

Request for City Council Action

Date: March 24, 2015

Agenda Section: Consent Agenda No. 5	Originating Department: Finance-Purchasing Public Works - Motor Fuel Tax Maint. Operations
Item: Approval of Purchase of Rock Salt through the State of Illinois Joint Purchasing Program No. 5.7	

Background and Summary:

The Procurement Services Division of the State of Illinois Department of Central Management Services (CMS) has notified the City that it will be soliciting bids for the purchase of rock salt sometime during May/June 2015. To participate in the joint purchase of bulk rock salt this year, the City is required to submit a requisition to CMS by March 27, 2015.

In an effort to meet the demands of small and large communities, CMS is offering three options for committing to the purchase of rock salt for FY2016:

Option 1 - The City is required to purchase not less than 80% of the requested amount by June 30, 2016 with the vendor agreeing to supply a maximum of 120% of the requested amount (if needed) by March 1, 2016.

Option 2 - The City is required to purchase 100% of the requested amount by June 30, 2016 with the vendor agreeing to supply a maximum of 120% of the requested amount (if needed) by March 1, 2016.

Option 3 - Renew the existing Contract at a price not to exceed 10% above the current FY2015 price with a volume not to exceed 20% of last year's request (The City of Carbondale is eligible for this option, but staff feels that bidding will yield a lower price than the current \$95.18/Ton due to the excess supply that is currently available).

All options allow the City to purchase up to 50% of the requested amount by November 30, 2015. The State strongly encourages governmental units to order early and store as much salt as possible in order to prevent potential salt shortages during the winter. Staff recommends selecting purchasing commitment "Option 2" for 800 Tons as the City's stock of rock salt is adequate due to the mild winter that Carbondale has experienced this season.

Carbondale Revised Code Section 1-6-16 allows cooperative purchasing with other government units when the best interests of the City would thereby be served. The purchase of rock salt through the State of Illinois' bid is in the City's best interests. The State secures a contract bond from the vendor to guarantee delivery of the requisitioned amount and the price remains firm up to the 120% guaranteed limit for the duration of the contract. Historically, the purchase of this commodity through Joint Purchasing has benefitted the City with below open market prices and guaranteed availability and delivery.

The proposed requisition is for 800 tons with an estimated cost through the State Bid of \$68,000. Sufficient funds have been included in the FY 2016 Budget for the purchase of rock salt for highway snow and ice control from Motor Fuel Tax Funds.

Engineering Approval Obtained	Finance Approval Obtained	Legal Approval Obtained	_____ Approval Obtained	Manager's Approval Obtained
Council Action: Motion by: _____			2nd by: _____	to: _____

**Approval of Purchase of Rock Salt through
the State of Illinois Joint Purchasing Program**

March 24, 2015

Carbondale Revised Code Section 1-6-13.E.7 allows exceptions to the formal contract procedure when it is determined to be in the best interests of the City. This would require an affirmative vote of two-thirds (2/3) of those Council members present, but at least four (4) votes are required. (If all Council members are present, five (5) votes are required for approval.)

Recommended Action:

It is requested that the City Council:

1. Reaffirm that the purchase of rock salt through the State of Illinois Joint Purchasing Program is in the best interests of the City of Carbondale, and move to Approve the Purchase of Rock Salt for highway snow and ice control; and
2. Authorize the City Manager to submit a requisition to the State of Illinois Department of Central Management Services for 800 tons of rock salt through the Joint Purchasing Program, using purchase commitment "Option 2"- With the City being required to purchase not less than 100% of the requested amount by June 30, 2016 with the vendor agreeing to supply a maximum of 120% of the requested amount (if needed) by March 1, 2016.



ILLINOIS

JOINT PURCHASING REQUISITION CY'15-'16 New Purchase Commitment

PLEASE RETURN TO:
 Illinois Department of
 Central Management Services
 801 Wm. G. Stratton Building
 401 S. Spring Street
 Springfield, IL 62706
 Fax: (217) 782-5187
 Email Address for submission:
 CMS.BOSS.EC@illinois.gov

 No Thank You,
 But keep on mailing list.

Opt-Out-> Our unit **does not want to participate** in the CY' 2015-2016 Contract Procurement.
Notice:-> Please complete and return the Contact information below to remain on the mailing list.

Joint Purchasing #: L0810

Government Unit: City of Carbondale

Mailing Address: P.O. Box 2047

City / State / Zip: Carbondale, IL 62902-2047

County: Jackson

Contact Person: Sean C. Henry

Telephone Number: (618) 457-3270

Fax Number: (618) 457-3243

Contact Email: shenry@ci.carbondale.il.us

Date: 03 / 24 / 2015

Delivery Point
(Provide Delivery Details To Contract) (Vendor At Time Of Order Placement)
Street Maintenance Yard:
212 West Willow Street Carbondale, IL 62901
<- Please provide Email Address

***** Participant, Complete Only One - Either "Table-A" or "Table-B" Below *****

Table A: Complete this table to have the State "SOLICIT BIDS" for your governmental entity		
ITEM DESCRIPTION	BID QUANTITY	UNIT MEASURE
AASHTO M143 Road Salt or Equivalent	(Total Tonnage)	(22 - 25 Ton / Truck)
Rock Salt, Bulk	<u> 800 </u>	T o n s

Please note your **Purchase Commitment Percentage** for **Total Tonnage Quantity** as stated above (choose one):

OPTION 1 80% minimum purchase requirement/120% maximum purchase requirement
 OPTION 2 X 100% minimum purchase requirement/120% maximum purchase requirement

***** Participant, Complete Only One - Either "Table-A" Above or "Table-B" Below *****

Table B: Complete this table to have the State "RENEW" Requirements for your governmental entity		
ITEM DESCRIPTION	QUANTITY	UNIT MEASURE
AASHTO M143 Road Salt or Equivalent	(Total Tonnage)	(22 - 25 Ton / Truck)
Rock Salt, Bulk	<u> </u>	T o n s

Note: Renewal is available ONLY under Contracts PSD 4017724, 4017725, or 4017726 for the CY' 2015-2016 season. Your quantity may not exceed more than a 20% increase of last season's quantity, and price cannot increase more than 10.% of last season's price. Other Terms & Conditions of Contract will remain the same as last year. Please Check Contract # Below: Note Current CMS Contract Number: PSD 4017724 () -or- PSD 4017725 () -or- PSD 4017726 ()

I certify that funds are available for the purchase of the items on this Requisition and that such items are for the sole use of this governmental unit, and not for personal use of any official or individual or re-sale.

In addition, I agree to abide by the Joint Purchasing Procedure established by the Department of Central Management Services.

 SIGNATURE OF AUTHORIZED OFFICIAL OR AGENT
Printed on Recycled Paper

 TITLE