

**AGENDA ITEM EXECUTIVE SUMMARY****Agenda Item Number: 6.L****Title:**

Recommendation to Authorize a Budget Addition for the Purchase of Additional Untreated Rock Salt

Presenter:

AJ Reineking, Public Works Manager

Meeting: Government Services Committee**Date:** March 22, 2021Proposed Cost: *up to* \$568,750

Budgeted Amount: \$ 406,250

Not Budgeted: **Executive Summary** (*if not budgeted please explain*):

The City is currently participating in a joint bid for the purchase of bulk rock salt through the State of Illinois Central Management Joint Purchasing Program. The State's 2020/2021 contract for untreated rock salt was awarded to Compass Minerals America, Inc. of Overland Park, Kansas at a price of \$81.25 per ton. The City's obligation under this contract is for +/- 20% of a 5,000-ton order. To date, the City has received the full 5,000-ton order.

Due to the frequency of the winter events this year and the amount of material required, staff is seeking approval to purchase an additional 2,000 tons (an additional 40%) of salt to replenish the stockpile available in the domes. As such, a budget addition is requested in the amount of \$162,500 for this purchase.

This requested amount is 1,000 tons over what Compass is required to provide to the City. Staff has engaged Compass and will continue to work with them to receive the maximum amount of salt available, up to 2,000 additional tons.

Funds will be transferred from general fund reserves.

Attachments (*please list*):

*Budget Addition Form

Recommendation/Suggested Action (*briefly explain*):

Recommendation to authorize a budget addition in the amount of \$162,500 for the purchase of untreated rock salt.

BUDGET REVISION REQUEST FORM

Department: Public Works

Date Requested: March 9, 2021

Purpose of Request/Comments (Free form type)

Due to the frequency of the winter events experienced this year and the amount of salt material required, staff is seeking approval for the purchase of an additional 2,000 tons (an additional 40%) of salt to replenish the stockpile available in the domes. The City currently has a bid rate of \$81.25/ton through the State of Illinois Joint Purchasing Program.

Equal Dollar Transfer

Amount _____

From
Account #: _____

To
Account #: _____

Activity #: _____

Activity #: _____

Addition (or Decrease) to Department Budget

Account # 100510-52802 Amount \$ 162,500.00

Activity #: 51010

Originator: AJ Reineking

_____ Date

Department Head: _____

_____ Date

Dir. Of Finance/Administration: _____

_____ Date

For Finance Use Only

Revision entered and updated

By: _____

Date: _____