

**AGENDA
SPECIAL MEETING
VILLAGE OF PLEASANT PRAIRIE
PLEASANT PRAIRIE VILLAGE BOARD
Village Hall Auditorium
9915 – 39th Avenue
Pleasant Prairie, WI
April 14, 2014
5:30 p.m.**

1. Call to Order
2. Roll Call
3. New Business
 - A. Consider approval of a procurement contract with the State of Wisconsin to purchase road salt.
4. Adjournment

The Village Hall is handicapped accessible. If you have other special needs, please contact the Village Clerk, 9915 39th Avenue, Pleasant Prairie, WI (262) 694-1400.



Office of the Director of Public Works
John Steinbrink Jr., P.E.

To: Michael Pollocoff, Village Administrator
From: John Steinbrink, Jr., Director of Public Works
Subject: Additional Salt expenditure for 2014
Date: April 10, 2014

The Public Works Department is requesting the Village Board to approve an estimated additional \$120,000 for salt in the 2014 general fund budget. The winter of 2013/2014 yielded the most snow events and salt usage since we have kept records in 1995. The average salt use over the last four years is 2,644 tons. Public Works crews used 5,023 tons of road salt, almost two times the average, from November 2013 to March 2014.

Pleasant Prairie and most Wisconsin Municipalities purchase salt thru the State of Wisconsin State procurement contract. The Bid document was sent to Pleasant Prairie on Monday afternoon April 7, 2014 and is due no later than 5:00 p.m. April 16, 2014. The bid is separated into three components: Early Fill (salt is to be guaranteed delivery before November 14, 2014); Seasonal Fill (salt is to be guaranteed delivery before April 30, 2015); Reserve Fill (salt is to be guaranteed delivery before November 14, 2014 but cannot be more than 25% of order).

The Village salt barn can hold 7,200 tons when full. Public Works has 1,600 tons of salt stored to date and is expecting an additional delivery of 500 reserve tons in April 2014. The salt is not readily available for delivery until late January 2015. To be able to provide Village residents with the continued level of service this fall, staff is requesting to take early delivery of salt in October 2014. This will place the salt budget \$120,000 over the approved \$185,000 to \$305,000 for 2014.

It is estimated that salt will cost \$60 per ton. This cost estimate will total \$120,000 additional than was originally budgeted for 2014.

2,000 tons seasonal fill and 800 tons reserve will be budgeted for in the 2015 general fund. The cost estimate for salt in 2015 will be \$168,000.



Division of Transportation System Development
Bureau of Highway Maintenance
4802 Sheboygan Avenue Room 501
Madison, WI 53707-7986

Scott Walker, Governor
Mark Gottlieb, P.E., Secretary
Internet: www.dot.wisconsin.gov

Telephone: 608-266-1202
E-mail: saltadmin@dot.wi.gov

April 7, 2014

RE: Participation in 2014-2015 WisDOT Salt Contract

Dear Local Official,

This letter provides information on the Department's plan for purchasing salt for the 2014-2015 winter season. I encourage you to carefully consider this information before deciding whether your local government will benefit from participation in this WisDOT bid for road salt.

Attached is a Municipal Agreement form which needs to be filled out and submitted via e-mail by April 16th, 2014 for entities interested in participating in the state contract. The Department needs this information to begin the salt procurement process in mid-April and plans to finish procurement by May 31st.

A challenge for those participating in the bid is determining the quantity of road salt they will request to purchase, with some uncertainty on how much may be needed to finish up the current winter season. All vendors who are under the 2013-2014 contract which ends April 30th, 2014 have assured they will be able to fulfill any remaining contractual commitments. You should assume orders under the current agreement (2013-2014) will be filled in late April when computing next season's requirements.

Over the past several years all of the salt vendors servicing Wisconsin have struggled to keep up with the peak demand during the winter seasons. The transportation system, including ports, depots and private trucking resources has been routinely pushed to capacity. In addition, salt requested by local governments has continued to become more unbalanced with increasing amounts allocated to seasonal deliveries. In general, salt purchased in the early fill category is cheaper and easier for the vendor to provide than seasonal and vendor reserve. The more salt taken in early fill allows for additional dock space and resources to bring salt into the state prior to lakes possibly freezing up.

To help reduce the peak demands the state is maximizing the amount of early fill salt to fill sheds prior to the winter season. We are asking local governments to do the same and fill storage space allocated for road salt to capacity during the early fill season which ends on November 14th 2014. This year the Department is requesting additional information from local governments who wish to be part of the WisDOT salt contract (see attached form). This information is important to ensure local governments participating in the bid are utilizing available storage.

