ITEM #:	16
DATE:	05-09-23
DEPT:	PW

COUNCIL ACTION FORM

<u>SUBJECT</u>: AWARD OF CONTRACT FOR PURCHASE OF ROCK SALT REQUIREMENTS FOR 2023/24 SNOW AND ICE CONTROL PROGRAM

BACKGROUND:

This contract is to furnish rock salt for the 2023/24 Snow and Ice Control Program. Materials are to be delivered as requested by the City throughout the winter season. The estimated total cost is based on 2,500 tons. The contract for FY 2022/23 is with Independent Salt Co. at \$79.50/ton. The FY 2023/24 budget includes \$205,000 for rock salt.

The following bids were received on April 19, 2023:

BIDDER	UNIT PRICE	ESTIMATED TOTAL COST
Independent Salt Co., Kanopolis, KS	\$83.85/ton	\$209,625.00
Skyline Salt Solutions, LLC, Dubuque, IA	\$85.36/ton	\$213,400.00
Central Salt, LLC, Lyons, KS	\$90.73/ton	\$226,825.00
Black Strap, Inc., Neligh, NE	\$160.00/ton	\$400,000.00

The low bid from Independent Salt Co., Kanopolis, KS, is approximately 5.5% higher than the current year contracted unit price. The anticipated amount of salt required (2,500 tons) would exceed the budgeted amount for salt by \$4,625. However, the actual amount paid will depend on the quantities ordered by the City as the winter progresses. If the cost of the required salt exceeds the budgeted amount, staff will amend the operating budget using Road Use Tax savings from other street activities.

ALTERNATIVES:

- 1. Award the contract for the 2023/24 rock salt requirements to Independent Salt Co. of Kanopolis, KS, in the amount of \$83.85 per ton, to be delivered as requested by the City throughout the winter season.
- 2. Reject all bids and attempt to purchase rock salt on an as-needed basis.

CITY MANAGER'S RECOMMENDED ACTION:

Rock salt is an essential supply for the City's snow and ice control in winter months. The amount needed depends on the frequency and scale of snow events. If usage exceeds the budgeted amount, the operating budget will be amended using savings from other street activities. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as noted above.