

# Council Communication

Office of the City Manager

**Date:** June 11, 2012

Agenda Item No. 41

Roll Call No. <u>12-0909</u> Communication No. 12-267

Submitted by: William G. Stowe,

Assistant City Manager – Public Works Director

## **AGENDA HEADING:**

Approving the procurement of salt from the City of West Des Moines, Iowa for good cause shown to be used for 2012/2013 Snow and Ice Control operations.

## **SYNOPSIS:**

The Department of Public Works, along with the City of West Des Moines, Polk County and twenty (20) other public agencies representing the Central Iowa Salt Group (CISG), joined in a combined bid process for rock salt for delivery to the Metropolitan Salt Storage Facility. The City of West Des Moines purchased 2,300 tons more than their storage capacity will allow following the light winter of 2011/2012. To avoid remote storage charges, they have requested to sell the soon-to-be-delivered salt at favorable pricing to the City of Des Moines at the current low bid price of \$55.91 per ton obtained through competitive bids opened on April 25, 2012 for the 2012/2013 winter season. Purchase of the salt from West Des Moines will reduce the amount of salt ordered from the City's salt supplier. Staff recommends approval of purchasing salt from the City of West Des Moines, Iowa - at the same low bid price that was obtained through competitive bids to be used during the 2012/2013 winter season—for a total cost of \$128,593.00 for 2,300 tons delivered to the Metropolitan Salt Storage Facility.

## **FISCAL IMPACT:**

Amount: \$128,593.00

Funding Source: FY 2012/2013 Public Works Department Operating Budget, Fund SP360, Org

PWK040400, Street Maintenance Fund, page 253.

# **ADDITIONAL INFORMATION:**

The City of Des Moines' Snow and Ice Control Program involves the use of salt and salt/sand mixtures throughout the winter season. The average winter usage is approximately 8,200 ton per year; however, winters such as the 2009/2010 winter could require in excess of 10,000 tons.

The City of West Des Moines has offered to provide 2,400 tons of salt - at a price that is the same as was obtained through competitive bids - to be used during the 2012/2013 winter season. Staff recommends purchasing this salt from the City of West Des Moines, in addition to our salt purchased from the low bidder, Hutchinson Salt Company. This provides for the salt required for the 2012/2013

snow season at a competitive price, as well as assisting the City of West Des Moines in promoting intergovernmental cooperation. The City Manager's Office has agreed to waive the normal competitive bidding requirement for good cause shown per Section 2-710(a) below, and also recommends purchasing the salt from the City of West Des Moines.

Sec. 2-710. – City Council and City Manager may exempt contracts from the provisions of this subdivision; City Manager may exempt contracts from administrative rules, regulations and procedures.

(a) The City Council may on a case by case basis, upon the recommendation of the City Manager for good cause shown, exempt contracts for the provision of goods and/or services from the competitive procurement requirements of this subdivision, or waive the formal competitive bidding procedure and authorize use of informal competitive bidding procedure for goods and/or services to cost in excess of \$25,000.00.

# PREVIOUS COUNCIL ACTION(S):

<u>Date</u>: July 11, 2011

Roll Call Number: 11-1219

Action: <u>Hutchinson</u> Salt Co. (Larry Bingham, President) for one-year contract renewal for rock salt purchases to be used by Public Works for 2011-2012 snow and ice control operations (Cooperative effort with West Des Moines, Polk County and 20 other public entities representing the Central Iowa Salt Group (CISG), \$679,082. (Ten bids mailed, three received). (<u>Council Communication No. 11-460</u>) Moved by Meyer to adopt. Motion Carried 7-0.

<u>Date</u>: July 12, 2010

Roll Call Number: 10-1144

<u>Action</u>: <u>Hutchinson</u> Salt Co. (Larry Bingham, President) for one-year contract renewal of rock salt purchases to be used by Public Works for 2010-2011 snow and ice control operations (Cooperative effort with West Des Moines, Polk County and 17 other public entities representing the Central Iowa Salt Group (CISG)), \$276,057.90. (Ten bids mailed, three received). (<u>Council Communication No. 10-439</u>) Moved by Hensley to adopt. Motion Carried 7-0.

Date: March 29, 2010

Roll Call Number: 10-477

Action: Approving exception to procurement ordinance competitive bidding requirements for good cause and approving procurement of up to 10,000 tons of rock salt at a cost of \$525,000 from Cargill (Dale Fehrenbach, President). (Council Communication No. 10-170) Moved by Griess to adopt. Motion Carried 6-1.

# **BOARD/COMMISSION ACTION(S): NONE**

# ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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