We continue to believe the current cooperative statewide bid is beneficial for both WisDOT and local units of government. Please understand, WisDOT has a role and responsibility to structure the salt contract in a manner that will help aid in timely delivery of salt during the winter season. This process and terms for the WisDOT salt contract may not generate the best results for individual governments, depending on their unique local circumstances. We encourage each local government to carefully consider what approach is best for meeting road salt needs.

Sincerely,

A handwritten signature in black ink, appearing to read "Rose Phetteplace".

Rose Phetteplace
Director/Bureau of Highway Maintenance

MUNICIPAL AGREEMENT TO PURCHASE SODIUM CHLORIDE ON WISDOT BID (April 2014)

THIS AGREEMENT MUST BE SIGNED, DATED, AND RECEIVED BY LISA MEINHOLZ
(saltadmin@dot.wi.gov)

WISDOT, Bureau of Highway Operations, P.O. Box 7986, Madison, WI 53707-7986

NO LATER THAN 5 PM ON WEDNESDAY, APRIL 16, 2014.

Annually the Wisconsin Department of Transportation, Bureau of Highway Maintenance takes bids for sodium chloride to be used as a deicing agent. For the 2014-15 bid the Department will receive a single, combined price to include three categories of delivery services for its road salt needs. They are:

1. **Guaranteed Early Fill** - this service is to take delivery of salt that will fill the purchaser's storage facilities to capacity. Vendor is required to complete delivery by November 14, 2014. The contract guarantees the vendors that 100% of the bid quantity shown as guaranteed early fill will be taken by the purchaser at the price awarded to the vendor. It obligates the vendor to deliver this guaranteed quantity. Vendors may ship road salt starting on the contract award date and concluding delivery by November 14, 2014. Notice to the purchasing agency is required as specified in the contract.
2. **Guaranteed Seasonal Fill** - this service is to take delivery of salt that will re-fill the storage facilities after November 14, 2014 and up to April 30, 2015. The contract guarantees the vendors that 100% of the bid quantity shown as guaranteed seasonal fill will be taken by the purchaser at the price awarded to the vendor, but the request for delivery is made by the purchasing agency. When both guaranteed early fill and guaranteed seasonal fill are contracted for, the municipality should take all early fill first before beginning to take delivery of seasonal fill.
3. **Vendor Reserve** - the vendor assures that it will have a reserve enabling it to provide additional salt up to the quantity let for bid as vendor reserve, which is taken at the discretion of the purchaser at the price awarded to the vendor. **The purchaser's vendor reserve cannot be more than 20% of the total of the Early Fill plus Seasonal Fill for a municipality.**

The WisDOT Bureau of Highway Maintenance will include the requested salt quantities for local units of government in the quantity for bid. Participating local units of government must agree to abide by the Special Terms and Conditions of the contract between WisDOT and the Vendor including procedures for ordering, taking delivery, acknowledging receipt of delivery, making payment for salt received, salt quantities, salt unit prices, and assessing penalties. By signing, participants are also agreeing to comply with Administrative Code TRANS 277 which requires registration and compliance at all salt storage facilities. TRANS 277 also requires annual on-site storage facility inspections.

The _____ (Name of Municipality) _____ (County) requests WisDOT to acquire the following quantity of sodium chloride for the 2014-2015 winter season and agrees to purchase at least the quantities shown in item 3 and item 4 below and to make payment as contractually required.

1. **Current Inventory** _____ tons. (include tonnage of yet to be delivered salt from 2013/2014 Contract)
2. **Storage Capacity for Road Salt** _____ tons. (This quantity should be the amount of storage available for regular road salt and should not include storage needed for sand/salt mix or other products)
3. **Guaranteed Early Fill** _____ tons. (Purchaser must take 100% delivery upon contractually required notice from vendor anytime after Purchase Orders are released, up to November 14, 2014)
4. **Guaranteed Seasonal Fill** _____ tons.
(Purchaser must take 100% delivery from the time the contract is awarded up to April 30, 2015)
5. **Vendor Reserve** _____ tons. (**This quantity can be no more than 20% of the sum of Items 3 and 4. Quantities that do not meet this requirement will be adjusted accordingly.**)
(Purchaser may take delivery at its discretion between November 14, 2014 and up to April 30, 2015)

Participants will receive a copy of the Bid Documents, the procedure to place orders, the form DT 2208 and instructions on how to use it, and assistance on other requirements contained in the Bid Documents.
*ALL SALT ORDERS NEED TO BE SUBMITTED TO VENDORS ON A DT2208 FORM

Signature Approval Authority (electronic signature accepted)

Date

Contact Phone Number
(ex: 608-555-1212)

Contact Fax Number
(ex: 608-555-1212)

Contact E-mail Address