



City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS

1000 Rochester Hills Dr.
Rochester Hills, MI 48309
248.656.4630
www.rochesterhills.org

Legislative File No: 2026-0250

TO: Mayor and City Council Members
FROM: Tracey Balint, P.E., Interim Director Department of Public Services
DATE: June 8, 2026
SUBJECT: Rock Salt for the 2026/2027 and 2027/2028 Winter Season

REQUEST:

City Council is requested to authorize a blanket purchase order for the purchase of rock salt for the 2026/2027 and 2027/2028 winter season to The Detroit Salt Company, Detroit, Michigan in the amount not-to-exceed \$650,668.20 through June 30, 2028.

REASON FOR PURCHASE:

The City of Farmington Hills on behalf of the MITN Cooperative issued bids for Rock Salt utilizing the MITN system. Bids were opened Tuesday, April 14, 2026 with two responsive, responsible bids received. As a cooperative, 58,000 tons of salt for 26 entities, including the City of Rochester Hills was bid. The lowest, responsive, responsible bidder was Detroit Salt at a bid price of \$71.81 per ton for 2026/2027 and \$75.40 per ton for 2027/2028.

Rock Salt continues to be a challenging commodity to procure. Pricing is dictated by fuel prices, weather conditions, weather predictions, supply and demand. The 2025/2026 winter season proved especially challenging due to prolonged low temperatures and above-average snowfall. The cooperative agreement includes specifications that allow some flexibility in usage. Unlike some of the other cooperative efforts, this agreement allows agencies to increase or decrease their quantity commitment by 30% during the season and still maintain the contracted price per ton. This model has proven successful over the past several years to the agencies to help agencies deal with fluctuating demand.

The recommended award is to Detroit Salt Company. The City of Farmington Hills City Council authorized award of the agreement as the lead agency at their April 27, 2026 meeting. Detroit Salt has provided Rock Salt to the City over the past several years and always has provided excellent product and service. Detroit Salt pricing proposal is for 2026/2027 and 2027/2028, with the option to renew for four (1) additional one-year periods, at a 5% per year price increase, subject to mutual consent between the City. Due to the fluctuating demand due to weather the award recommendation includes the quantity contingency of 130% of the estimated 3,400-ton per year usage, for both contract years or a not-to-exceed budget amount of \$650,668.20.

PROCESS:

Vendor Name and Address:

The Detroit Salt Company
12841 Sanders Street
Detroit, MI 48217

Reason for Selection:

Lowest, responsive, responsible bidder

Method of Purchase:

Blanket Purchase Order

BUDGET:

Funding is included in the FY 2026 Adopted Budget and the FY 2027-2028 Projected Budgets

| Fund Name | Department Account No | Account No. Description | 2-year Budget Amount | 2-year Cost | Remaining Budget |
|--------------|-----------------------|-------------------------|----------------------|--------------|------------------|
| Major Road | 482.781000 | Material - Salt | \$314,000 | \$312,334.10 | \$1,665.90 |
| Local Street | 484.781000 | Material - Salt | \$340,000 | \$338,334.10 | \$1,665.90 |
| | | Total | \$654,000 | \$650,668.20 | \$3,331.80 |

RECOMMENDATION:

It is recommended that City Council authorize a blanket purchase order for the purchase of rock salt for the 2026/2027 and 2027/2028 winter season to The Detroit Salt Company, Detroit, Michigan in the amount not-to-exceed \$650,668.20 through June 30, 2028.

| APPROVALS: | SIGNATURE | DATE |
|--|-----------|------|
| Department Review | | |
| Department Director | | |
| Budget Content: Chief Financial Officer | | |
| Purchasing Process: Procurement Manager | | |
| Mayor | | |
| City Clerk | | |

Contract Reviewed by City Attorney Yes N/A