

CITY OF NORMAN, OK STAFF REPORT

MEETING DATE: 01/24/2023

REQUESTER: ANDREW BRUEHL, UTILITIES SUPERVISOR

PRESENTER: GERI WELLBORN, UTILITIES MANAGER

ITEM TITLE: CONSIDERATION OF AWARDING, ACCEPTANCE, REJECTION,

AMENDMENT, AND/OR POSTPONEMENT OF BID 2223-43: SUBMITTED BY CARGILL IN THE AMOUNT OF \$257 PER TON FOR THE

PURCHASE OF SALT FOR THE WATER TREATMENT FACILITY.

BACKGROUND:

On January 12, 2023, bids were opened for Bid 2223-43 regarding the purchase of Salt. Salt is used for generating bleach disinfectant in the treatment of water. Funds in the amount of \$1,002,299 have been budgeted in the fiscal year 2022-2023 (FYE 2023) budget, Water Fund - Water Treatment Plant - Operating Chemicals (account 31955234 43108) for purchase of all treatment chemicals.

DISCUSSION:

Specifications regarding Bid 2223-43 for Salt were sent to three (3) vendors and two (2) bids were received. Cargill of White Marsh, MD, submitted the lowest and best bid meeting all specifications in the amount of \$257 per ton. This compares to a cost of \$133.29 per ton last year for an increase of 92.81 percent (92.8%). This increase has occurred due mostly to the rise in transportation costs.

RECOMMENDATION:

Purchases will be made throughout FYE 2024. Bids have been examined by staff and found to be in order and proper as to form. Based upon the above information, staff recommends acceptance of the lowest and best bid provided by Cargill.