

070611

VILLAGE OF LOMBARD
REQUEST FOR BOARD OF TRUSTEES ACTION

For Inclusion on Board Agenda
Bids and Proposals

TO : President and Village Board of Trustees

FROM : William T. Lichter, Village Manager

DATE : October 1, 2007
Agenda Date: October 18, 2007

TITLE : Bid Opening For: Road Sale FY2008

WTS

SUBMITTED BY: Keith J. Surges, Operations Superintendent

RESULTS:

Date Bids Were Published _____ Bidding Closed _____

Total Number of Bids Received _____

Total Number of Bidders Meeting Specifications _____

Bid Security Required _____ Yes _____ No _____

Performance Bond Required _____ Yes _____ No _____

Were Any Bids Withdrawn _____ Yes _____ No _____

Explanation:

Waiver of Bids Requested? _____ Yes _____ No _____

If yes, explain:

Award Recommended to Lowest _____ Yes _____ No _____

Responsible Bidder? _____ Yes _____ No _____

If no, explain:

FISCAL IMPACT:

Engineer's estimate/budget estimate \$110,000.00

Amount of Award \$160,600.00 7370.733200

BACKGROUND/RECOMMENDATION:

See attached memo.

Has Recommended Bidder Worked for Village Previously _____ Yes _____ No _____

If yes, was quality of work acceptable _____ Yes _____ No _____

Was item bid in accordance with Public Act 85-1295? _____ Yes _____ No _____

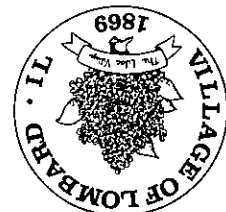
Waiver of bids - Public Act 85-1295 does not apply _____ Yes _____ No _____

REVIEW (as needed):

Village Attorney XX _____ Date _____

Finance Director XX _____ Date _____

Village Manager XX William T. Lichter _____ Date 10/4/07



To: William T. Lichter, Village Manager

Through: Wesley Anderson, Director of Public Works
Keith J. Surges, Operations Superintendent

Date: October 1, 2007

Subject: FY 2008 Road Salt Purchase

Attached you will find the State of Illinois bid price for rock salt for the FY 2008. The successful bidder this year is North American Salt Company. This year there is an increase in cost of 10.50%; salt contract price will be \$40.15 per ton.

The Village Board approved joint purchase of rock salt with the State of Illinois on April 5, 2007. The Village requisition included an estimated 4,000 tons of salt. The Village is required to purchase 70% of this amount (2,800 tons) or at its option may purchase up to 130% of this amount at the same price (5,200 tons).

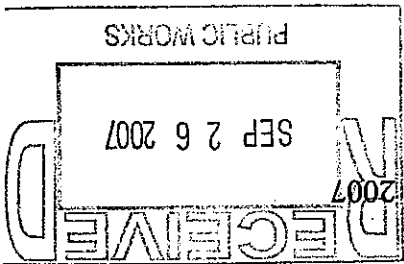
Following through on the April 5, 2007, Board approval, authorization is requested to enter into contract with North American Salt Company to purchase 4,000 tons of rock salt at \$40.15 per ton. The purchase order will be in an amount not to exceed \$160,600.00, which includes a budget adjustment increase of \$50,600.00 in the event that we exceed the 2,740 tons of salt budgeted (\$110,000). As a formality, I am requesting a waiver of bids.

Please place this item on the October 18, 2007, Board agenda.

Please contact me should you have any questions.

CMS

ILLINOIS
Rod R. Blagojevich, Governor
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
Maureen T. O'Donnell, Acting Director



Dear Joint Purchasing Participant:

Subject: 2007-2008 Rock Salt Contract Information

Enclosed is a copy of the requisition you submitted to us for the purchase of rock salt. The information from the requisition can be used to submit your requirements to this year's contract vendor.

Contract Number: PSD 4014341
FEIN: 48-1047632

North American Salt Company

9900 West 109-th Street

Overland Park, KS 66210

Phone (800) 323-1641 or (913) 344-9301

Contact Name: Patrick Heenan

The contract price per ton, F.O.B. destination, is **\$40.15**. Emergency pickup of salt at vendor's warehouse is available at the price of **\$40.00** per ton. Warehouses are open Monday through Friday, 7:30 a.m. to 4:00 p.m.. Please contact vendor during regular business hours for specific warehouse locations in your area.

The additional price per ton to have rock salt delivered in trucks equipped with coal/grain chute openings in the tailgate to permit controlled off-loading of rock salt onto conveyors is **\$5.25** per ton.

You are responsible for issuing your own purchase order document to the vendor. Orders may be placed with the vendor via telephone, with a written or fax confirmation to follow immediately. You are strongly encouraged to order early and to store as much salt as possible in order to help prevent potential salt shortages this winter. Also, you need to make every effort to place orders in full truckload lots (20-22 tons).

Your governmental unit is responsible for ensuring that the 70% guaranteed purchase requirement is met before the end of the season, June 30, 2008. Vendor is required to furnish not less than 130% (if required) of the requisitioned need by March 1, 2008.

Your governmental unit is responsible for the processing of vendor invoices in a timely manner.

Delivery shall be made as soon as possible after vendor receipt of order by phone or mail. The maximum time from receipt of order to the actual delivery for orders placed between November 1, 2007 through April 1, 2008 shall not exceed seven calendar days. There is not a set delivery time limit for orders placed prior to November 1, 2007.

