

5-27-14

Notes for 2014 – 2015

Road Salt Bid

Per discussion with David Prott, upon review of the cover letter with the returned bid form remitted by North American Salt Company in response to Racine County's 2014 -2015 salt pricing request, North American Salt Company has requested that all associated municipalities for this bid solicitation agree to amend the prepared Racine County bid specification and agree to purchase 80% of the estimated bid quantities totaling 33,900 tons by 3/31/15. This requested change in the bid specification is a modification to the bid specification and would create storage issues for the associated municipalities. North American Salt Companies request for change to the bid specification was determined to be unacceptable.

A bid quote clarification phone call was placed to Cargill Salt. I attempted to reach Tomeka Roby (1-800-600-7258), however she was out for the day. I was transferred to her supervisor, Josh to discuss their recent bid submission.

Josh verified to me that there was no minimum quantity purchase requirement associated with their bid submission, however quoted bid pricing is capped at 150% of estimated quantities as specified within the bid specification under bid section B. Terms and Conditions; Item #3 - Quantities .

Given that North American Salt Company did not quote pricing based on the Racine County bid specification and requested a change to the bid specification by requesting that all municipalities agree to amend the bid specification to include a minimum quantity purchase of 80% of estimated quantities by 3/31/15, their bid was rejected.

The 2014 – 2015 salt bid will be awarded to Car Gill Salt based on their bid submission that fully met the Racine County bid specification at quoted pricing of \$69.20 per ton, with no minimum quantities per municipality, up to 150% of estimated quantity amounts per municipality as detailed within the bid specification.

kjs

Legistar No. 14-10356

BID TABULATION ROAD SALT - 2014/15	Cargill Salt	Morton Salt	North American Salt	Central Salt	Detroit Salt
FOB Racine County	\$69.20	\$98.85	\$67.95	No Bid	No Bid
Truckload size	25 tons	20 tons	25 tons		
Stockpile Location	Milwaukee	Milwaukee	Milwaukee		
<u>Delivery</u>		(10ton min pick-up @ Mwk, WI - \$96.00)			
Minimum Order	25 tons	20 tons	25 tons		
Timing	3-5 business days	1-5 days ARO	3-7 days ARO		
Chemical analysis and gradation enclosed:	yes	yes	yes		
<u>Payment Terms</u>					
Discount	0	n/a	n/a		
Days	0		n/a		
Net	30 days	30 days	30 days		
Tonage available <u>per shipping point</u>	50,850*	150,000	500,000		
Daily trucking capacity <u>available</u>	1,000 tons/day	4,000 tons/day	10,000 tons/day		

* Total decreased since last year.