

	AGENDA ITEM EXECUTIVE SUMMARY		Agenda Item number: 5.F
	Title:	Recommendation to Approve a Resolution Awarding a 3-Year Unit Cost Bid for Water Treatment Salt	
	Presenter:	Tim Wilson	

Meeting: Government Services Committee

Date: February 26, 2024

Proposed Cost: \$ 128,700

Budgeted Amount: \$ 130,000

Not Budgeted:

TIF District: None

Executive Summary (if not budgeted, please explain):

The City advertised and solicited bids for water softening salt. On February 5, 2024, the City received one (1) bid for this project and the results were as follows:

Delivery Type	Annual Est (Tons)	FY 2024- 2025		FY 2025 – 2026		FY 2026 - 2027	
		Price Per Ton	Annual Cost	Price Per Ton	Annual Cost	Price Per Ton	Annual Cost
Dump Delivery	500	\$143.00	\$71,500	\$149.00	\$74,500	\$153.00	\$76,500
Pneumatic Delivery	400	\$143.00	\$57,200	\$149.00	\$59,600	\$153.00	\$61,200
FY Est. Total			\$128,700		\$134,100		\$137,700

The bid included unit prices for a three-year contract. Two delivery methods, pneumatic or dump, are utilized due to site restrictions; therefore, a unit price cost was requested for each.

Salt usage is based on water production; therefore, there might be a slight variation in salt usage from year to year. Currently, the city uses an average of 900 tons of water treatment salt per year, with approximately 400 tons in pneumatic deliveries and 500 tons in dump deliveries.

The sole bidder of Midwest Salt has provided service to the City in the past.

Attachments (please list):

None

Recommendation/Suggested Action (briefly explain):

Recommendation to approve a Resolution awarding a three-year unit cost bid to Midwest Salt.