



City of Rochester Hills  
AGENDA SUMMARY  
FINANCIAL ITEMS

1000 Rochester Hills Dr.  
Rochester Hills, MI 48309  
248.656.4630  
[www.rochesterhills.org](http://www.rochesterhills.org)

---

Legislative File No: 2011-0476 v.2

**TO:** Mayor and City Council Members  
**FROM:** Allan Schneck, Director Department of Public Services  
**DATE:** September 10, 2012  
**SUBJECT:** Increase in Purchase Authorization for Calcium Chloride

---

**REQUEST:**

City Council is requested to authorize an increase to the blanket purchase order to Liquid Calcium Chloride Sales, Kawkawlin, Michigan in the amount of \$20,000.00 for calcium chloride for the total amount not-to-exceed \$110,000.00 through December 31, 2012.

**REASON FOR PURCHASE:**

The Department of Public Services provides calcium chloride applications to control dust on gravel roads throughout the City. Sealed bids were solicited using MITN that requested pricing for application of Calcium Chloride for 2011 and 2012. Liquid Calcium Chloride Sales has agreed to extend the existing contract. The continuation of the contract through 2012 is recommended. Liquid Calcium Chloride Sales is a previous vendor of the City and has provided quality product and services.

Prior to 2010, chloride applications were at 2000 gallons per mile with a concentration of 35% chloride. Current applications are applied at 1000 gallons per mile at the same 35% concentration. Multiple years of applications created a residual of chloride that lasted through last summer under minimal application rates (1000 gallons per mile). Chloride residuals are now depleted, creating dust migration under traffic and windy weather. The spring and summer weather of 2012 has produced unusual periods of dry, windy weather further aggravating the dust conditions.

**PROCESS:**

**Vendor Name and Address:**

Liquid Calcium Chloride Sales  
2715 S. Huron Road  
Kawkawlin, MI 48631

**Reason for Selection:**

Lowest, responsive, responsible bidder

**Method of Purchase:**

Increases in Blanket Purchase Order

**BUDGET:**

The annual Calcium Chloride Dust Control program is included in the Local Street Preservation / Contractual Services budget (464.807000). The \$20,000 in additional funding is proposed to be drawn from unexpended items from within the same contractual services account (464.807000) with no need for additional funding anticipated.

<b>Fund Name</b>	<b>Department Account No</b>	<b>Account No. Description</b>	<b>Budget Amount</b>	<b>Cost</b>	<b>Remaining Budget</b>
Local Roads	464.807000	Contractual Services	\$110,000	\$110,000	\$0

**RECOMMENDATION:**

City Council is requested to authorize an increase to the blanket purchase order to Liquid Calcium Chloride Sales, Kawkawlin, Michigan in the amount of \$20,000.00 for calcium chloride for the total amount not-to-exceed \$110,000.00 through December 31, 2012.

<b>APPROVALS:</b>	<b>SIGNATURE</b>	<b>DATE</b>
Department Review		
Department Director		
Budget Content: Finance Director		
Purchasing Process: Supervisor of Procurement		
Mayor		
City Council Liaison		