

MEMO 22-09

TO: Frank Schulte, City Administrator
FROM: James Kowalski, Director of Public Services *JK*
DATE: March 10, 2022
SUBJECT: Recommendation – Road Salt 2022/2023 Season

On March 14, 2018, a two-year bid request for supplying road salt for the winter maintenance seasons was posted on the Michigan Intergovernmental Trade Network (MITN) website by the City of Farmington Hills for the Oakland County Road Commission on behalf of 26 cooperative participants, including the City of Grosse Pointe Woods.

Detroit Salt Company's bid overall came in lower for the two-year contract and offered an option of three additional one-year extensions at the approved 3% per year increase upon mutual consent between the City and Detroit Salt Company.

On February 9, 2022, the Detroit Salt Company renewed the agreement at the 3% increase, bringing the cost to \$56.11 per ton for the 2022/2023 winter season.

I am requesting that council approve the fifth and last year of the cooperative salt contract upon mutual consent between the City and Detroit Salt Company. We have committed to 1,300 tons for the upcoming 2022/2023 winter season. The City is required to take a minimum of 910 tons or can take a maximum of 1,690 tons.

The Detroit Salt Co. is the lowest qualified bidder and is located in Michigan. They provided salt to the city through the MITN/Oakland County Road Commission cooperative bid from 2008 through 2022 and their service has been satisfactory. Therefore, I concur with the decision of the MITN/Oakland County Road Commission cooperative and recommend that we purchase road salt for the 2022/2023 winter maintenance season from The Detroit Salt Company, 12841 Sanders Street, Detroit, MI 48217 at a price of \$56.11 per ton in an amount of \$94,830.00 for the maximum of 1,690 tons. The unencumbered funds in accounts 202-478-757.000 (\$23,710.00) and 203-478-757.000 (\$71,120.00) will be available upon approval of the 2022/2023 budget.

I do not believe any benefit will accrue to the City by seeking further bids. Approved for Council consideration.



Frank Schulte, City Administrator

3-10-22

Date

Fund Certification:

Account numbers and amounts have been verified as presented.



Shawn Murphy, Treasurer/Comptroller

3-11-2022

Date

Jeanne Duffy

From: Kelly Monico <KMonico@fhgov.com>
Sent: Wednesday, March 9, 2022 4:09 PM
To: Mehalski, Noah; Pamela Bratschi; Ed Mlynczyk; dcs@cityoforchardlake.com; Martha Ritchie; Felicia Venable; nlumpkin@cityofsouthfield.com; Jesse Sutton (jesse.sutton@southfieldk12.org); Sheryl Mitchell; Gary McKinney; Babcock, Bryan; tvandeputte@centerline.gov; Jeanne Duffy; Michael Way
Cc: Kevin McCarthy; Michelle Aranowski
Subject: MITN Rock Salt

Importance: High

Follow Up Flag: Follow up
Flag Status: Flagged

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Good afternoon-

A friendly reminder...I have not heard back from your agency regarding Rock Salt purchases for next year. Please see the email below. We need to finalize our commitment so I am again asking you to respond as requested below. I will extend the deadline to Tuesday, March 15th. If I do not hear back from your agency by then, I will presume you have found another source for rock salt and will remove your agency from the group. Thanks!

Kelly Monico
Director of Central Services
she/her/hers
City of Farmington Hills
248-871-2435
kmonico@fhgov.com

From: Kelly Monico
Sent: Wednesday, February 9, 2022 9:40 AM
To: Bryan Babcock (babcockb@scsmi.net) <babcockb@scsmi.net>; Chelsea Rodgers (crodgers@walledlake.com) <crodgers@walledlake.com>; Craig Treppa (ctreppa@cityofwarren.org) <ctreppa@cityofwarren.org>; Derrick Schueller (dschueller@berkleymich.net) <dschueller@berkleymich.net>; Devin Adams (dadams@cityofwestland.com) <dadams@cityofwestland.com>; Ed Mlynczyk (emlynczyk@oakparkmi.gov) <emlynczyk@oakparkmi.gov>; Felicia Venable (felicia.venable@southfieldk12.org) <felicia.venable@southfieldk12.org>; Gary Harris (gharris@romulusgov.com) <gharris@romulusgov.com>; Gary McKinney (gmckinney@centerline.gov) <gmckinney@centerline.gov>; Gerry McCallum (dcs@cityoforchardlake.com) <dcs@cityoforchardlake.com>; Heidi Dziak (Heidi.Dziak@metroparks.com) <Heidi.Dziak@metroparks.com>; Jason Dickinson (JDickinson@rochestertermi.org) <JDickinson@rochestertermi.org>; Jeanne Duffy (jduffy@gpwmi.us) <jduffy@gpwmi.us>; Jesse Sutton (jesse.sutton@southfieldk12.org) <jesse.sutton@southfieldk12.org>; Jill Nowak <JNowak@rochestertermi.org>; Kevin

