

OHIO TURNPIKE COMMISSION

Resolution Concerning Award of Contracts for Sodium Chloride (Rock Salt) Pursuant to Invitation No. 4099

WHEREAS, the Commission has advertised for bids for Invitation No. 4099 for furnishing to the Commission its requirements for sodium chloride (rock salt) estimated at approximately 70,400 tons; and

WHEREAS, the expenditures of the Commission for rock salt under Invitation No. 4099 shall exceed \$150,000.00 and, in accordance with Article V, Section 1.00 of the Commission’s Code of Bylaws, Commission action is necessary for the award of such contracts; and

WHEREAS, two (2) bids were received in response to the Invitation, which included quotations for rock salt, freight charges to designated Commission locations and any additional “piler” and/or “conveyor system” charges for stockpiling, if needed; and

WHEREAS, the bidding documents allow for the purchase by the Commission of up to **150%** of the quantities estimated for each individual delivery location and, because the severity of the snow and ice season for 2008/2009 is unpredictable, the Maintenance Engineer recommends that the Commission authorize the Executive Director to purchase up to 150% of the estimated quantities bid for each designated delivery location, if warranted; and

WHEREAS, the bids were reviewed and analyzed by the Maintenance Engineer, whose report concerning such analysis is before the Commission; and

WHEREAS, the Maintenance Engineer states that the following companies submitted the lowest responsive and responsible bids for the rock salt including freight:

<u>Items</u>	<u>Company</u>	<u>Bid Amount based on Estimated Quantities</u>	<u>150% of Estimated Quantities Bid</u>	<u>Piler or Conveyor Charges</u>	<u>Total</u>
1, 2, 3, 4, 13, 14 & 15	Morton Salt Chicago, Illinois	\$1,969,112.00	\$2,953,668.0	\$35,280.00	\$2,988,948.00
5, 6, 7, 8, 9, 10, 11 & 12	Cargill, Inc. Deicing Technology Business Unit, N. Olmsted, Ohio	\$1,743,815.00	\$2,615,722.50	\$48,000.00	\$2,663,722.50
Totals reflecting 150% of estimated quantities bid, including freight\$5,569,390.50			
The totals also reflect an estimated additional cost of conveying\$83,280.00			
20% of the maximum Contract quantity that may be delivered by the Contractors utilizing a piler or conveyor.					
Grand Total\$5,652,670.50			

WHEREAS, the Maintenance Engineer notes that the prices for rock salt have increased significantly since last year, on average 78% for locations bid by Morton Salt and 33% for locations bid by Cargill, Inc., however, investigation into the increases in price has revealed that salt prices have risen dramatically throughout the East and Midwest, in part, due to a lack of capacity by various salt mines to produce the quantities required by so many state DOT’s, toll roads, counties, cities, etc.; and

WHEREAS, the Maintenance Engineer further reports that the bidders propose to furnish materials and services in accordance with the Commission’s specifications, and he is, therefore, recommending that the Commission proceed with the award of a Contract to Morton Salt for Items 1, 2, 3, 4, 13, 14 and 15, and the award of a Contract to Cargill Inc. for Items 5, 6, 7, 8, 9, 10, 11 and 12; and

WHEREAS, the Maintenance Engineer recommends an award to Morton Salt in the amount of **\$2,988,948.00**, which amount reflects an additional \$35,280.00 which is the estimated cost of conveying 20% of the maximum Contract quantity that may be delivered by the Contractor utilizing a piler or conveyor; and

WHEREAS, the Maintenance Engineer further recommends an award to Cargill, Inc. in the amount of **\$2,663,722.50**, which amount reflects an additional \$48,000.00, which is the estimated cost of conveying 20% of the maximum Contract quantity that may be delivered by the Contractor utilizing a piler or conveyor; and

WHEREAS, should quantities of rock salt required for the 2008/2009 snow and ice season exceed 150% of the estimates for any Contract awarded, Commission approval will be requested for such additional expenditures; and

WHEREAS, the Director of Contracts Administration has advised the Commission that both bidders qualify for consideration under the Commission's "Buy Ohio Bid Preference" policy; and

WHEREAS, the Commission has also been advised by its Director of Contracts Administration that all bids for Invitation No. 4099 were solicited on the basis of the same terms, conditions and specifications, that the bids of Morton Salt and Cargill, Inc. Deicing Technology Business Unit each conform to the requirements of Ohio Revised Code Sections 5537.07 and 9.312, and that bid guaranties of good and sufficient surety have been submitted by said bidders; and

WHEREAS, the Executive Director has reviewed the reports of both the Maintenance Engineer and the Director of Contracts Administration and, predicated upon such analysis, has made his recommendation that a Contract be awarded for the lowest responsive and responsible bids received for Items 1, 2, 3, 4, 13, 14 and 15 to Morton Salt, and that a Contract be awarded for the lowest responsive and responsible bids received for Items 5, 6, 7, 8, 9, 10, 11 and 12 to Cargill, Inc. Deicing Technology Business Unit; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the bids of the following companies:

<u>Items</u>	<u>Company</u>	<u>Total Award</u>
1, 2, 3, 4, 13, 14 & 15	Morton Salt Chicago, Illinois	\$2,988,948.00
5, 6, 7, 8, 9, 10, 11 & 12	Cargill, Inc. Deicing Technology Business Unit, N. Olmsted, Ohio	\$2,663,722.50
Grand Total of Awards		\$5,652,670.50

for Invitation No. 4099 are, and are by the Commission deemed to be the lowest responsive and responsible bids received and the Executive Director and the Director of Contracts Administration, or either of them, is hereby authorized: (1) to execute a Contract with each successful bidder in the form heretofore prescribed by the Commission pursuant to the aforesaid Invitation, which Contract awards reflect 150% of estimated quantities bid for each individual delivery destination and any additional piler or conveyor charges; (2) to direct the return to the bidders of their bid securities at such time as the successful bidders have each entered into a Contract; and (3) to take any and all action necessary to properly carry out the terms of said Contracts.

(Resolution No. 30-2008 adopted July 28, 2008)