery for orders placed between December 1, 2019 through April 1, 2020 shall not exceed seven working days, unless as modified in the Order Guidelines herein.

For orders placed between December 1, 2019 and April 1, 2020, if a vendor is unable to make delivery within the order timeline, local governmental units shall have the right to retain as liquidated damages, not as a penalty, 5.% per working-day on the undelivered portion of the order, but not to exceed 50.%. For orders placed prior to 9:00 a.m. on a given day, that day to be considered as the first calendar day of the seven-day delivery period. For an order placed after 9:00 a.m. on a given day, the following day shall be considered as the first calendar day of the seven-day delivery period.

CMS reserves the right to mitigate application of liquidated damages imposed against a vendor, in the event of orders exceeding the maximum percentages outlined below:

An agency may order up to 20.% of their awarded contract tonnage in any given week and vendor shall deliver within 7 working-days after receipt of order. Quantity ordered above the 20.% threshold shall have an extended deliver time of one-working-day for each one-percentage-point above the 20.% guideline. For example, if an agency orders 25.% of their awarded total 100 ton, delivery of the first 20 ton (20.%) shall be within 7 working-days after receipt of order, the remaining 5 ton should be delivered within 12 working-days after receipt of order.

If after seven working-days of liquidated damages assessment, the vendor has still failed to deliver, local governmental unit shall have the right to terminate an order and purchase road salt or abrasives from another source, or take action consistent with public safety as needed to continue daily business. Any and all additional costs incurred may be collected from the original vendor, in addition to liquidated damages, by participant's legal action.

All deliveries shall be covered with approved weatherproof materials. The vendor shall ensure that delivery person inspects the inside of the trailer and that all salt is removed from the trailer before leaving a delivery point. The vendor will ensure all weights and measures shown on delivery tickets are correct. Local governmental units reserve the right to require that delivery trucks occasionally be directed to a scale in the vicinity of the delivery point as a check on delivered truckloads.

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 2019, 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 2020 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 2019 - 2020 season availability:

The Department of Central Management Services surveyed vendors for availability of an enhanced rock salt option in the invitation for bid, and received an offering from Cargill Salt Division. Locations interested in this enhanced salt option must call the vendor for product availability information and to facilitate potential ordering arrangements.

Their product is made available to any joint purchasing participant awarded in the Cargill Salt Division Contract as an up-charge per ton option and would be added to your order as a separate line item. Contact Sean Lierz at 913-344-9330 for the details.

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

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, CPPB, Buyer
Bureau of Strategic Sourcing










Joint Purchasing Participant.

BidBuy is the new procurement system implemented by the State Of Illinois, in which this Master Blanket Purchase Order (Master Contract) was re-established.

As a municipality, you do not need to register in BidBuy. To access master contracts you only need to follow the steps outlined in the following document.

Locating State Wide Master Contracts (without registration in BidBuy)

(To begin you just click on the 'Contract & Bid Search' as shown below.)

Screen	Task
To BidBuy Homepage	 https://www.bidbuy.illinois.gov/bso/
BidBuy Homepage	 Click Contract & Bid Search at bottom of screen
Advanced Search	 Select radio dial next to Contracts/Blankets
Advanced Search	 Enter Search Criteria or enter nothing to receive all contracts  Click Find It
Advanced Search	 Click on Contract/Blanket# (underlined) to show contract information
Master Blanket Purchase Order Under Header Information	Verify Field " Master Contract? " = Yes  Click on Copy of contract (underlined) next to Agency Attachment field to download contract document
To Exit	In BidBuy  Click Exit at bottom of screen
Advanced Search	 Click Exit at bottom of screen to return to BidBuy homepage