For orders placed between November 1, 2007 and April 1, 2008, if the vendor is unable to make delivery within seven calendar days, local governmental units shall have the right to retain \$.20 per ton per calendar day as liquidated damages on the undelivered portion of the order. For an order placed prior to 9:00 a.m. on a given day, that day would be considered as the first calendar day of the seven-day delivery period. For orders placed after 9:00 a.m. on a given day, the following day would be considered as the first calendar day of the seven-day delivery period. If after seven calendar days of liquidated damages assessment, the vendor has still failed to deliver, local governmental units shall have the right to terminate the order and purchase salt or abrasives from another source or take action consistent with public safety as needed to continue daily business. Any and all additional costs may be collected from the original vendor, in addition to any liquidated damages.

All deliveries shall be covered with approved weatherproof materials. The vendor will ensure that the delivery person inspects the inside of the trailer and that all salt is removed from the trailer before leaving a delivery point. The vendor will ensure all weights and measures shown on delivery tickets are correct. Local governmental units reserve the right to require that delivery trucks occasionally be directed to a scale in the vicinity of the delivery point as a check on delivered truckloads.

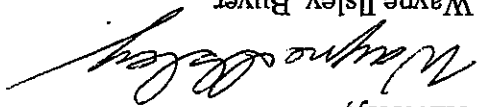
Deliveries of rock salt containing any foreign material such as mud, rocks, grader teeth, wood, tarpaulins, etc., may be rejected at the delivery site. In the event that any foreign material is discovered in dumped deliveries, the salt and foreign matter may be reloaded onto the cartage hauler's truck by the local governmental unit and returned for credit, or the vendor shall immediately ship a specification compliant load of replacement salt, or issue a refund to the governmental unit consistent with the contract price.

For your protection, the State has secured a performance bond from the contract vendor, valued at 20% of the total contract award.

By December 1, 2007, the contract vendor shall have in place stockpile(s) located in or near Illinois covering 100% of the tonnage awarded for the northern regions of the State. By January 1, 2008, the contract vendor shall have in place stockpile(s) located in or near Illinois covering 100% of the tonnage awarded for all other regions of the State. At our discretion, we will be inspecting these stockpiles to ensure that these stockpiles are in sufficient quantities, and that the commitments to these stockpiles are with the users of this contract.

Bureau Of Strategic Sourcing And Procurement

Wayne Hsley, Buyer



Sincerely,

contact me at (217) 782-8091.

If you have any further questions concerning the rock salt contract, please feel free to contact me at (217) 782-8091.

It is hoped that this information will be beneficial to you in the utilization of this contract. You are under contractual obligation to purchase 70% of the requested tonnage of rock salt from the vendor awarded your location. Purchase of the enhanced rock salt will not lessen this agreement, and would be in addition to your required purchase tonnage.

An enhanced rock salt product was offered by Central Salt Company. If your location is interested in ordering the enhanced salt product offered by Cargill, you may contact the Customer Service Center and inquire about availability by calling 1-888-499-7258.

An enhanced rock salt product was offered by Cargill Salt Division. If your location is interested in ordering the enhanced salt product offered by Cargill, you may contact the Customer Service Center and inquire about availability by calling 1-800-600-7258.

An enhanced rock salt product was offered by Cargill Salt Division. If your location is interested in ordering the enhanced salt product offered by Cargill, you may contact the Customer Service Center and inquire about availability by calling 1-800-600-7258.

The Department of Central Management Services requested pricing for an enhanced rock salt option in the invitation for bid. The vendor awarded the contract for your location did not provide any pricing for this option.

Enhanced Rock Salt 2007 - 2008 seasonal availability:

Unless an emergency exists, those local governmental units under the 130% purchase threshold will receive salt deliveries prior to those local governmental units over the 130% purchase threshold. In the case of an emergency, efforts will be made to have the vendor ship enough salt to aid affected local governmental units through the emergency.

The contract price shall remain firm for the entire contract period for up to the 130% guaranteed limit, unless otherwise changed by law. The contract price for purchases made in excess of the 130% guaranteed limit is subject to increase if vendor's costs for providing rock salt increase by more than 5%. Prior to acceptance of any price increase, the contract vendor must submit documentation to the local governmental unit justifying the increase. However, in the event that the economically adjusted price offered is higher than the next lowest bidder's bid which was offered on the bid invitation, and if the next lowest bidder is willing to hold the quoted price firm, affected governmental unit shall be permitted to buy rock salt from the next lowest bidder at the bidder's quoted price. Such secondary award will remain in effect for as long as the quoted price remains firm.



ILLINOIS

JOINT PURCHASING REQUISITION

Illinois Department of
 Central Management Services
 801 Wm. G. Stratton Building
 Springfield, IL 62706
 Fax: (217) 782-5187

PLEASE RETURN TO:

Joint Purchasing #: _____

Government Unit: _____

Mailing Address: _____

City / State / Zip: _____

County: _____

Contact Person: _____

Telephone Number: _____

Fax Number: _____

L-3250 - 3250

Date: April 5, 2007

Delivery Point
 282 E. Central Ave.
 Lombard, Illinois

Village of Lombard
 255 E. Wilson Avenue
 Lombard, Illinois 60148
 DuPage
 Keith J. Surges
 630-620-5988
 630-873-4603

June # 0014

Ch. Amman, \$40.15

ITEM DESCRIPTION	QUANTITY	UNIT MEASURE	AMOUNT BUDGETED
AASHTO Specification M143 Road Salt	4000	Tons	\$110,000
Rock Salt, Bulk			

RECEIVED
 APR 23 2007
 POSSAP
 TMS

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 government unit and not for the personal use of any official or individual.

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

Village President

TITLE