Legislation Details (With Text)

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Title: Resolution to Approve the Purchase of Ice Control Salt through the Michigan Delivering Extended Agreements Locally (MiDEAL) from the Detroit Salt Company for Early Fill ($129,380.00) and for Seasonal Backup Supply ($217,200.00)

Sponsors:

Indexes:

Code sections:

Attachments: 1. FY20 Detroit Early Fill Salt.pdf, 2. FY20 Detroit Seasonal Backup Salt.pdf

Date	Ver.	Action By	Action	Result
10/7/2019	1	City Council	Approved	Pass

Resolution to Approve the Purchase of Ice Control Salt through the Michigan Delivering Extended Agreements Locally (MiDEAL) from the Detroit Salt Company for Early Fill ($129,380.00) and for Seasonal Backup Supply ($217,200.00)
Attached for your approval is a resolution to purchase ice control salt to control snow and ice accumulations on City streets during the upcoming winter.

Annually, the State of Michigan solicits a state wide bid for bulk ice control salt, allowing those who participate to receive advantageous pricing. The bid seeks pricing for early fill and seasonal backup supply of ice control salt. Detroit Salt Company was the low bidder for both early fill and the seasonal backup supply.

Early Fill: - 2000 tons at $64.19/ton + $1000.00* for truck loading variances- $129,380.00
Seasonal Backup - 4000 tons at $54.05/ton + $1000.00* for truck loading variances - $217,200.00

*Due to the difficulty of loading trucks to the exact tonnage ordered, we are seeking an additional $2000.00 above the quantity requested to be able to pay the vendor, Detroit Salt, if overloading should occur on the early and seasonal backup fills.

As a result of the City using the MiDEAL bid, the quantities are guaranteed. The contract allows the City to purchase up to 130% of the contracted quantity or only 80% of the contracted quantity, as conditions warrant. Should the City need more than 130%, the material cost would be based on the market rate. In January 2009, the market rate reached $140.00/ton. This rate is based on supply and demand. The majority of road salt used in Michigan is imported from other areas such as Ontario, Cleveland or Chile.

The Public Works Unit of Public Services utilizes electronically calibrated controls, attached to all salt spreaders and brine application equipment. These controls regulate the amount of salt or brine being applied. Usage is also tracked for inventory purposes. With this type of equipment, the City is able to

reduce salt waste during application.The City applied 4,202 tons in the FY19 winter, 6,459 tons of salt in the FY18 winter, 4,892 tons of salt in the FY17 winter, 3,794 tons of salt in the FY16 winter, 4,342 tons of salt in the FY15 winter, 7,582 tons of salt in the FY14 winter and 6,083 tons of salt during the FY13 winter season.

In the winter of FY 19, the Public Works Unit began to manufacture salt brine to be used to pre-wet streets prior to snow events. This winter, brine use will be expanded to include anti-icing applications. Brine application equipment will be used to apply a layer of salt brine to the pavement ahead of a storm reducing the likelihood of snow and ice bonding to the surface.

Budget/Fiscal Impact: Sufficient funds for this purchase are available within the appropriate approved FY20 Public Services Area Operation and Maintenance Budgets.
Prepared by: Paul Matthews, Assistant Public Works Manager
Reviewed by: Molly Maciejewski, Public Works Manager
Craig Hupy, Public Services Area Administrator
Approved by: Howard S. Lazarus, City Administrator
Whereas, The City uses ice control salt on major streets, local streets, and other public spaces during the winter months in response to snow and ice accumulation, with care given to achieving a balance between traffic safety and environmental impacts;

Whereas, Competitive bids were solicited by the state of Michigan for early fill and seasonal backup supply of bulk ice control salt. Detroit Salt Company submitted the lowest responsible bid for both early fill and seasonal backup supply;

Whereas, The bid prices are firm through August 31, 2020;

Whereas, Detroit Salt Company is an approved vendor of the State of Michigan and complies with the City's Non-Discrimination Ordinance; and

Whereas, Sufficient funds have been budgeted in the approved operations and maintenance budgets of the Public Service Area for the proposed expenditures;

RESOLVED, That a purchase order for the supply of ice control salt for early fill bulk and seasonal backup supply be authorized to The Detroit Salt Company in the amounts of $129,380.00 (2,000 tons @ $64.19/ton + $1,000.00 for truck loading variances for early fill) and in the amount of $217,200.00 (4,000 tons @ $54.05/ton + $1,000.00 for truck loading variances for seasonal backup); and

RESOLVED, That the City Administrator be authorized to take the necessary actions to implement this resolution.