



City of Grand Island

Tuesday, July 10, 2018

Council Session

Item G-8

**#2018-204 - Approving Bid Award for Annual Supply of Road
Deicing Chemicals**

Staff Contact: John Collins, P.E. - Public Works Director

Council Agenda Memo

From: Shannon Callahan, Streets Superintendent

Meeting: July 10, 2018

Subject: Approving Bid Award for Annual Supply of Road Deicing Chemicals

Presenter(s): John Collins PE, Public Works Director

Background

The City of Grand Island Streets Division uses granular road salt and other granular products to treat icy roadway conditions during the winter months. The salt storage facility, "Salt Dome", is capable of holding 900 Tons of bulk deicing material. Average annual tonnage of road deicing chemicals used by the City ranges between 1,000 tons and 1,500 tons. The storage facility is filled to maximum capacity after winter and kept as full as possible during the winter months. Currently, the salt storage facility is not full and would require an additional 750 Tons to reach capacity.

The City of Grand Island Streets Division has historically used the State of Nebraska Contract for purchasing bulk deicing chemicals. This pricing is subject to regional delivery charges not direct delivery to Grand Island. For this fact, the Streets Division advertised for bids of deicing chemicals to ensure we are receiving the best price.

Each bid line was considered and recommended for award separately. These items included two (2) different types of road deicing chemicals, Road Salt and Ice Slicer, during two (2) separate conditions, off-peak and peak seasons. Off-Peak pricing shall be valid between May 1 and August 31; Peak season pricing shall be valid between September 1 and April 30.

Discussion

Bids were advertised on June 14, 2018 and sent to four (4) potential bidders. Four (4) bids were received and opened on June 26, 2018. Below is the bid award recommendation.

Ice slicer is a specialty product sold by only one (1) vendor within Nebraska. Two (2) of the bidders proposed different products but not Ice Slicer. Again, Grand Island has only used the State of Nebraska Contract for purchasing Ice Slicer; currently the State requests pricing for Ice Slicer, only. At this time, it would be best to continue to use the State of

Nebraska contract pricing for ice slicer and research the other products available before signing a long term contract. Therefore, no award for Ice Slicer, Off-Peak and Ice Slicer, Peak is being recommended.

To compare, the current State of Nebraska contract pricing for road salt within Grand Island’s region is \$45.00 for off-peak plus fuel surcharge and \$51.50 plus fuel surcharge during peak times. The current State of Nebraska pricing was based on 2017 fuel prices of \$2.42 per gallon. Due to the volatility of fuel prices it is recommended to award these two line items to the lowest bidder.

Annual Supply of Road Deicing Chemicals
Bid Award Recommendation

Deicing Chemical, Condition	Date Range	Vendor	Unit Price
ROAD SALT, OFF-PEAK	May 1- Aug 31	Black Strap, Inc. Neligh, NE	\$45.90 per ton
ROAD SALT, PEAK	Sept 1-Apr 30	Black Strap, Inc. Neligh, NE	\$47.30 per ton
ICE SLICER, OFF-PEAK	May 1- Aug 31	<i>NO AWARD</i>	
ICE SLICER, PEAK	Sept 1-Apr 30	<i>NO AWARD</i>	

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

City Administration recommends that the Council approve the purchase of Annual Supply of Road Deicing Chemicals according to the bid award recommendation.

Sample Motion

Move to approve the purchase of the Annual Supply of Road Deicing Chemicals according to the bid award recommendation.



Stacy Nonhof, Purchasing Agent

*Working Together for a
Better Tomorrow, Today*

BID OPENING

BID OPENING DATE: June 26, 2018 @ 2:00 pm
FOR: Annual Supply of Road Deicing Chemicals
DEPARTMENT: Public Works
ESTIMATE: \$60,000.00
FUND/ACCOUNT: 21033502-85535
PUBLICATION DATE: June 14, 2018
NO. POTENTIAL BIDDERS: 4

SUMMARY

Bidder: Central Salt, LLC Black Strap, Inc.
Lyons, KS Neligh, NE
Exceptions: None Noted
Bid Price:
Road Salt, Off-Peak \$52.23 per ton \$ 45.90 per ton
Road Salt, Peak \$59.18 per ton \$ 47.30 per ton
Ice Slicer, Off-Peak No Bid \$115.00 per ton
Ice Slicer, Peak No Bid \$120.00 per ton

Bidder: Nebraska Salt & Grain Co. GMCO Corporation
Gothenburg, NE Rifle, CO
Exceptions: None None
Bid Price:
Road Salt, Off-Peak \$51.50 per ton No Bid
Road Salt, Peak \$53.50 per ton No Bid
Ice Slicer, Off-Peak No Bid \$159.40 per ton
Ice Slicer, Peak \$172.75 per ton \$163.40 per ton

cc: John Collins, Public Works Director Catrina DeLosh, PW Admin. Assistant
Marlan Ferguson, City Administrator William Clingman, Interim Finance Director
Stacy Nonhof, Purchasing Agent Shannon Callahan, Street Supt.

P2056

RESOLUTION 2018-204

WHEREAS, the City of Grand Island invited sealed bids for furnishing Annual Supply of Road Deicing Chemicals, according to plans and specifications on file with the Public Works Department; and

WHEREAS, on June 26, 2018 bids were received, opened and reviewed; and,

WHEREAS, four (4) vendors submitted responsible bids within the bid specifications.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the below bid line items, are hereby approved;

Deicing Chemical, Condition	Date Range	Vendor	Unit Price
ROAD SALT, OFF-PEAK	May 1- Aug 31	Black Strap, Inc. Neligh, NE	\$45.90 per ton
ROAD SALT, PEAK	Sept 1-Apr 30	Black Strap, Inc. Neligh, NE	\$47.30 per ton
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ICE SLICER, PEAK	Sept 1-Apr 30	<i>NO AWARD</i>	

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Adopted by the City Council of the City of Grand Island, Nebraska, July 10, 2018.

Jeremy L. Jensen, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form ✕ _____ July 5, 2018 ✕ City Attorney