McCarthy <KMcCarthy@fhgov.com>; Lisa Cummins <cumminsl@rochesterhills.org>; Lynn Conway (Lconway@romulusgov.com) <Lconway@romulusgov.com>; Mark Carufel (mcarufel@sterling-heights.net) <mcarufel@sterling-heights.net>; Martha Ritchie (martha.ritchie@southfieldk12.org) <martha.ritchie@southfieldk12.org>; Matt Hodges <mhodges@cityofclawson.com>; Michael Way <mway@gpshoresmi.gov>; Mike Slater (mslater@ci.livonia.mi.us) <mslater@ci.livonia.mi.us>; Motyka, Leah <LeahM@romi.gov>; Nikki Lumpkin (nlumpkin@cityofsouthfield.com) <nlumpkin@cityofsouthfield.com>; Noah Mehalski <nmehalski@bloomfieldtwp.org>; Pamela Bratschi (treasurer@lathrupvillage.org) <treasurer@lathrupvillage.org>; Paul Vandamme (pvandamme@roseville-mi.gov) <pvandamme@roseville-mi.gov>; Ray Krajewski <rkrajewski@oakparkmi.gov>; Robert Sacpaticci (rscappaticci@romulusgov.com) <rscappaticci@romulusgov.com>; Sheryl Mitchell (smitchell@lathrupvillage.org) <smitchell@lathrupvillage.org>; Thomas Vanderputte <tvandeputte@centerline.gov>; Tim Skima (TSikma@wixomgov.org) <TSikma@wixomgov.org>
Cc: Michelle Aranowski <MAranowski@fhgov.com>; JSzatkowski@detroitssalt.com; Bryan Pickworth <BPickworth@fhgov.com>; Kevin McCarthy <KMcCarthy@fhgov.com>; Debbie Scully <scullyd@rochesterhills.org>
Subject: FW: MITN Rock Salt

I hope this email finds you healthy & warm. A couple of items:

- 1) Below is a list of where all agencies stand regarding salt purchasing per the contract. Remember our agreement has minimums and maximums built in. We can purchase as little as 70% of our commitment and up to 130% of our commitment. *Please get with Jean if you see any discrepancies and to schedule any necessary deliveries.*
- 2) I know we are in the midst of this season, but looking ahead to next...It looks like we have one more renewal year in our agreement at 3%. Detroit Salt has agreed to extend for this final year. That would bring next season price for Oakland County to \$57.56 per ton, Macomb County to \$57.19 per ton and Wayne County to \$56.11 per ton. **Please let me know if your agency will be extending and how many tons for next seasons purchase by March 4,2022.** *Please note per our agreement, any Salt of the committed 70% can be carried over and applied to the season following (at next years price) OR, if you have storage you can top off this season at this year's rate.*

From: Jean Szatkowski <JSzatkowski@detroitssalt.com>
Sent: Wednesday, February 9, 2022 9:25 AM
To: Kelly Monico <KMonico@fhgov.com>
Cc: Kevin McCarthy <KMcCarthy@fhgov.com>; Michelle Aranowski <MAranowski@fhgov.com>
Subject: RE: MITN Rock Salt

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Good morning Kelly,

Yes, we would be interested in extending for the additional year at the 3% increase for the contract with MITN.

Below is the list of where agencies stand as of this morning(2/9/22).
Please let me know if you need anything further.

Entity:	Quantity	Shipped	On order	% taken	% taken with on order
BERKLEY CITY	1,200	749.64	150.00	62%	75%
BLOOMFIELD TOWNSHIP	4,800	876.18	1,144.48	18%	42%
CENTER LINE CITY	650	404.04	50.00	62%	70%
CLAWSON CITY	1,400	613.25	300.00	44%	65%
FARMINGTON HILLS CITY	5,000	1,520.48	500.00	30%	40%
GROSSE POINTE SHORES	300	150.31	50.00	50%	67%
GROSSE POINTE WOODS	1,300	505.81	52.03	39%	43%
HURON-CLINTON METROPARKS	1,350	558.68		41%	41%
LATHRUP VILLAGE	200	51.72	50.00	26%	51%
LIVONIA CITY	2,500	814.91	800.00	33%	65%
OAK PARK CITY	800			0%	0%
ORCHARD LAKE	600	297.34	50.00	50%	58%
ROCHESTER CITY	1,750	980.26	300.00	56%	73%
ROCHESTER HILLS CITY	3,200	810.60	500.00	25%	41%
ROMULUS CITY	2,200	1,506.35		68%	68%
ROSEVILLE CITY	2,000	1,014.62		51%	51%
ROYAL OAK CITY	5,500	2,993.12	177.08	54%	58%
SOUTHFIELD CITY	5,500	2,599.00	800.00	47%	62%
SOUTHFIELD SCHOOLS	350	149.57		43%	43%
ST CLAIR SHORES CITY	2,100	928.50	190.38	44%	53%
STERLING HEIGHTS CITY	8,000	2,503.87	1,000.00	31%	44%
WALLED LAKE CITY	400	253.95	100.98	63%	89%
WARREN CITY	9,000	1,457.71	447.13	16%	21%
WESTLAND CITY	6,000	1,700.61	1,101.92	28%	47%
WIXOM CITY	1,200	722.59		60%	60%
Grand Total	67,300	24,163.11	7,764.00	36%	47%

Thank you,
Jean

Jean Szatkowski
Bid and Contract Manager

Detroit Salt Company | 12841 Sanders St. | Detroit, MI 48217

Office 313-841-5144 Ext 7104 | Direct 313-488-1891 | Fax 313-841-1102 | jszatkowski@detroitsalt.com or sales@detroitsalt.com



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From: Kelly Monico <KMonico@fhgov.com>
Sent: Thursday, January 27, 2022 12:53 PM
To: Jean Szatkowski <JSzatkowski@detroitssalt.com>
Cc: Kevin McCarthy <KMcCarthy@fhgov.com>; Michelle Aranowski <MAranowski@fhgov.com>
Subject: MITN Rock Salt

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Hi Jean.

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Kelly Monico
Director of Central Services
she/her/hers
City of Farmington Hills
248-871-2435
kmonico@fhgov.com