

## City Council Agenda Summary Sheet (Purchases)

**Agenda No:** 2004-0595  
**Prepared By:** Jean Farris, Supervisor of Procurement  
**City File No:**

**Meeting Date:** August 4, 2004

**PURPOSE:**

Award of Bid for Rock Salt

**DISCUSSION:**

Sealed bids were solicited for sodium chloride (bulk rock salt) by the City of Farmington Hills on behalf of the Michigan Intergovernmental Trade Network (formerly Tri-County Cooperative) with four responding bids. As a cooperative bid, 56,700 tons of salt for 15 governmental entities was bid, of which 5500 tons is Rochester Hills. Each agency has reviewed the bid results and elected to recommend the award to their various councils or boards.

The lowest responsive responsible bidder was Morton Salt, Inc. at a bid price of \$28.65. Cargill Salt, Inc., the second lowest bid at \$35.39 per ton, will be utilized as a secondary vendor. The bid specifications allow for up to twenty-five percent of the total to be awarded to the second low bidder.

**FISCAL INFORMATION:**

Funds for bulk rock salt are budgeted in major and local roads. Funds will be proposed in the 2005 budget for rock salt.

Fund Name	Fund Account #	Description	Budget Amount	Cost	Remaining Budget
Major Roads	202.482000	781000	75,000*		
Local Roads	203.484000	781000	85,000*		
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Local Roads	203.484000	781000	85,000*		
		Total	\$320,000		\$153,157.50

\*Budget includes salt, sand and chloride

**Vendor Name and Address:**

Primary Vendor:  
Morton Salt, Inc.  
1000 North Riverside Plaza  
Chicago, Illinois 60606-1597

Secondary Vendor:  
Cargill Salt, Inc.  
24950 Country Club Blvd #450  
North Olmsted, OH 44070

**Reason for Selection:**

Lowest Responsive Responsible Bid  
Michigan Intergovernmental Trade Network (Former Tri-County Cooperative)

**Method of Purchase:**

Blanket Purchase Order

**RECOMMENDATION:**

It is recommended that City Council approve a blanket purchase order to Morton Salt, Inc. of Chicago, Illinois for the purchase of rock salt for the winter season 2004-2005 in the amount not-to-exceed \$166,842.50 through June 1, 2005, as primary vendor, and Cargill Salt, Inc., of North Olmsted, Ohio, as secondary vendor.

**ATTACHMENTS:**

Bid Tabulation  
Historical Price Data

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Department Authorization: Roger Rousse, Director of Public Service

Reviewed by:

Fiscal: Julie Jenuwine

Purchasing: *Jean Farris*

Clerks: *Susan Koliba-Galeczka*

Approved by: *Pat Somerville*

**RESOLUTION**

**NEXT AGENDA ITEM**

**RETURN TO AGENDA**